

*An examination of the key drivers influencing employee  
engagement in a declining outsourcing company in Dublin*

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## **Abstract**

This study seeks to examine the key drivers of employee engagement in a declining outsourcing company in Dublin. The aim of the study is to identify the current engagement levels of a sub group of employees with a specialist skillset, and understand what impact the Company decline has on employee engagement. The research was prompted by the lack of employee engagement monitoring by the Company in recent years, where previously it was surveyed on a bi-annual basis. The author is presently employed by the Company.

The research strategy adopted was a quantitative, deductive approach using an online survey. The survey requested respondents' views on five key drivers of engagement: Leadership, Communication, Organisational Support, Learning and Development and Environment. These drivers were found to be the most common drivers of employee engagement surfacing in the literature. The survey findings strongly support that these drivers influence engagement levels. Results revealed that only half of the respondents are engaged and there is considerable scope for improvement. The results of the survey showed that respondents placed a strong emphasis on feeling safe in the work environment by having close working relationships with their line manager and colleagues. Respondents want to feel that they have someone to confide in without fear of negative consequences, during the decline period. Opportunities for development, together with having both upward and downward communication between leadership and employees, were also seen as important factors influencing engagement levels. Both descriptive and inferential statistics through SPSS, were used to illustrate the findings from the survey. The findings indicate that it is important to monitor employee engagement at every stage of the company lifecycle.

This study will contribute to the literature on employee engagement in declining companies.

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## Chapter 1 Introduction

The first decade of the 21<sup>st</sup> century witnessed a major global financial decline resulting in a negative impact on worldwide economies. Organisations across industries have struggled with this recent economic downturn and have been forced to adopt cost cutting strategies such as downsizing and restructuring for their survival. The *survivors*, those employees who remain with the organisation, can typically be left with feelings of insecurity and frustration at the organisation. Some research shows that downsizing diminishes employee morale and often impairs the long term operational effectiveness of the organisation (Cascio, Young, and Morris, 1997).

According to Roche *et al.* (2011), a study in 2011 on service based companies reported both revenue and employment losses during the period of the recession. The study showed that there has been a growing awareness by employers that tapping into the motivation and commitment of their remaining employees is vital for their survival. One of the areas that employers have explored in their battle achieve this, is to increase employee engagement.

The term employee engagement has become widely used in the human resource field in recent years. It is thought to exist when employees “*employ and express themselves physically, cognitively and emotionally during role performances*” (Khan, 1990, p.700). Engaged employees are described as being “*prepared to invest significant personal resources, in the form of time and effort, to the successful completion of their task*”, and that “*engagement is at its greatest when an individual is driving personal energies into physical, cognitive and emotional labours*” (Khan, 1990, p.700). Research on engagement is continuing to develop and the definition of this concept is constantly evolving (Macey and Schneider, 2008).

The National Workplace Survey, conducted in 2003 and 2009, by the National Centre for Partnership and Performance (NCP), reported that in Ireland, employers’ views of the economic climate in the foreseeable future remains bleak. Roche *et al.* (2011) acknowledged that new strategies and initiatives are still needed to reduce costs and improve service quality and innovation within companies. In their struggle to achieve competitive advantage, companies need to ensure that their employees are consistently engaged with their work, the company, and their clients. As a result, they need to tap into their human resources in order to adapt to changing circumstances (Gunnigle, Heraty & Morley, 2002).



Sundaray (2011), explains that if an organisation can attract, retain, engage and develop their resources they can gain competitive advantage. An engaged workforce cannot only lead to competitive advantage, it also generates a positive atmosphere within the organisation which can be crucial to those providing professional services to their clients (Macey and Schneider, 2008). This is particularly important within the financial services industry as they continue to fight for new business and retain existing clients.

Employee engagement can lead to a host of positive organisational outcomes such as higher levels of productivity and task performance, customer satisfaction, and reduced employee turnover (Harter, Schmidt and Hayes, 2002; Rich, Lepine and Crawford, 2010). Given these advantages, many organisations are striving to create an environment that fosters engagement. However, this can be challenging in the context of down-sizing, restructuring and company decline.

The organisation chosen for this research is an Irish medium sized outsourcing company based in Dublin. The Company specialises in financial services, offering customer services to banking organisations across Ireland and the UK. The Company has a strong focus on managing loans arrears and the collection of assets which many banks need assistance with since the economic downturn. The Company secured several business contracts with leading financial institutions in Ireland and employed 1100 professionals in 2010. The Company itself was originally a bank that was set up in the 1970s and had come through a series of mergers and acquisitions in the 1990s and early 2000. It was taken over by a UK bank in 2000 and was negatively impacted by the recession in 2008, resulting in the closing of its operations in 2010. A new outsourcing organisation was set up in 2010 to specialise in banking services and all 1100 employees transferred to this organisation. The Company has gone through unprecedented change from 2010 to 2014, from winning new business contracts to advising its employees in 2014 that it will cease its operations in Dublin in 2016. The reason for the company closure is due to aggressive competition in financial services and the fight to secure loans at the most competitive rate.

Employees at the Company have different levels of service with some being employed for over thirty years and others hired in 2010, when the new Company was established. Salaries, benefits and redundancy terms would all be considered in excess of market rates as confirmed

by salary bench marking exercises, and employees enjoy considerable salaries and benefits packages.

Between the period 2013 and 2015, the Company reduced its workforce from 1100 to 350 by voluntary redundancy. Almost half of the remaining employees are a team of banking professionals who hold in depth knowledge of the financial services market. Voluntary redundancy has not been open to this group of employees as the Company need to retain their skillset to provide service to the company clients until its closure in 2016.

Considering the significance of employee engagement for businesses, particularly those that have experienced downsizing and restructuring, this study is aimed at examining the employee engagement levels within this Company, which is in decline. The following questions are being addressed:

- What are current employee engagement levels in the Company?
- To what extent should organisations consider employee engagement when planning down-sizing or closure?

The purpose of this study is to understand how engaged this surviving group of employees are during a time when their career is coming to an end at the Company, whilst still expected to continue to deliver to a high performance standard. In the past, in order to assess employee engagement, the Company conducted bi-annual employee engagement surveys. This ceased in late 2013 when the Company failed to secure new business contracts. The research questions posed will allow an assessment of the current engagement levels in the Company, and provide an understanding of its significance in a declining company.

## **Chapter 2 Literature Review**

### **2.1 Introduction**

In order to fully assess the levels of employee engagement in the Company, it will first be necessary to analyse the available literature and understand the meaning of employee engagement. This chapter reviews the available literature from both academics and practitioners on employee engagement. The chapter begins with the various definitions of employee engagement and its distinction from other constructs – organisational commitment and organisational citizenship behaviour (OCB). The evolution of employee engagement is examined followed by the key models of employee engagement. The key drivers of employee engagement that are identified throughout the literature review are discussed. The section concludes with a summary of the literature review including any considerations that are relevant for this study.

## **2.2 Defining Employee Engagement**

One of the first challenges presented in the literature is the variation regarding the definition of employee engagement. MacLeod and Clarke (2009) found as many as fifty different definitions of the term employee engagement. Many academic journals and writers admit that engagement is an accepted term and acts as an indicator of how employees connect with their work environment.

The Chartered Institute of Personnel and Development (CIPD) (2013) considers employee engagement as an umbrella concept which captures various meanings and can elicit extra effort from employees. However, Armstrong (2012) a leading academic in human resources, describes employee engagement as a willingness to go that extra mile. Similarly Cook (2008, p.20) defines employee engagement as “*all about the willingness and ability of the employee to give sustained discretionary effort to help their organisation succeed*”.

Kahn (1990, p.694) defines employee engagement as “*the harnessing of organisation members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances*”. It is clear from these definitions that the understanding of the term of employee engagement continues to vary.

To consider Kahn’s (1990) definition, employee engagement is defined as being psychologically as well as physically present when occupying and performing an organisational role. The cognitive aspect of employee engagement is about employees’ beliefs about the organisation, its leaders and working conditions. The emotional aspect is concerned

with how employees feel and whether they have positive or negative attitudes toward the organisation. The physical aspect of employee engagement relates to the physical energies exerted by individuals to undertake their roles. Although it is acknowledged and accepted that employee engagement is a multi-faceted construct, as suggested by Kahn (1990), Truss *et al.* (2006) define employee engagement simply as passion for work, a psychological state which is seen to incorporate the three dimensions of engagement discussed by Kahn (1990), and captures the common theme running through all these definitions.

Towers Perrin (2003) led a global workforce study on employee engagement where they studied employee engagement across different industries and countries. The Perrin's Global Workforce Study (Towers Perrin, 2003, p.1) defines engagement as "*employees' willingness and ability to contribute to company success*", by putting "*discretionary effort into their work, in the form of extra time, brainpower and energy*". The Institute of Employment Studies (Robinson *et al.*, 2004, p.9) defines employee engagement as "*a positive attitude held by the employee towards the organisation and its value. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organisation. The organisation must work to develop and nurture engagement, which requires a two-way relationship between employer and employee*".

The literature also highlights that the many definitions of the term employee engagement can cause issues of comparability and often get confused with other constructs. Whilst it is acknowledged that employee engagement has been defined in many different ways, it is also argued that the definitions sound similar to more established constructs such as organisational citizenship behaviour (OCB) and organisational commitment (Robinson *et al.*, 2004).

Whilst elements of the definition of employee engagement overlaps with organisational commitment and OCB, there are also differences. Many researchers suggest that engagement is related to employees' voluntary behavioural aspects (Bakker and Schaufeli, 2008; Saks, 2006), while organisational commitment is more attitudinal in nature including affective, continuance, and normative domains (Song and Kim, 2009). Saks (2006) also states that organisational commitment refers only to the employees' loyalty, attitudes and attachment to the organisation and this in turn brings the benefit of employment. But engagement is not an attitude, it is a degree of how attentive and absorbed employees are in their roles (Saks, 2006).

In addition, commitment focuses on the organisation, while the engagement focuses on the tasks (Maslach *et al.*, 2001).

OCB relates to the voluntary (Saks, 2006) and informal intentions to help co-workers or the organisation over and above what is expected from them (Robinson *et al.*, 2004). It appears that the difference between employee engagement and OCB, is that employee engagement focuses on more formal role performance actions, which are not voluntary. Neither organisational commitment nor OCB reflect the two way nature of engagement – the organisation works on engaging the employee, who in response chooses the level of engagement to return (Robinson *et al.*, 2004).

In conclusion, it appears that the definition of employee engagement can sometimes overlap with other constructs such as employee commitment and organisational citizenship behaviour. However it is still a distinct and unique construct, which embraces cognitive, emotional, and physical components that are associated with individual role performance. It can be said that engagement, which has a positive effect on the employees' behaviour and attitude, can be derived from a strong mutual relationship between the employer and its employees. However, it is important to note that, as Robinson (2007) outlined, it is unlikely that a one-size fits all approach will bring its benefits, as engagement and its drivers depend on the organisation, employee group, the individual and the job itself.

For the purposes of this study, Kahn (1990, p.694) definition of employee engagement will be utilised “*the harnessing of organisation members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances*”.

### **2.3 Evolution of Employee Engagement**

Some of the earliest research into areas such as motivation and job satisfaction began in the 1930s with researchers examining the link between goal attainment, motivation and the effects this had on employee behaviour. This research referred to as the Goal Setting Theory (GST) has demonstrated that setting specific stretch but attainable goals directly normalises performance, while increasing job satisfaction and commitment to the organisation (Latham and Locke, 1990).

In the 1960s, Herzberg looked at the individuals needs in relation to the work environment and claimed that there are two factors influencing how employees feel about work (Herzberg *et al.*, 1957). These factors are described as extrinsic hygiene factors including working conditions, style of supervision and pay, and intrinsic factors such as recognition, responsibility, advancement and achievement which directly affect satisfaction (Herzberg *et al.*, 1957). In the 1980s, Self Determination Theory (SDT) progressed further on the needs of goal attainment. SDT is based on the relationship between the individual's psychological needs and the reason for performing the task (Deci and Ryan, 1987).

In the 1990s, Kahn features in much of the literature and was the first theorist to describe the concept of personal engagement in a work context. As previously stated, the multi-factorial concept of employee engagement originally derives from William Kahn's (1990 p.694) description of personal engagement, as the "*harnessing of individuals selves to their role performance on physical, cognitive and emotional levels*". Rothbard (2001) together with Schaufeli *et al.* (2006) all concur with Kahn (1990) that employee engagement is a form of psychological presence at work.

More recent research has started to look at the antecedents of employee engagement and has acknowledged three aspects of motivation, identified as cognitive, emotional and behavioural (Saks, 2006). Saks tested a number of antecedents in relation to engagement such as job characteristics, rewards and recognition, perceived organisational support and supervision. All of these antecedents were found to be related to job and organisational engagement (Saks, 2006).

## **2.4 Models of Employee Engagement**

Based on Hoy's (2006) life cycle model, organisational life cycles consist of the following stages: Birth, Growth, Maturity, and Decline (Renewal or Death), as illustrated in Figure 1.0. Within each stage of its life cycle, organisations will implement the most appropriate strategy in order to gain competitive advantage over its competitors.

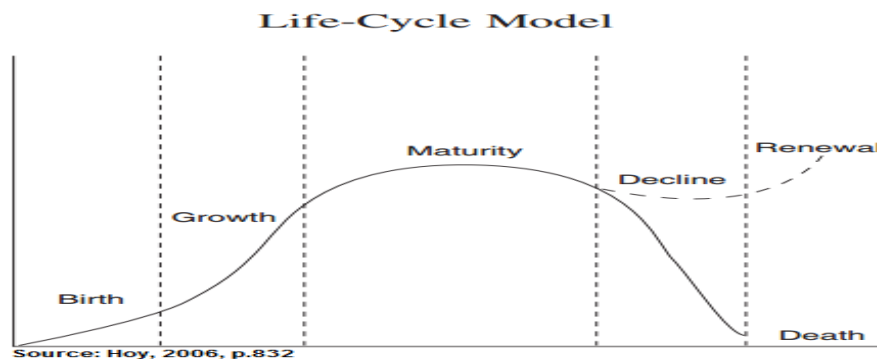


Figure 1.0 Organisation Life-Cycle Model – Hoy (2006)

In the decline stage of the business life cycle, organisations are faced with two options: re-birth and start a new life cycle from scratch, or to die by terminating their operations. The organisation in this study is declining and the aim of the research is to determine whether employees remain engaged during this decline phase. The literature reviewed on employee engagement as part of this study, does not make reference to whether the stages within a company's lifecycle affect levels of engagement.

Models of employee engagement aid in understanding what factors can have an influence on employee engagement. We will now take a closer look at three models of engagement: Kahn's model as diagnosed by May *et al.* (2004); Maslach *et al.* (2001) burnout engagement model and Saks (2006) social exchange theory.

Kahn (1990) undertook a qualitative study on the psychological conditions of personal engagement and disengagement, by interviewing summer camp counsellors and staff at an architecture firm about their experience of engagement and disengagement at work. He described disengagement as the decoupling of the self within the role, involving the individual withdrawing and defending themselves during role performances (May *et al.*, 2004). Disengaged employees displayed incomplete role performances and were effortless, automatic or robotic (Kahn, 1990). Kahn found that there were three psychological conditions related

with engagement or disengagement at work: meaningfulness, safety, and availability. He argued that people asked themselves three fundamental questions in each role situation: (i) How *meaningful* is it for me to bring myself into this performance; (ii) How *safe* is it to do so? and (iii) How *available* am I to do so? He found that workers were more engaged at work in situations that offered them more psychological meaningfulness and psychological safety, and when they were more psychologically available.

One study empirically tested Kahn's (1990) engagement model. May *et al.* (2004) found that meaningfulness, safety, and availability were significantly related to engagement. They found job enrichment and role fit to be positive predictors of meaningfulness; rewarding co-worker and supportive supervisor relations were positive predictors of safety. Resources were a positive predictor of psychological availability. Overall, meaningfulness was found to have the strongest link to different employee outcomes in terms of engagement.

An alternative model of engagement comes from the burnout literature, which defines job engagement as the positive antithesis of burnout, noting that burnout involves the erosion of engagement with one's job (Maslach *et al.* 2001). According to Maslach *et al.* (2001), six areas of work-life lead to either burnout or engagement: workload, control, rewards and recognition, community and social support, perceived fairness and values. Maslach *et al.* (2001) argue that job engagement is associated with a sustainable workload, feelings of choice and control, appropriate recognition and reward, a supportive work community, fairness and justice, and meaningful and valued work. Like burnout, engagement is expected to mediate the link between these six work-life factors and various work outcomes. May *et al.* (2004) findings support Maslach *et al.* (2001) notion of meaningful and valued work being associated with engagement.

According to Saks (2006), a stronger theoretical rationale for explaining employee engagement can be found in social exchange theory (SET). SET contends that obligations are generated through a series of interactions between parties who are in a state of reciprocal interdependence. A basic principle of SET is that relationships evolve over time into trusting, loyal, and mutual commitments as long as the parties abide by certain rules of exchange (Cropanzano and Mitchell, 2005). Such rules tend to involve reciprocity or repayment rules, so that the actions of one party lead to a reaction by the other party. For example, when an employee receives support from their employer, they feel obliged to repay the organisation through discretionary



effort. This is consistent with Robinson *et al.* (2004) description of engagement as a two-way relationship between the employer and employee.

## **2.5 Studies on Employee Engagement**

In recent years, researchers have conducted many studies on the aftermath of layoffs and their effects on both employees and organisations. This line of research shows that downsizing diminishes employee morale and often impairs the long term operational effectiveness of many organisations (Cascio, Young, and Morris, 1997). As the Company in this study is due to close in 2016, many employees have already exited the organisation through redundancy. This study aims to examine whether those remaining employees at the Company are engaged.

According to Applebaum *et al.* (1997, p.280) “*A major factor that contributes to the failure of most organisations to achieve their corporate objectives after downsizing is that they do not adequately address the ‘people factor’ throughout the process as it related to surviving employees*”. Gandolfi (2008, p.12) states that “*scholars have remained puzzled as to why firms have continued to ignore the survivors*” with Applebaum *et al.* (1997, p.281) suggesting that “*most organisations have neglected the down-side of downsizing because they assume that the survivors will simply be pleased about keeping their jobs*”. This suggests that employees remaining with the organisation can often be ignored.

Iverson and Zatzick (2011) conducted an experiential study of the effects of downsizing on employee morale in 115 organisations which were thought to operate ‘High Performance Work Systems’ (HPWS). The observations from this study were:

- HPWS in the workplace prior to downsizing shows that employees view downsizing as a breach of the psychological contract
- Timely communication that define the future direction of the organisation should be provided to employees to mitigate negative impact on survivors
- Productivity losses can be reduced by growing consideration for employees’ morale and welfare

This study by Iverson and Zatzick (2011) suggest that there is a link between organisational support and employee engagement. Employees who feel valued and believe that the

organisation is concerned for their well-being are more likely to feel a sense of responsibility towards their employer, resulting in increased loyalty and commitment to the organisation (Lee & Peccei, 2007).

Lee and Peccei (2007) strengthen this idea in their experimental study of two Korean Banks following the Korean financial crisis in 1997. One bank was firmly impacted and downsized dramatically, while the other Bank was less impacted and made minor employee cuts. Results from the employee surveys indicated that employees who experienced increased job insecurity tended to respond positively to organisational support by showing increased commitment, compared to employees at the other Bank who possessed greater job security but showed less commitment. From this particular study, it therefore cannot be assumed that job insecurity affects employee engagement negatively, where the employer is offering support to its employees. Van Rooy *et al.* (2011) maintain that employee engagement is most critical at a time of downturn.

Engagement can lead to a host of positive organisational outcomes such as increased profitability, higher levels of productivity and task performance, customer satisfaction, and reduced employee turnover (Harter, Schmidt and Hayes, 2002; Rich, Lepine and Crawford, 2010). Given these benefits, managers should strive to develop an environment that fosters engagement. However, this can be challenging in the context of downsizing and company closure where employees do not have a long term future with the organisation.

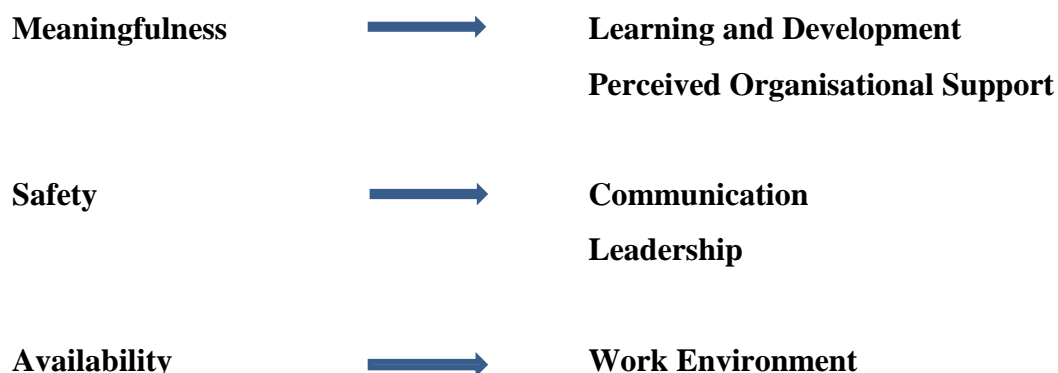
Although there are many benefits associated employee engagement there can also be negative implications for the employer. In 2004, the Institute of Employment Studies illustrated that engagement levels can drop as employees get older and they can also be affected as the length of service increases (Robinson, Perryman, & Hayday, 2004). In order for organisations to increase levels of engagement and reap the benefits associated, they firstly need to understand the key drivers of engagement for their company.

## **2.6 Drivers of Employee Engagement**

It is clear from reviewing the literature on models and studies of employee engagement that a definitive list of engagement drivers does not exist. It is evident that drivers of engagement can vary between organisations and they can be impacted by factors such as industry type, role and company culture. However, there are similarities to be found amongst the various engagement models, and some common drivers' surface. In a distillation of the various models and studies, the following five key drivers repeatedly emerge:

1. Leadership
2. Communication
3. Learning & Development
4. Organisational Support
5. Working Environment

Each of the five key drivers identified can be related to Kahn's (1990) engagement model, tested by May *et al.* (2004). Meaningfulness can refer to how the organisation supports its employees through reward and recognition, and make them feel valued for their contribution to the company. Learning and Development opportunities allow for an employee to improve their skills and feel invested in, which leads to increased engagement levels. Safety refers to how safe employees feel at work and how safe it is for them to express their views openly without judgement. It also relates to having both a supportive line manager and interpersonal relationships. Availability relates to the job role and how available the employee is to do their job, and if they have good work-life balance. According to Kahn (1990) meaningfulness, safety and availability all lead to increased engagement levels.



### 2.6.1 Leadership

Leadership and Communication were highlighted by Robinson *et al.* (2004) and Penna (2007) as being key organisational drivers of engagement. Leaders that responded to feedback from employees and demonstrated a genuine commitment to the employees' well-being were seen as important factors that influenced employee engagement.

Employee engagement also related to how positive a view an employee held of their senior managers. When employees feel involved through a collaborative leadership style, their engagement levels tend to increase (Macey & Schneider, 2008).

Saks (2006) argues that supervisors are crucial in building engagement amongst employees and that they can also be at the root of disengagement. Jensen, McMullen & Stark (2007) agree with the importance of the manager, in creating an engaging work climate, and the impact they can have on an employee's commitment, performance and productivity.

Transforming an organisation is difficult and change implementation is influenced by a variety of factors (Sirkin, Keenan and Jackson, 2005). Change management theorists frequently state that in order to have an effective change programme there is a vital need for strong leadership. Kotter (1996) has noted the importance of leading change in preference to actually managing it.

When a company is planning to cease its operations, strong leadership appears to be at the forefront of maintaining employee engagement. Change leaders, according to Armstrong and Taylor (2014) must recognize where change is taking place, assess it and then enable the implementation of this change successfully into the organisation. Leaders in these scenarios are generally responsible for communicating the strategy and supporting employees around them to ensure it is implemented correctly. According to the CIPD (2014), this form of leadership is a key enabler as it provides the vision and the rationale for change.

## **2.6.2 Communication**

The CIPD (2006) commissioned a major nationwide survey of employee attitudes and engagement. The research was conducted by Kingston Business School using a sample of 2000 employees from across Great Britain. In this report, communication was the top priority. The report singles out employees having the opportunity to feed their views and opinions upwards as the most important drivers of employee engagement. The report also identifies the importance of being kept informed about what's going on in the organisation. This outcome implies that employees want a sense of involvement and to some extent be in a partnership with their employer. Simon (2011) supports the theory of communication and reinforced the two-way communication channels between employees and managers as a key driver to engaging employees.

The feeling of being well informed about what is happening in the organisation and thinking that their manager is committed to the organisation were other important drivers according to the CIPD (2006). The Institute of Employment carried out a survey among employees in the NHS and suggested that the drivers of employee engagement were “*a sense of feeling valued and involved*”, and “*the extent to which employees feel able to voice their ideas*”, along with “*the opportunities employees have to develop their jobs*,” (Robinson *et al.*, 2004, p.15). Simon's (2011) study illustrated that two way communication; high quality line management, a development focus for employees and a commitment to employee wellbeing are among the top drivers of employee engagement within organisations.

Robinson *et al.* (2004) explains further that employee engagement requires a two way relationship between employer and employee that continuously needs to be developed in order to maintain levels of engagement. Allowing employees to have a voice is important when looking at engagement (Rees & French, 2010). This can be established by having effective communication channels that allow both upward and downward communication, which will help create a more open and trusting environment, resulting in higher levels of engagement (Attridge, 2009).

Purcell *et al.* (2003) study found a number of factors to be strongly associated with high levels of employee engagement. The most important factor highlighted in this study was related to an employees' involvement in their work. Communication was found to be a factor, as engagement levels were affected by the amount of information employees received about how the company was performing, and how they contributed to the company achieving its business

objectives. Furthermore, employees having involvement in company decisions' affecting their job or work was also associated with high levels of engagement.

To maintain trust during difficult periods such as layoffs, senior management must communicate effectively, provide rationale for the decisions they make, and treat employees in a dignified and respectful manner (Folger and Skarlicki, 1998; Dirks and Skarlicki, 2004).

### **2.6.3 Learning and Development**

Hazelton (2014) discusses how training and career development in organisations can lead to an employee having more positive emotions about their organisation. When an organisation invests in its employees, it provides them with a sense of fulfilment as they are getting the opportunity to develop their skills. This leads to increased engagement and higher productivity levels. Though training and development can be costly and time consuming, if employees feel they are being invested in, it will help sustain their levels of engagement (Ahmadi *et al.*, 2012).

Wellins and Concelman (2005) support Ahmadi *et al.* (2012) by stating that the employee's willingness to develop and learn promotes innovation and creativity in the workforce. Managers need to work with employees by finding out their strengths and areas for development, and provide opportunities for improving skills and capabilities.

When an organisation goes through significant change, the literature states that learning and development is central to employee engagement. Cameron (1994) states that providing opportunities for personal growth and development for individuals in the midst of downsizing rather than ignoring everything except the financial bottom line is key to increasing engagement levels.

Woodruffe (1999) confirms the assumption that people will be more engaged to the extent that their needs are met by their employer. As the Company in this study is closing, employees need time to think about their future employment, and therefore want to upskill to make them more employable in the future.

### **2.6.4 Organisational Support**

Employees who feel valued and believe that the organisation is concerned for their well-being are more likely to feel a sense of responsibility towards their employer, resulting in increased loyalty and commitment to the organisation (Lee & Peccei, 2007).

According to a study conducted by Aon Hewitt (2011), recognition is a key driver of employee engagement. Employees who don't feel appreciated at work are also more likely to leave their jobs. Feeling valued and involved is the key to Robinson *et al.* (2004) model of engagement.

Employee voice can be defined as the ability for employees to have an input into organisational decisions (Lucas *et al.*, 2006). It has been argued that one of the key drivers of employee engagement is for employees to have the opportunity to feed their views upwards (Truss *et al.*, 2006). Researchers at Towers Perrin (2003) found employers are improving at giving employees the freedom to make decisions relating to their jobs.

Perceived organisational support was proven to have a positive influence on job and organisation engagement (Saks, 2006). Perceived organisational support refers to an employees' beliefs that the organisation values their contribution and cares about their well-being (Rhoades and Eisenberger, 2002). The level of support employees receive from the organisation influences their psychological safety and enables them to employ themselves without fear of negative consequences (Kahn, 1990). This displays that employees want to work in a safe environment where their employer cares about them both a personal and professional basis.

### **2.6.5 Work Environment**

Several studies have shown that a supportive working community is a major contributing factor to an employee's work life that affects engagement (Maslach *et al.*, 2001). Simon (2011) found, where there was effective internal co-operation within an organisation, employee engagement was present. A cooperative working environment where employees value teamwork was also identified as a driver of employee engagement in the Towers Perrin Talent Report (2003).

Lee & Peccei (2007) state that employees who feel valued and believe that the organisation is concerned for their well-being, are more likely to feel a sense of responsibility towards their employer. This results in higher levels of commitment to the organisation.

Kahn (1990, p.708–709) stated that interpersonal relationships promote psychological safety if they provide support, trust, openness, flexibility and lack of threat. Findings of the study conducted by May *et al.* (2004) showed that the relationship between an employee and its supervisor is also an important factor affecting employee engagement. Schaufeli and Bakker (2004) and Saks (2006) confirmed that support from colleagues predicts engagement.

Attridge (2009) states that the work environment is affected by factors such as relationships with colleagues and relationships with management. Kahn (1990, p.693) described psychological safety as a “*feeling of being able to show oneself without fear of negative consequences to one’s self image, status, or career*”. From these statements, it appears that working in a safe environment with supportive relationships is one of the key drivers of employee engagement.

According to Holbeche and Springett (2003) people’s perceptions of their workplace are linked to their levels of engagement and, ultimately, their performance. They argue that employees actively seek meaning through their work and, unless organisations try to provide a sense of meaning, employees are likely to quit. Holbeche and Springett (2003) argue that high levels of engagement can only be achieved in workplaces where there is a shared sense of destiny amongst employees.

According to Gandolfi (2008, p.11) “*survivors generally find themselves with increased workloads and job responsibilities while frequently receiving few or no resources, training and support*”. This states that survivors of downsizing companies are typically left with less resources but still expected to do the same amount of work.

## **2.7 Summary of literature review**

There are many definitions of employee engagement and it can often get confused with other constructs such as organisational commitment and organisational citizenship behaviour (OCB). The term employee engagement evolved from earlier research on goal setting and motivation. Models of engagement were reviewed to understand the various factors influencing employee



engagement. Studies on companies that went through a downsizing process reported that surviving employees often can be ignored. The following drivers were identified as key to influencing employee engagement: Leadership, Communication, Learning and Development, Organisational Support and Working Environment. These five key drivers can all be related to Kahn's (1990) engagement model of meaningfulness, safety and availability. .

The literature indicates that employee engagement has many benefits for an organisation such as improved business performance, customer satisfaction and staff retention.

The next chapter will discuss the research objectives and research methodology adopted to answer the research questions posed.

### **Chapter 3 Research Aims and Objectives**

The aim of this study is to examine employee engagement in a declining company. Whilst there is an abundance of literature on employee engagement, the literature reviewed does not make reference to the stage of the company lifecycle (birth, growing or declining). Previous employee engagement surveys at the Company showed that employees were highly engaged.

This study looks to understand if a sub group of employees at the Company remain engaged during the decline period. The research was prompted by the cessation of the Company's appetite to test employee engagement during the decline phase.

### **Research Aims & Objectives**

*An examination of the key drivers influencing employee engagement in a declining outsourcing company in Dublin.*

### **Research Questions**

- To what extent should the Company consider employee engagement when planning down-sizing or closure?
- What are the current engagement levels in the Company?

## **Chapter 4 Research Methodology**

### **4.1 Introduction**

This section presents the research methodology adopted to answer the research questions. This will include the rationale behind the approach adopted, the research instrument chosen and the

research design. The chapter concludes with measures to ensure reliability and validity of the research and any ethical considerations.

## **4.2 Research Philosophy**

There are a number of key steps in a research process that determine which data collection techniques and analysis procedures can be used. Saunders, Lewis and Thornhill (2009) developed a 'research onion' which is peeled away layer by layer in order to decide which form of methodology will be used. The onion suggest that layers must be peeled away in order to determine the most appropriate research strategy, design and methodology to be undertaken for the study.

One type of research philosophy, epistemology, is according to Saunders *et al.* (2009) concerned about what is acceptable knowledge in a field of study. Collis and Hussey (2009) state that it involves an examination of the relationship between the researcher and what is being researched. Epistemology has two principals, positivism and interpretivism. Positivism is often associated with observation of facts in the form of quantifiable measurements. It is a deductive approach to research with a vision of producing a descriptive theory. Interpretivism, on the other hand, can be regarded as observing the details in a situation to either discover the reality or to understand the reality behind details of the situation (Remenyi *et al.*, 1998).

A positivist approach was decided as the most appropriate for this study. This approach will uncover data and produce reports about the research questions under investigation. This decision was further supported by the emphasis on quantifiable data that can be statistically analysed.

## **4.3 Research Approach**

There are two approaches to research, namely deductive and inductive. According to Bryman and Bell (2011) deductive research is an approach to the relationship between theory and research in which the latter is conducted with reference to hypothesis and ideas inferred with the former. Likewise, Collis and Hussey (2009) state that deductive research is a study in

which a theoretical structure is developed which is then tested by empirical observation, thus particular inferences are deduced from the information. Inductive research is an approach to the relationship between theory and research (Bryman and Bell, 2011). Furthermore, Collis and Hussey (2009) refer to it as a study in which theory is developed from observations and general inferences can be deduced from the detail.

The researcher is employed by the Company, and it is therefore important when using an inductive approach, that there are no preconceived ideas commencing the research (Collis and Hussey, 2009). The deductive approach permits for the collection of large quotas of data for analysis which is then used to test the research objectives. Taking a deductive approach is mainly used for quantitative research. Quinlan (2011) states that it can be seen as a structured means of gathering data. In contrast to this, an inductive approach is used to conduct qualitative research, meaning the data is of non-numerical kind, for example, conducting interviews (Bryman & Bell, 2011).

The decision was taken to adopt a deductive approach, in accordance with the positivist philosophy, for this study. This approach will allow for the collection of large scale data for analysis and allow the researcher to test the research objective and questions posed in this study.

#### **4.4 Research Strategy**

A research strategy is a plan to assist with answering the research questions (Saunders *et al.*, 2009). There are two main approaches to a research strategy, namely quantitative and qualitative (Creswell, 2009).

Saunders *et al.* (2009) states that quantitative analysis is performed through the use of diagrams and statistics whereas qualitative analysis is performed through the use of conceptualisation. Biggam (2008) distinguishes quantitative analysis as research that answers the *how* questions whereas qualitative research answers the *why* questions. Quantitative is used as a synonym for any data collection technique, such as a questionnaire, or a procedure of data analysis using statistics or graphs that create or use numerical data (Saunders *et al.*, 2009).

In contrary to quantitative research, qualitative approach utilises data collection and analysis methods that are specifically designed for non-numeric data (Creswell, 2009). Qualitative research can be used as a synonym for any data collection technique such as an interview, where the data analysis categorises data that either creates or uses non-numerical data (Saunders *et al.*, 2009). According to Flick (2008), qualitative research is interested in the perspectives of the participants in everyday practices and everyday knowledge. Furthermore, qualitative research is concerned with patterns of behaviour, such as rituals, traditions, relationships and the way these are expressed (Denscombe, 2001).

The decision to choose a specific methodology should be based on its suitability to answer the research questions (Bryman, 1998). In order to measure the engagement level of employees in a declining company, quantitative research using a questionnaire as the data collection source, was chosen. The research strategy is quantitative in that, it entails a deductive approach to the relationship between theory and research, Bryman and Bell (2011). This strategy allows for the measure of engagement amongst a particular occupational group, the production of appropriate statistical data, and thus was appropriate to answering the research questions posed.

The research instrument chosen is an online survey questionnaire. Robson (1993) indicates that online surveys are extremely efficient at providing information in a relatively brief time period and at low cost to the researcher. It can be circulated easily to the participants and the data can be statistically analysed.

#### **4.5 Survey Design**

The survey used in this research was designed by the Company in 2011, using the services of Life Consulting. Life Consulting is a research and data analysis company who worked closely with the Company to manage the in-house employee engagement survey process. Thorough validity and reliability tests were completed by Life Consulting on the survey instrument. A summary of this report is attached as Appendix 1.

In 2011, the key engagement drivers identified at the Company were Leadership, Strategy, Communication, Learning and Development, Colleague Empowerment and Alignment, Teamwork, Managing Performance and Quality Performance Conversations Outputs. Each of these drivers had a number of statements items to be answered using a five point Likert scale, ranging from Strongly Agree (5) to Strongly Disagree (1). From the period 2011 to 2013, the survey was circulated to all employees (841) every six months with a response rate typically reaching 80%. The survey was not administered in 2014 as the Company had announced its closure. The results of these surveys showed that during the period 2011 to 2013, over 70% of employees were engaged at the at the Company. The definition of being engaged at the Company was determined by the respondents' most frequent answers on each of the engagement drivers being Strongly Agree (5) and Agree (4). Employees whose average rounded survey ratings were 4 or above were deemed to be engaged, while employees whose average rounded survey ratings were 3 or below were deemed disengaged (Crabtree, 2004).

As the Company is in decline, a review of the engagement drivers and statement items was conducted on the original survey. The driver Strategy was removed as the questions related to business success and aspirations of the organisation. Quality Performance Conversations (QPC) was removed as this was a company initiative that no longer occurred in the organisation. The driver Colleague Commitment was also removed as it made reference to recommending the Company as a future employer. As the original questionnaire was extensive, some drivers were amalgamated where deemed appropriate. For example, in the original survey, Leadership and Line Management were two separate drivers. These two drivers were brought together under one driver, Leadership, in the final survey. The final survey includes five key drivers:

1. Leadership
2. Communication
3. Organisational Support
4. Learning and Development
5. Working Environment

Each of the five drivers have five statements items that the participant had to answer using a five point Likert scale. Each responses had a numerical value which was used to measure the statements items under investigation, ranging from Strongly Agree (5) to Strongly Disagree

(1). Assuming the participant answers all five statement items, the highest score for each driver is 25 and the lowest is 5. The first section of the survey sought demographic data from participants which allowed for detailed comparison at the analysis stage. The information sought was gender, age and length of service. A copy of the final questionnaire is included at Appendix 2.

The survey was self-administered using the online tool Survey Monkey. This allowed participants access to the survey questionnaire easily as many were spread geographically. Participants were given five working days to complete the survey.

#### **4.6 Data Collection**

The web based questionnaire titled *Employee Engagement Survey* was created and pilot tested in March 2015, before its use in this study. The pilot survey was sent to a total of ten employees in the Human Resources and Finance Department. Feedback was positive as the pilot group were familiar with the question types. Some minor changes were made which were mainly semantic. For example, ensuring consistency of language throughout the questionnaire by using the word ‘employees’ instead of ‘colleagues’.

The final survey was sent to group of employees who were a sub-set of the organisation and who were distinctly different from other employee groups. This group of employees operate at mid management level and hold a particular banking skill-set and qualification which is a compliance requirement when managing the Company’s clients. The survey was sent to 157 employees and resulted in a response rate of 84%. The survey took approximately ten minutes to complete and participants were given five working days to respond. Participants were advised that the survey was strictly confidential and their identity was anonymised. They were also advised that results would not be discussed internally with management. Once the employee had completed the survey, results were uploaded to a secure database for analysis.

#### **4.7 Data Analysis**

Each of the five key drivers of employee engagement identified, namely, Leadership, Communication, Organisational Support, Learning and Development and Working Environment were examined in the survey. The data collected from the survey was analysed

by carrying out a series of statistical tests using SPSS software. Quinlan (2011) has stated that SPSS analysis works very successfully in the analysis of survey data.

The raw data was summarised using descriptive statistics including histograms, tables and box plots. The data was analysed through the use of both parametric and nonparametric tests. Normality tests were firstly performed using histograms and the statistic Shapiro-Wilk. Box plots were also used to illustrate the spread of data. Where normality was assumed, the Independent Sample T-Test and Analysis of Variance (ANOVA) was performed. Where normality could not be assumed, the nonparametric tests, Mann Whitney and Kruskal-Wallis were performed to compare the median rank.

Each demographic variable (gender, age and length of service) was analysed against each of the five key drivers, Leadership, Communication, Organisational Support, Learning and Development and Working Environment to see if they were an important factor that influenced responses.

#### **4.8 Reliability and Validity**

Reliability is concerned with the extent to which a test or measuring procedure yields the same results on repeated trials. The reliability of the research instrument was tested using Cronbach's alpha. For each driver, a Cronbach's alpha was calculated to determine how well statement items measured the same underlying construct. Cronbach's alpha is a measure ranging from -1 to +1. It is generally accepted that a Cronbach alpha value in excess of 0.70 is a sufficient value to infer internal consistency and reliability between survey items. In some instances, the removal of statement items may improve the overall Cronbach Alpha score.

A summary report detailing the tests undertaken for the Company's original employee engagement survey to ensure the survey's reliability and validity is attached at Appendix 1.

#### **4.9 Ethical Considerations**

Bryman and Bell (2011) describe the principles of ethical behaviour as non-harm to participants, consent from the participants, and privacy of all those who participated in the



survey. It is of utmost importance to conduct the research ethically and ensure the privacy of all participants of the employee engagement survey.

Participants were asked to partake in the study on a voluntary basis and were not asked any identifiable questions. Each participant was advised that results were confidential and for the purposes of academic research only and would not be shared internally. They were also advised that no negative consequence would arise from their involvement in the study.

The study protocol was submitted and approved by the National College of Ireland's Ethics Committee and the Head of Human Resources at the Company in February 2015.

#### **4.10 Summary**

This chapter provided an overview of the research methods employed to answer the research questions posed in this study. It identified the population, sample and key instruments necessary to gather the data. The methods of analysis performed on the survey data was discussed followed by the reliability test conducted on the survey instrument. A detailed presentation of the results are presented in the next chapter, followed by discussion in the Chapter 6.

### **Chapter 5 Results**

This chapter presents the findings from the quantitative data collected from the survey respondents. The results are illustrated through the use of both descriptive and inferential statistics using SPSS. These results are central to answering the key objectives undertaken in this research. The findings are presented under the following headings:

1. Demographics of Participants
2. Consistency and Reliability (Cronbach's Alpha)
3. Leadership
4. Communication

5. Organisational Support
6. Learning and Development
7. Working Environment

### 5.1 Demographics of Participants

The survey population was 157 employees, a sub group of an organisation of 350 employees. The survey response rate was 84%. The gender breakdown of the respondents was Male = 52 (39.1%) and Female = 81 (60.9%). The majority of the respondents were in the 30 to 40 year age group (58.6%) with only 8.3% in the 50 year plus age category. The length of service of respondents showed that 42.1% had between 5 and 10 years' service with only 5.3% in the 20 year plus category. The demographic distribution of respondents are illustrated in Figure 1 to 3 and Table 1 to 3 below.

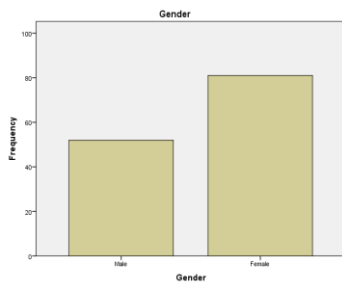


Figure 1.0 Gender Distribution

Statistics			
Age			
N	Valid	133	
	Missing	0	
Gender			
		Frequency	Percent
Valid	Male	52	39.1
	Female	81	60.9
	Total	133	100.0

Table 1 Descriptive Statistics - Gender

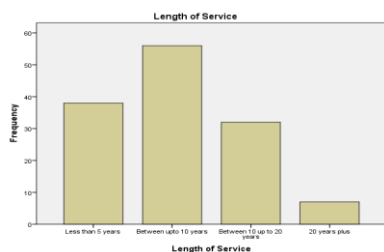


Figure 2.0 Length of Service Distribution

Statistics			
Length of Service			
N	Valid	133	
	Missing	0	
Length of Service			
		Frequency	Percent
Valid	Less than 5 years	38	28.6
	Between 5 upto 10 years	56	42.1
	Between 10 up to 20 years	32	24.1
	20 years plus	7	5.3
	Total	133	100.0

Table 2 Descriptive Statistics - Length of Service

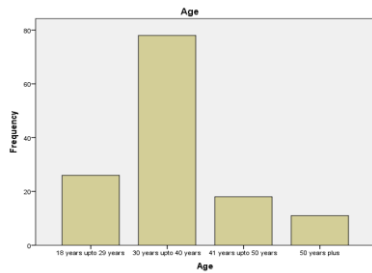


Figure 3.0 Age Distribution

Statistics		
Age		
N	Valid	133
	Missing	0

Age		
	Frequency	Percent
Valid 18 years upto 29 years	26	19.5
30 years upto 40 years	78	58.6
41 years upto 50 years	18	13.5
50 years plus	11	8.3
Total	133	100.0

Table 3 Descriptive Statistics - Age

The characteristics of the gender variable are presented in Figure 1.0. The horizontal axis depicts the levels of measurement: Male and Female; with the vertical axis representing the actual number of observations falling within each of these groups. Table 1 presents the total count from the variable gender (N=133) and the percentage response from both Male (39.1%) and Female (60.9%).

In Figure 2.0 the bar chart depicts a representation of the length of service distribution. The horizontal axis depicts the levels of measurement of which there are four categories – less than 5 years’ service; between 5 and 10 years’ service; between 10 and 20 years’ service and 20 years plus. Table 2 identifies the total count from the variable length of service (N=133) and the percentage response by each group; < 5 years (28.6%), between 5 and 10 years (42.1%), between 10 and 20 years (24.1%) and 20 years plus (5.3%).

Figure 3.0 depicts a bar chart representation of the age distribution. The horizontal axis depicts the levels of measurement of which there are four categories – 18 up to 29 years; 30 up to 40 years; 41 up to 50 years and 50 years plus. Table 3 identifies the total count from the variable age (N=133) and the percentage response by each group; 18 to 29 years (19.5%); 30 to 40 years (58.6%); 41 to 50 years (13.5%) and 50 years plus (8.3%).

## 5.2 Consistency and Reliability (Cronbach’s Alpha)

In this section, tests are performed using the statistic Cronbach’s Alpha, to ensure that the five drivers Leadership; Communication; Organisational Support; Learning and Development and Working Environment are measuring the same latent concept.

The results test reported a greater than 0.7 result for Leadership, Communication and Working Environment with Organisational Support and Learning and Development reporting results of less than 0.7. These results are shown in Table 4-8.

**Reliability Statistics**

Cronbach's Alpha	N of Items
.744	5

Table 4 Leadership

**Reliability Statistics**

Cronbach's Alpha	N of Items
.714	5

Table 5 Communication

**Reliability Statistics**

Cronbach's Alpha	N of Items
.578	4

Table 6 Organisational Support

**Reliability Statistics**

Cronbach's Alpha	N of Items
.514	5

Table 7 Learning and Development

**Reliability Statistics**

Cronbach's Alpha	N of Items
.768	5

Table 8 Working Environment

As two of the drivers achieved a result of less than 0.70, further tests were run to see if removing any of the statements items in Organisational Support and Learning and Development would have a positive impact on reliability.

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Organisation Support Item 1	10.48	4.169	.456	.325	.423
Organisation Support Item 2	10.69	4.200	.479	.315	.407
Organisation Support Item 3	9.73	5.670	.175	.047	.629
Organisation Support Item 4	10.51	4.401	.344	.122	.522

Table 9 Organisational Support Item Correlation

Table 9 reviews the four items under Organisational Support to see if removing any of the statement items will achieve a greater Cronbach Alpha score. The important column in this table is column 6 'Cronbach's Alpha if item deleted'. By removing Item 3 we will achieve a Cronbach Alpha of .629. Whilst this is still less than 0.70 it is more reliable than the original result of .578. Item 3 was therefore removed from the survey.

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Learning and Development Item 1	14.29	5.574	.131	.269	.543
Learning and Development Item 2	14.38	5.771	.218	.268	.498
Learning and Development Item 3	15.03	4.282	.365	.220	.400
Learning and Development Item 4	14.78	4.541	.424	.248	.372
Learning and Development Item 5	15.47	4.001	.314	.176	.446

Table 10 Learning and Development Item Correlation

Table 10 reviews the five statement items under Learning and Development. We can see by removing Item 1, it will achieve a Cronbach’s Alpha of .543. Whilst this is greater than the original result of .514, but less than 0.7, given the insignificant difference, a decision was taken not to delete this item.

### 5.3 Driver 1 Leadership

Figure 4 depicts the results from the Leadership variable on an individual histogram. The vertical axis represents the actual number of observations falling within the item and the horizontal axis represents the total scores from each of the five statements. The responses are placed against a normal distribution curve which is depicted in the chart below. The right hand side of the chart shows the mean (m=18.71); standard deviation (SD=3.565) and count (N=128).

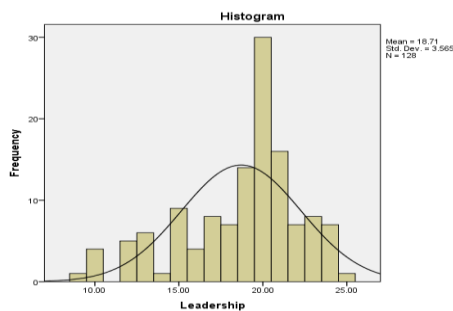


Figure 4 Leadership Distribution

Where Strongly Agree (5); Agree (4), Neither Agree nor Disagree (3); Disagree (2) Strongly Disagree (1)

Statistics		
Leadership Item 1		
N	Valid	128
	Missing	5
Mean		3.40
Median		4.00
Mode		4

Table 11 Descriptive Statistics L1

Statistics		
Leadership Item 2		
N	Valid	128
	Missing	5
Mean		3.88
Median		4.00
Mode		4

Table 12 Descriptive Statistics L2

Statistics		
Leadership Item 3		
N	Valid	128
	Missing	5
Mean		3.63
Median		4.00
Mode		4

Table 13 Descriptive Statistics L3

Statistics		
Leadership Item 4		
N	Valid	128
	Missing	5
Mean		3.97
Median		4.00
Mode		4

Table 14 Descriptive Statistics L4

Statistics		
Leadership Item 5		
N	Valid	128
	Missing	5
Mean		3.84
Median		4.00
Mode		4

Table 15 Descriptive Statistics L5

Table 11 to 15 presents the mean, median and mode of the five individual Leadership statement items (L1-L5).

### 5.3.1 Leadership and Gender

The gender distribution is presented on the Leadership variable in Figure 5 and Figure 6. The results seem to suggest skewed distribution in both cases.

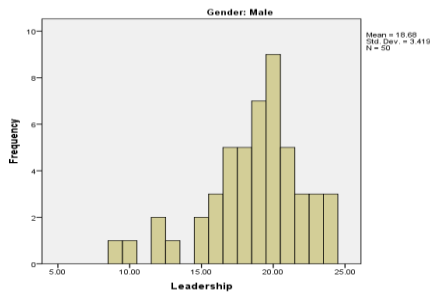


Figure 5 Leadership Male Distribution

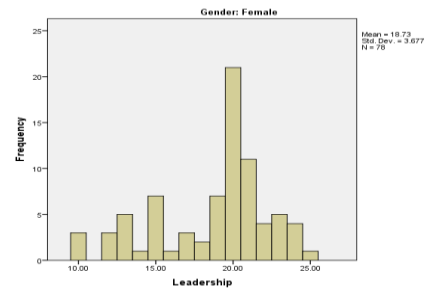


Figure 6 Leadership Female Distribution

For a more objective measure of whether the male and female distribution is normal, a further test of normality, Shapiro-Wilk was performed. Deviation from normality has been confirmed through the application of this test and as such non parametric tests will be relied upon to test for differences. The results of the Shapiro-Wilk test of normality are presented in Table 16 and Table 17, in both cases, results of  $<0.05$  were observed where,  $p = .011$  for Males and  $p = .000$  for Females. A graphical representation of distribution observations are presented in box plots in Figure 7 and 8. The median value; Male=19 and Female=20. Outliers are only identified in the case of male distribution. These are shown by the symbol  $\circ$ .

Tests of Normality <sup>a</sup>						
	Kolmogorov-Smirnov <sup>b</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Leadership	.137	50	.019	.938	50	.011

a. Gender = Male

b. Lilliefors Significance Correction

Table 16 Shapiro-Wilk Test Male

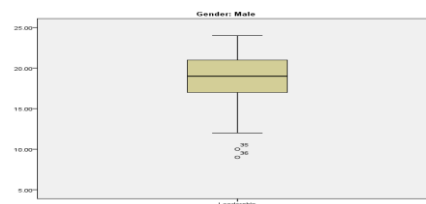


Figure 7 Box Plot Male

**Tests of Normality<sup>a</sup>**

	Kolmogorov-Smirnov <sup>b</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Leadership	.225	78	.000	.912	78	.000

a. Gender = Female  
b. Lilliefors Significance Correction

Table 17 Shapiro-Wilk Test Female

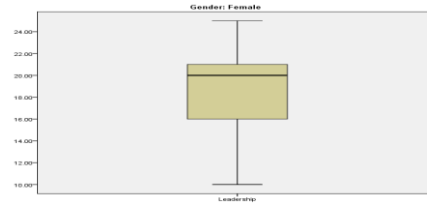


Figure 8 Box Plot Female

## Mann-Whitney U-Test

The nonparametric Mann-Whitney U-Test, which tests for differences in mean rank, was performed. Results of this test are presented in Table 18 and Table 19.

**Ranks**

	Gender	N	Mean Rank	Sum of Ranks
Leadership	Male	50	62.40	3120.00
	Female	78	65.85	5136.00
	Total	128		

Table 18 Mean Rank

**Test Statistics<sup>a</sup>**

	Leadership
Mann-Whitney U	1845.000
Wilcoxon W	3120.000
Z	-.517
Asymp. Sig. (2-tailed)	.605

a. Grouping Variable: Gender

Table 19 Mann-Whitney Test

The results reveal no significant difference between Males and Females mean ranks, M=62.40 and F=65.85. The result for the Mann-Whitney test present U=1845.00 and p=.605. As this result is greater than the significance level of 0.05, we conclude that there is insufficient evidence to suggest that gender is an influencing factor on Leadership.

### 5.3.2 Leadership and Age

Normality tests for the four age categories and the Leadership variable were conducted, results are depicted in Table 20. Three of the age categories (18 to 29 year olds, 30 to 40 year olds and 50 years plus) all show deviation from normality with results of <0.05 presented. As such, the nonparametric test Kruskal-Wallis H-Test to test for mean rank was relied upon. Figure 9 presents a box plot of the median values by age (18 to 29 year olds M=20, 30 to 40 year olds M=19, 40 to 50 year olds M=20 and 50 years plus, M=20). Outliers are identified in the 18 to 29 year old, 30 to 40 year old and 50 year plus age categories.

**Tests of Normality**

Age	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk			
	Statistic	df	Sig.	Statistic	df	Sig.	
Leadership	18 years upto 29 years	.295	25	.000	.858	25	.003
	30 years upto 40 years	.160	75	.000	.941	75	.002
	41 years upto 50 years	.163	17	.200 <sup>*</sup>	.947	17	.408
	50 years plus	.269	11	.026	.854	11	.049

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Table 20 Shapiro-Wilk Test

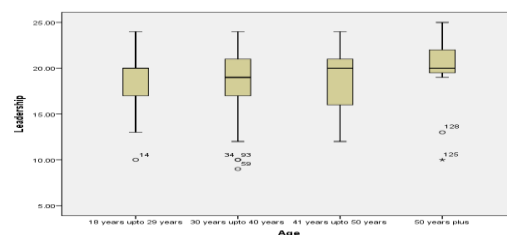


Figure 9 Box Plot

## Kruskal-Wallis H-Test

A Kruskal-Wallis Test was run to consider the mean ranks of the four age categories to identify if they were significantly different. Results are presented in Table 21 and Table 22.

Age	N	Mean Rank
Leadership 18 years upto 29 years	25	64.20
30 years upto 40 years	75	62.49
41 years upto 50 years	17	65.59
50 years plus	11	77.18
Total	128	

Table 21 Mean Rank

	Leadership
Chi-Square	1.549
df	3
Asymp. Sig.	.671

a. Kruskal Wallis Test  
b. Grouping Variable: Age

Table 22 Kruskal-Wallis Test

Table 21 depicts the mean rank for each of the age categories. The results show a difference in mean rank between the 30 to 40 year olds,  $M = 62.49$  and 50 year plus age categories,  $M = 77.18$ . The results of the Kruskal-Wallis test are presented in Table 22 where,  $p = .671$ .

Due to the largest observed difference in mean rank for the two age categories, 30 to 40 year olds and 50 years plus, a Mann-Whitney test was undertaken to see if there was a significant difference between these age groups. Results are presented in Table 24 where,  $p = .224$ . We therefore conclude that there is insufficient evidence to suggest that age is an influencing factor in Leadership.

Age	N	Mean Rank	Sum of Ranks
Leadership 30 years upto 40 years	75	42.25	3169.00
50 years plus	11	52.00	572.00
Total	86		

Table 23 Mean Rank

	Leadership
Mann-Whitney U	319.000
Wilcoxon W	3169.000
Z	-1.217
Asymp. Sig. (2-tailed)	.224

a. Grouping Variable: Age

Table 24 Mann-Whitney Test

### 5.3.3 Leadership and Length of Service



Normality tests for the length of service categories were performed and results are depicted in Table 25. The less than 5 year service category revealed that  $p=.009$  and 5 to 10 year service category,  $p=.001$ , displaying deviation from normality. As such, the nonparametric test Kruskal-Wallis H-Test to test for mean rank will be relied upon. Figure 10 displays a box plot of the median values by length of service category (less than 5 years  $M=20$ ; between 5 and 10 years,  $M=20$ ; between 10 and 20 years,  $M=19$  and 20 years plus,  $M=20$ ). Outliers are observed in the less than 5 year, 5 to 10 year and 20 plus years length of service category.

Length of Service		Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
Leadership	Less than 5 years	.195	36	.001	.915	36	.009
	Between 5 upto 10 years	.224	54	.000	.913	54	.001
	Between 10 up to 20 years	.122	31	.200	.944	31	.107
	20 years plus	.276	7	.116	.886	7	.256

\*. This is a lower bound of the true significance.  
a. Lilliefors Significance Correction

Table 25 Shapiro-Wilk Test

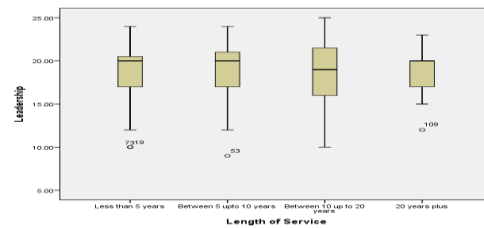


Figure 10 Box Plot

## Kruskal-Wallis H-Test

Table 26 depicts the mean rank for each of the length of service categories. The result of the Kruskal-Wallis test is presented in Table 27 where,  $p=.986$ . From these results, we can conclude that there is insufficient evidence to suggest that length of service is an important factor that influences Leadership.

Ranks		N	Mean Rank
Leadership	Less than 5 years	36	63.75
	Between 5 upto 10 years	54	65.48
	Between 10 up to 20 years	31	64.60
	20 years plus	7	60.36
Total		128	

Table 26 Mean Rank

Test Statistics <sup>a, b</sup>	
	Leadership
Chi-Square	.143
df	3
Asymp. Sig.	.986

a. Kruskal Wallis Test  
b. Grouping Variable: Length of Service

Table 27 Kruskal-Wallis Test

## 5.4 Driver 2 Communication

Figure 11 depicts the results from the Communication variable on an individual histogram. The vertical axis represents the actual number of observations falling within the item and the horizontal axis represents the total scores from each of the five statements. The right hand side of the chart shows the mean (m=15); standard deviation (SD=3.7) and count (N=123).

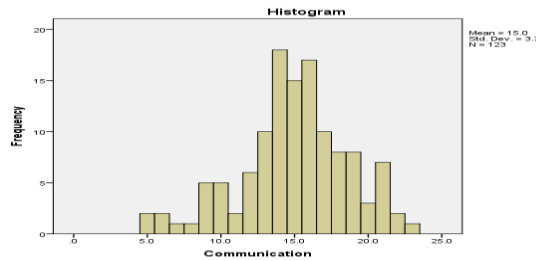


Figure 11 Communication Distribution

Where Strongly Agree (5); Agree (4), Neither Agree nor Disagree (3); Disagree (2) Strongly Disagree (1)

Table 28 to 32 present the mean, median and mode of the five Communication statement items (C1-C5).

**Statistics**

Communication Item 1

N	Valid	123
	Missing	10
Mean		3.50
Median		3.00
Mode		5

Table 28 Descriptive Statistic C1

**Statistics**

Communication Item 2

N	Valid	123
	Missing	10
Mean		2.88
Median		3.00
Mode		3

Table 29 Descriptive Statistic C2

**Statistics**

Communication Item 3

N	Valid	123
	Missing	10
Mean		2.39
Median		2.00
Mode		2

Table 30 Descriptive Statistic C3

**Statistics**

Communication Item 4

N	Valid	123
	Missing	10
Mean		3.61
Median		4.00
Mode		4

Table 31 Descriptive Statistic C4

**Statistics**

Communication Item 5

N	Valid	123
	Missing	10
Mean		2.62
Median		3.00
Mode		3

Table 32 Descriptive Statistic C5

### 5.4.1 Communication and Gender

The gender distribution is presented on the responses to the Communication variable in Figure 12 and Figure 13. The results seem to suggest skewed distribution in both cases.

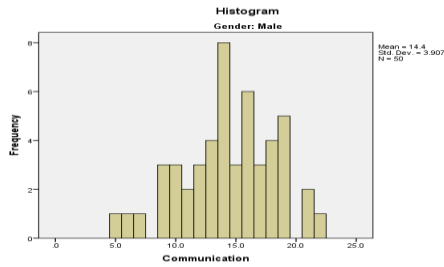


Figure 12 Male Communication

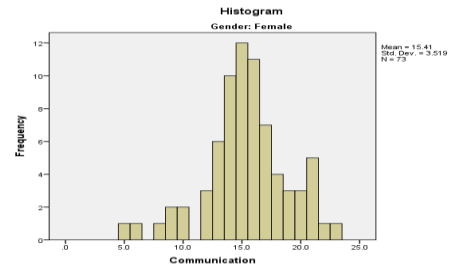


Figure 13 Female Communication

A further test of normality, the Shapiro-Wilk test was performed. The results of this test are presented in Table 33 where  $p=.524$  for Males and  $p=.028$  for Females. As this test has not produced any significant result ( $<0.05$ ), this confirms our data is sufficiently normally distributed and we proceed to perform a parametric Independent Samples T-test. A graphical representation of distribution observations are presented in box plot, Figure 14. The median value; Male=14 and Female=15. Outliers are only identified in the case of female distribution.

Tests of Normality							
Gender		Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
Communication	Male	.099	50	.200 <sup>*</sup>	.979	50	.524
	Female	.125	73	.007	.962	73	.028

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Table 33 Shapiro-Wilk Test

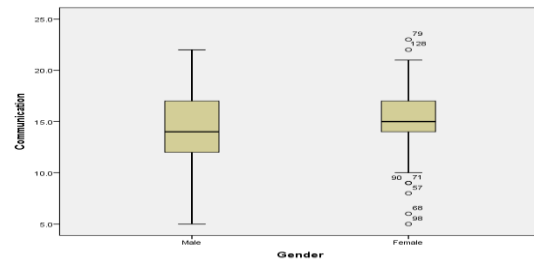


Figure 14 Box Plot

## Independent Samples T-Test

The results of the Independent Samples T-test are presented in Table 29.

		Independent Samples Test								
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
Communication	Equal variances assumed	1.360	.246	-1.496	121	.137	-1.0110	.6758	-2.3488	.3269
	Equal variances not assumed			-1.467	97.993	.146	-1.0110	.6892	-2.3786	.3567

Table 29 Independent Samples Test

The results show that  $t(121) = -1.496$ ,  $p=0.137$ . This result confirms that there is insufficient evidence to suggest that gender is an influencing factor on Communication.

### 5.4.2 Communication and Age

Normality tests for the four age categories and the Communication variable were conducted, results are depicted in Table 34. All age categories produced a >0.05 result, confirming that our populations are sufficiently normally distributed. Figure 15 displays a box plot of the median values by age (18 to 29 year olds M=14, 30 to 40 year olds M=15, 40 to 50 year olds M=16 and 50 years plus, M=15). Outliers are identified in the 30 to 40 year olds and 40 to 50 year age categories.

Tests of Normality						
Age	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Communication	18 years upto 29 years	.154	24	.146	.970	.676
	30 years upto 40 years	.111	71	.029	.972	.111
	41 years upto 50 years	.160	17	.200 <sup>*</sup>	.898	.063
	50 years plus	.165	11	.200 <sup>*</sup>	.960	.772

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Table 34 Shapiro-Wilk Test

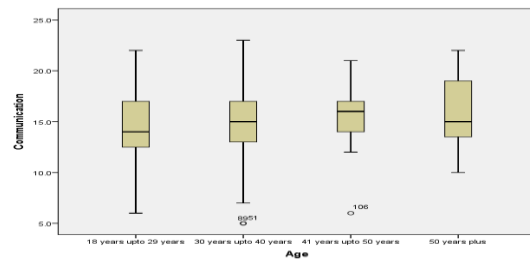


Figure 15 Box Plot

As these test results suggest normal distribution, we proceed to perform a parametric test, ANOVA to test if the average means of the groups are significantly different.

### ANOVA

Descriptives				
Communication	N	Mean	Std. Deviation	Std. Error
18 years upto 29 years	24	14.542	3.9561	.8075
30 years upto 40 years	71	14.873	3.7146	.4408
41 years upto 50 years	17	15.412	3.2607	.7908
50 years plus	11	16.182	3.8683	1.1663
Total	123	15.000	3.6998	.3336

Table 35 Mean Age Category

ANOVA					
Communication	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	24.429	3	8.143	.589	.623
Within Groups	1645.571	119	13.828		
Total	1670.000	122			

Table 36 ANOVA

The results of the One Way ANOVA test are presented in Table 36. The result did not yield significant results,  $F(3, 119) = .589, p=0.623$ . This result shows that there is insufficient evidence to suggest that age is an influencing factor on Communication.

### 5.4.3 Communication and Length of Service

Normality tests for the four length of service categories were performed and results are depicted in Table 37. All age categories produced a >0.05 result, confirming that our populations are sufficiently normally distributed. Figure 16 displays a box plot of the median values by length

of service category (less than 5 years M=15; between 5 and 10 years, M=14; between 10 and 20 years, M=15 and 20 years plus, M=17). Outliers are observed in the less than 5 year and 5 to 10 year length of service categories.

Tests of Normality						
Length of Service	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Communication	.146	35	.055	.970	35	.433
Less than 5 years	.133	53	.021	.948	53	.023
Between 5 upto 10 years	.129	28	.200 <sup>*</sup>	.963	28	.419
Between 10 up to 20 years	.249	7	.200 <sup>*</sup>	.879	7	.222
20 years plus						

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Table 37 Shapiro-Wilk Test

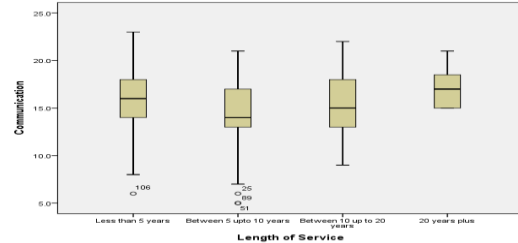


Figure 16 Box plot

As our age groups appear to be sufficiently normally distributed, we proceed to perform a parametric test, ANOVA to test if the average means of the groups are significantly different.

ANOVA					
Communication					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	66.685	3	22.228	1.650	.182
Within Groups	1603.315	119	13.473		
Total	1670.000	122			

Table 38 ANOVA

The One Way ANOVA result is presented in Table 38. The results presented do not yield significant differences,  $F(3, 119) = 1.650, p=0.182$ . This result shows that there is insufficient evidence to suggest that length of service is an influencing factor on Communication.

### 5.5 Driver 3 Organisational Support

Figure 17 depicts the results from the Organisational Support variable on an individual histogram. The vertical axis represents the actual number of observations falling within the item and the horizontal axis represents the total scores from each of the three statements. The right hand side of the chart shows the mean ( $m=13.80$ ), standard deviation ( $SD=2.68$ ) and count ( $N=122$ ).

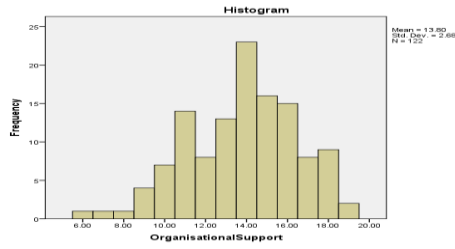


Figure 17 Organisation Support Distribution

Where Strongly Agree (5); Agree (4), Neither Agree nor Disagree (3); Disagree (2) Strongly Disagree (1)

Table 39 to 41 present the mean, median and mode of the three Organisational Support items (OS1, OS2, OS4). OS3 was deleted as part of the Cronbach Alpha test and OS5 was not used as part of the analysis as it did not use a Likert scale.

Statistics		
Organisation Support Item 1		
N	Valid	122
	Missing	11
Mean		3.32
Median		4.00
Mode		4

Table 39 Descriptive Statistic OS1

Statistics		
Organisation Support Item 2		
N	Valid	122
	Missing	11
Mean		3.11
Median		3.00
Mode		3

Table 40 Descriptive Statistic OS2

Statistics		
Organisation Support Item 4		
N	Valid	122
	Missing	11
Mean		3.30
Median		4.00
Mode		4

Table 41 Descriptive Statistic OS4

### 5.5.1 Organisational Support and Gender

The gender distribution on the responses to the Organisational Support variable are presented in Figure 18 and Figure 19. The results seem to suggest skewed distribution in both cases.

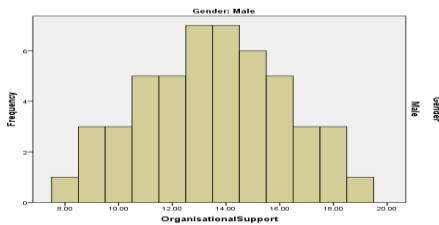


Figure 18 Male Distribution

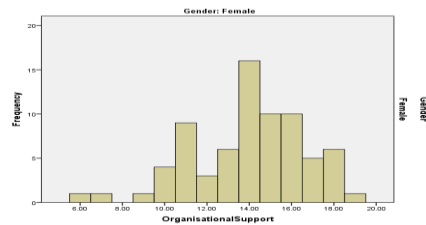


Figure 19 Female Distribution

A further test of normality, the Shapiro-Wilk test was performed. The results this test of normality are presented in Table 42 where Males,  $p=.507$  and Females,  $p=.019$ . As this test has

produced a significant result ( $<0.05$ ), this confirms our data is not sufficiently normally distributed and we proceed to perform a nonparametric Mann-Whitney U-Test. A graphical representation of distribution observations are presented in box plot, Figure 20. The median value; Male=14 and Female=14.

Tests of Normality							
	Gender	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
OrganisationalSupport	Male	.080	49	.200 <sup>*</sup>	.979	49	.507
	Female	.160	73	.000	.959	73	.019

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Table 42 Shapiro-Wilk Test

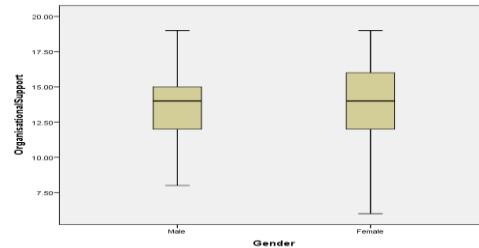


Figure 20 Box Plot

## Mann-Whitney U-Test

Ranks				
	Gender	N	Mean Rank	Sum of Ranks
OrganisationalSupport	Male	49	57.26	2805.50
	Female	73	64.35	4697.50
	Total	122		

Table 43 Mean Rank

Test Statistics <sup>a</sup>	
	Organisation alSupport
Mann-Whitney U	1580.500
Wilcoxon W	2805.500
Z	-1.094
Asymp. Sig. (2-tailed)	.274

a. Grouping Variable: Gender

Table 44 Mann-Whitney Test

The results of the mean rank is presented in Table 43. The results show no significant difference between Males and Females mean ranks,  $M=57.26$  and  $F=64.35$ . The result for the Mann Whitney test, presented in Table 44, present  $U=1580.500$  and  $p=.274$ . As this result is greater than the significance level of  $0.05$ , we conclude that there is insufficient evidence to suggest that gender is an influencing factor on Organisational Support.

### 5.5.2 Organisational Support and Age

Normality tests for the four age categories and the Organisational Support variable were conducted, results are depicted in Table 45. All age categories produced a  $>0.05$  result, confirming that our populations are sufficiently normally distributed. Figure 21 displays a box plot of the median values by age (18 to 29 year olds  $M=13$ , 30 to 40 year olds  $M=14$ , 40 to 50 year olds  $M=14$  and 50 years plus,  $M=15$ ).

Age	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk			
	Statistic	df	Sig.	Statistic	df	Sig.	
OrganisationalSupport	18 years upto 29 years	.131	24	.200 <sup>*</sup>	.938	24	.147
	30 years upto 40 years	.111	70	.031	.969	70	.083
	41 years upto 50 years	.177	17	.165	.926	17	.184
	50 years plus	.174	11	.200 <sup>*</sup>	.933	11	.444

<sup>\*</sup> This is a lower bound of the true significance.  
<sup>a</sup> Lilliefors Significance Correction

Table 45 Shapiro-Wilk

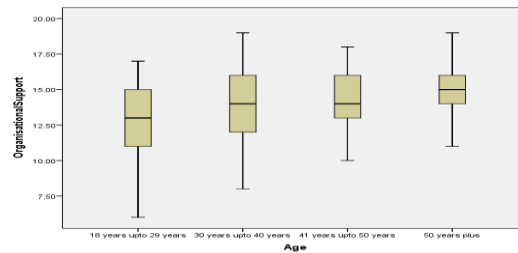


Figure 21 Box Plot

As our Age groups are sufficiently normally distributed, we proceed to perform ANOVA to test if the average means of the groups are significantly different.

## ANOVA

OrganisationalSupport					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	32.998	3	10.999	1.552	.205
Within Groups	836.281	118	7.087		
Total	869.279	121			

Table 46 ANOVA

The One Way ANOVA result is presented in Table 46. The results presented do not yield significant differences,  $F(3, 118) = 1.552, p=0.205$ . This result shows that there is insufficient evidence to suggest that age is an influencing factor on Organisational Support.

### 5.5.3 Organisational Support and Length of Service

Normality tests for the four length of service categories were performed and results are depicted in Table 47. All four length of service categories produced a  $>0.05$  result, confirming that our populations are sufficiently normally distributed. Figure 22 displays a box plot of the median values by length of service category (less than 5 years  $M=14$ ; between 5 and 10 years,  $M=14$ ; between 10 and 20 years,  $M=14$  and 20 years plus,  $M=15$ ). Outliers are observed only in the 20 year plus length of service category.



Length of Service	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
OrganisationalSupport Less than 5 years	.109	35	.200 <sup>*</sup>	.969	35	.409
Between 5 upto 10 years	.139	53	.012	.973	53	.261
Between 10 up to 20 years	.114	27	.200 <sup>*</sup>	.960	27	.375
20 years plus	.214	7	.200 <sup>*</sup>	.918	7	.453

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Table 47 Shapiro-Wilk Test

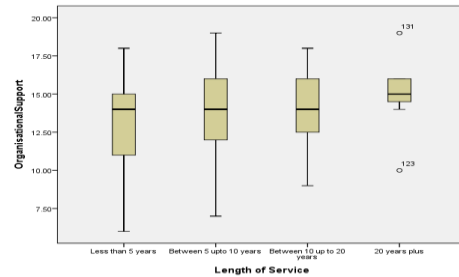


Figure 22 Box Plot

As our length of service groups appear to be sufficiently normally distributed, we proceed to perform ANOVA to test if the average means of the groups are significantly different.

OrganisationalSupport					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	21.508	3	7.169	.998	.396
Within Groups	847.771	118	7.185		
Total	869.279	121			

Table 48 ANOVA

The One Way ANOVA result is presented in Table 48. The results presented do not yield significant differences,  $F(3, 118) = 0.998$ ,  $p=0.396$ . This result shows that there is insufficient evidence to suggest that length of service is an influencing factor on Organisational Support.

## 5.6 Driver 4 Learning and Development

Figure 23 depicts the results from the Learning and Development variable on an individual histogram. The vertical axis represents the actual number of observations falling within the item and the horizontal axis represents the total scores from each of the five statements (L1-L5). The right hand side of the chart shows the mean ( $m=18.49$ ); standard deviation ( $SD=2.595$ ) and count ( $N=121$ ).

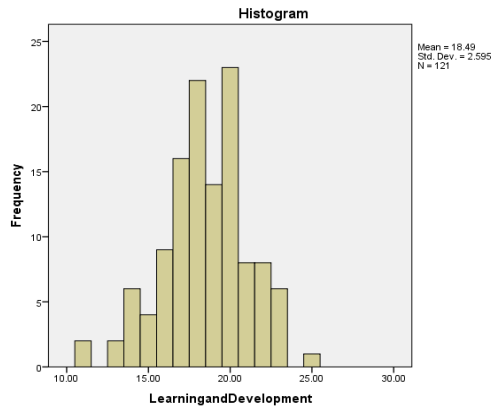


Figure 23 Learning and Development Distribution

Where Strongly Agree (5); Agree (4), Neither Agree nor Disagree (3); Disagree (2) Strongly Disagree (1)

Table 49 to 53 present the mean, median and mode for the five Learning and Development statement items (LD1-LD5).

Statistics		
Learning and Development Item		
N	Valid	121
	Missing	12
Mean		4.20
Median		4.00
Mode		4

Table 49 Descriptive Statistics LD1

Statistics		
Learning and Development Item		
N	Valid	121
	Missing	12
Mean		4.11
Median		4.00
Mode		4

Table 50 Descriptive Statistics LD2

Statistics		
Learning and Development Item		
N	Valid	121
	Missing	12
Mean		3.45
Median		4.00
Mode		4

Table 51 Descriptive Statistics LD3

Statistics		
Learning and Development Item		
N	Valid	121
	Missing	12
Mean		3.71
Median		4.00
Mode		4

Table 52 Descriptive Statistics LD4

Statistics		
Learning and Development Item		
N	Valid	121
	Missing	12
Mean		3.02
Median		3.00
Mode		4

Table 53 Descriptive Statistics LD5

### 5.6.1 Learning and Development and Gender

The gender distribution is presented on the responses to the Learning and Development variable in Figure 24 and Figure 25. The results seem to suggest skewed distribution in both cases.

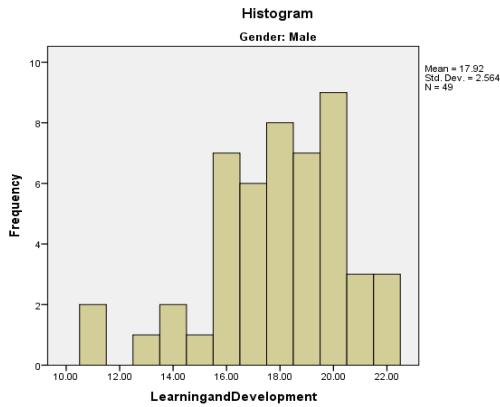


Figure 24 Learning and Development Male

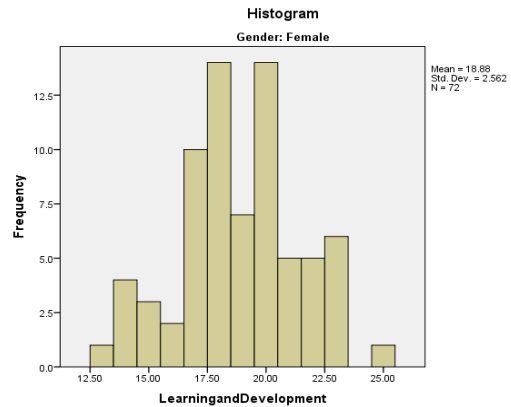


Figure 25 Learning and Development Female

The test for normality, the Shapiro-Wilk test was next performed. The results this test are presented in Table 54, Male  $p=0.018$ , Female  $p=0.131$ . As this test has produced a significant result ( $<0.05$ ), this confirms our data is not normally distributed and we proceed to perform a nonparametric Mann-Whitney Test. A graphical representation of distribution observations are presented in box plot, Figure 26. The median value; Male=14 and Female=14. Outliers are observed in the female distribution.

		Tests of Normality					
		Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Gender	Statistic	df	Sig.	Statistic	df	Sig.
LearningandDevelopmen t	Male	.125	49	.054	.942	49	.018
	Female	.106	72	.044	.973	72	.131

a. Lilliefors Significance Correction

Table 54 Shapiro-Wilk Test

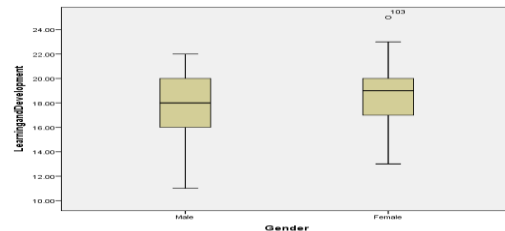


Figure 26 Box Plot

### Mann-Whitney U-Test

		Ranks		
		Gender	N	Mean Rank
LearningandDevelopmen t	Male	49	54.32	2661.50
	Female	72	65.55	4719.50
	Total	121		

Table 55 Mean Rank

		Learningand Development
Mann-Whitney U		1436.500
Wilcoxon W		2661.500
Z		-1.745
Asymp. Sig. (2-tailed)		.081

a. Grouping Variable: Gender

Table 56 Mann-Whitney Test

The results of the mean rank is presented in Table 55 with Males,  $M=54.32$  and Females,  $M=65.55$ . The result for the Mann-Whitney test, presented in Table 56, present  $U=1436.500$  and  $p=.081$ . As this result is greater than the significance level of 0.05, we conclude that there

is insufficient evidence to suggest that gender is an influencing factor on Learning and Development.

### 5.6.2 Learning and Development and Age

Normality tests for the four age categories and Learning and Development variable were performed, results are depicted in Table 57. All age categories produced a  $>0.05$  result, with the exception of the 18 to 29 year olds where  $p=.046$ . This suggests that our populations are not normally distributed, and as such, the nonparametric test Kruskal-Wallis, to test for mean rank, will be relied upon. Figure 27 presents a box plot of the median values by age (18 to 29 year olds  $M=18$ , 30 to 40 year olds  $M=18$ , 40 to 50 year olds  $M=19$  and 50 years plus  $M=20$ ). Outliers are observed in the 18 to 29 year and 30 to 40 year age categories.

Age	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
18 years upto 29 years	.209	24	.008	.915	24	.046
30 years upto 40 years	.107	69	.048	.981	69	.398
41 years upto 50 years	.129	17	.200 <sup>*</sup>	.975	17	.897
50 years plus	.164	11	.200 <sup>*</sup>	.926	11	.370

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Table 57 Shapiro-Wilk Test

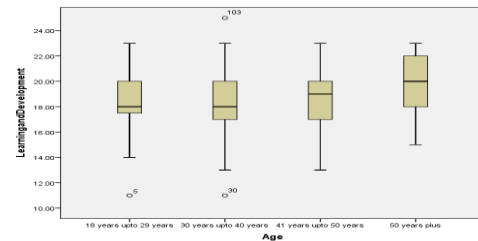


Figure 27 Box Plot

### Kruskal-Wallis H-Test

A Kruskal-Wallis Test was run to consider the mean ranks of the four age categories to identify if they were significantly different. Results are presented in Table 58 and Table 59.

Age	N	Mean Rank
18 years upto 29 years	24	58.35
30 years upto 40 years	69	59.14
41 years upto 50 years	17	61.09
50 years plus	11	78.27
Total	121	

Table 58 Mean Rank

	Learning and Development
Chi-Square	3.052
df	3
Asymp. Sig.	.384

a. Kruskal Wallis Test

b. Grouping Variable: Age

Table 59 Kruskal-Wallis Test

Table 58 depicts the mean rank for each of the age categories. The result of the Kruskal-Wallis test is presented in Table 59 where,  $p=.384$ . We therefore conclude that there is insufficient evidence to suggest that age is an influencing factor on Learning and Development.

### 5.6.3 Learning and Development and Length of Service

Normality tests for the four length of service categories were performed and results are depicted in Table 60. All length of service categories produced a  $>0.05$  result, with the exception of the less than 5 year service category where,  $p=.034$ . This suggests that our populations are not normally distributed, and as such, the nonparametric test Kruskal-Wallis to test for mean rank will be relied upon. Figure 28 presents a box plot of the median values by length of service category (less than 5 years  $M=19$ ; between 5 and 10 years,  $M=18$ ; between 10 and 20 years,  $M=19$  and 20 years plus,  $M=20$ ). Outliers are observed in the less than 5 year and between 5 and 10 year length of service category.

Tests of Normality							
	Length of Service	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
LearningandDevelopmen t	Less than 5 years	.163	35	.019	.933	35	.034
	Between 5 upto 10 years	.146	52	.007	.973	52	.282
	Between 10 up to 20 years	.113	27	.200 <sup>*</sup>	.955	27	.287
	20 years plus	.233	7	.200 <sup>*</sup>	.909	7	.391

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Table 60 Shapiro-Wilk Test

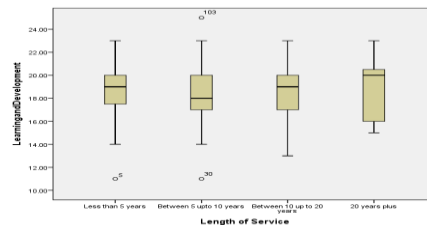


Figure 28 Box Plot

### Kruskal-Wallis H-Test

A Kruskal-Wallis Test was run to consider the mean ranks of the four age categories to identify if they were significantly different. Results are presented in Table 61 and Table 62.

Ranks			
	Length of Service	N	Mean Rank
LearningandDevelopmen t	Less than 5 years	35	63.21
	Between 5 upto 10 years	52	57.56
	Between 10 up to 20 years	27	63.89
	20 years plus	7	64.36
	Total	121	

Table 61 Mean Rank

Test Statistics <sup>a,b</sup>	
	Learningand Development
Chi-Square	.904
df	3
Asymp. Sig.	.824

a. Kruskal Wallis Test

b. Grouping Variable: Length of Service

Table 62 Kruskal-Wallis Test

Table 61 depicts the mean rank for each of the length of service categories. The result of the Kruskal-Wallis test is presented in Table 62 where,  $p=.824$ . We therefore conclude that there is insufficient evidence to suggest that length of service is an influencing factor on Learning and Development.

## 5.7 Driver 5 Working Environment

Figure 29 depicts the results from the Working Environment variable on an individual histogram. The vertical axis represents the actual number of observations falling within the item and the horizontal axis represents the total scores from each of the five statements (WE1-WE5). The right hand side of the chart shows the mean (m=19.20); standard deviation (SD=2.934) and count (N=121).

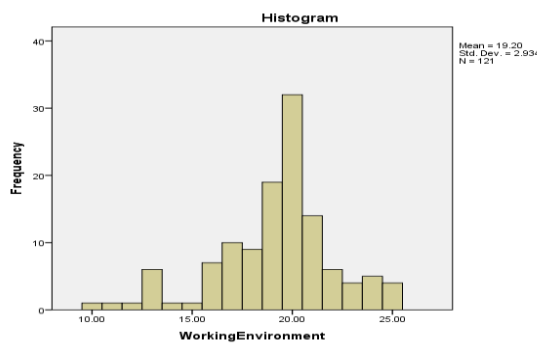


Figure 29 Working Environment Distribution

Where Strongly Agree (5); Agree (4), Neither Agree nor Disagree (3); Disagree (2) Strongly Disagree (1)

Table 63 to 67 present the mean, median and mode for the five Working Environment statement items.

Statistics		
Work Environment Item 1		
N	Valid	121
	Missing	12
Mean		3.81
Median		4.00
Mode		4

Table 63 Descriptive Statistics WE1

Statistics		
Work Environment Item 2		
N	Valid	121
	Missing	12
Mean		3.85
Median		4.00
Mode		4

Table 64 Descriptive Statistics WE2

Statistics		
Work Environment Item 3		
N	Valid	121
	Missing	12
Mean		3.57
Median		4.00
Mode		4

Table 65 Descriptive Statistics WE3

Statistics		
Work Environment Item 4		
N	Valid	121
	Missing	12
Mean		4.20
Median		4.00
Mode		4

Table 66 Descriptive Statistics WE4

Statistics		
Work Environment Item 5		
N	Valid	121
	Missing	12
Mean		3.77
Median		4.00
Mode		4

Table 67 Descriptive Statistics WE5

### 5.7.1 Working Environment and Gender

The gender distribution is presented on the Working Environment variable in Figure 30 and Figure 31. The results seem to suggest skewed distribution in both cases.

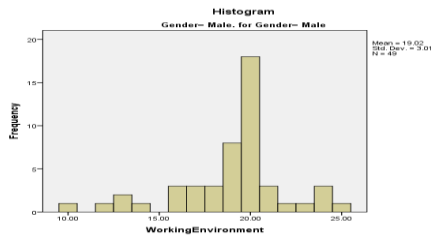


Figure 30 Male Working Environment

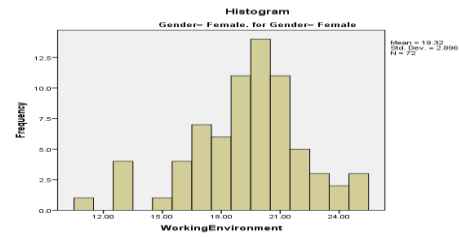


Figure 31 Female Working Environment

The test for normality, the Shapiro-Wilk test was next performed. Deviation from normality has been confirmed through the application of this test and as such non parametric tests will be relied upon to test for differences. The results of the Shapiro-Wilk test of normality are presented in Table 68. Both the Male ( $p=.001$ ) and Female ( $p=.021$ ) observed scores of  $<0.05$  and, as such, a nonparametric test will be relied upon. A graphical representation of distribution observations are presented in box plots in Figure 32. The median value; Male=20 and Female=20. Outliers are identified in both males and female distribution.

		Tests of Normality					
		Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Gender	Statistic	df	Sig.	Statistic	df	Sig.
WorkingEnvironment	Male	.212	49	.000	.902	49	.001
	Female	.137	72	.002	.960	72	.021

a. Lilliefors Significance Correction

Table 68 Shapiro-Wilk Test

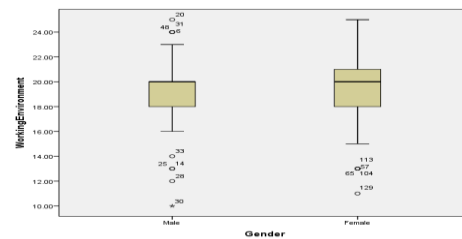


Figure 32 Box Plot

### Mann-Whitney U-Test

The nonparametric Mann-Whitney U-Test, which tests for differences in mean rank was performed. Results of this test are presented in Table 69 and Table 70.

		Ranks		
	Gender	N	Mean Rank	Sum of Ranks
WorkingEnvironment	Male	49	58.97	2889.50
	Female	72	62.38	4491.50
	Total	121		

Table 69 Mean Rank

		Test Statistics <sup>a</sup>
		WorkingEnvironment
Mann-Whitney U		1664.500
Wilcoxon W		2889.500
Z		-.532
Asymp. Sig. (2-tailed)		.595

a. Grouping Variable: Gender

Table 70 Mann-Whitney Test

The results show no significant difference between Males and Females mean ranks,  $M=58.97$  and  $F=62.38$ . The result for the Mann-Whitney test present,  $U=1664.500$  and  $p=.595$ . As this

result is greater than the significance level of 0.05, we conclude that there is insufficient evidence to suggest that gender is an influencing factor on the Working Environment.

### 5.7.2 Working Environment and Age

Normality tests for the four age categories and the Working Environment variable were performed, results are depicted in Table 71. The 30 to 40 year age category showed deviation from normality where,  $p= 0.001$ . As such, the nonparametric test Kruskal-Wallis to test for mean rank will be relied upon. Figure 33 displays a box plot of the median values by age (18 to 29 year olds  $M=20$ ; 30 to 40 year olds  $M=20$ ; 40 to 50 year olds  $M=18$  and 50 years plus,  $M=19$ ). Outliers are observed in the 18 to 29 year old and 30 to 40 year age categories.

Tests of Normality							
Age	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk			
	Statistic	df	Sig.	Statistic	df	Sig.	
WorkingEnvironment	18 years upto 29 years	.169	24	.076	.945	24	.206
	30 years upto 40 years	.199	69	.000	.927	69	.001
	41 years upto 50 years	.151	17	.200 <sup>*</sup>	.956	17	.549
	50 years plus	.183	11	.200 <sup>*</sup>	.956	11	.718

\*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

Table 71 Shapiro-Wilk Test

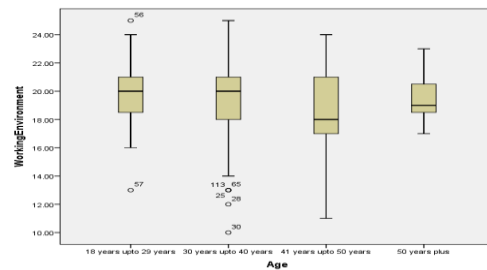


Figure 33 Box Plot

### Kruskal-Wallis H-Test

A Kruskal-Wallis Test was run to consider the mean ranks of the four age categories to identify if they were significantly different. Results are presented in Table 72 and Table 73.

Ranks			
Age	N	Mean Rank	
WorkingEnvironment	18 years upto 29 years	24	66.19
	30 years upto 40 years	69	60.99
	41 years upto 50 years	17	52.79
	50 years plus	11	62.45
Total	121		

Table 72 Mean Rank

Test Statistics <sup>a,b</sup>	
	WorkingEnvironment
Chi-Square	1.513
df	3
Asymp. Sig.	.679

a. Kruskal Wallis Test

b. Grouping Variable: Age

Table 73 Kruskal-Wallis Test

Table 72 depicts the mean rank for each of the age categories. The result of the Kruskal-Wallis test is presented in Table 73 where,  $p=.679$ . We therefore conclude that there is insufficient evidence to suggest that age is an influencing factor on the Working Environment.

### 5.7.3 Working Environment and Length of Service



Normality tests for the length of service categories were performed and results are depicted in Table 74. All length of service categories produced results of  $< 0.05$ , with the exception of the 10 to 20 year length of service category. This confirms that our age categories are not normally distributed. As such, the nonparametric test Kruskal-Wallis to test for mean rank will be relied upon. Figure 34 displays a box plot of the median values by length of service category (less than 5 years  $M=20$ ; between 5 and 10 years,  $M=20$ ; between 10 and 20 years,  $M=19$  and 20 years plus,  $M=20$ ). Outliers are observed in all age categories with the exception of the 10 to 20 year length of service category.

		Tests of Normality					
		Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
Length of Service		Statistic	df	Sig.	Statistic	df	Sig.
WorkingEnvironment	Less than 5 years	.162	35	.021	.937	35	.047
	Between 5 upto 10 years	.221	52	.000	.902	52	.000
	Between 10 up to 20 years	.126	27	.200 <sup>a</sup>	.968	27	.558
	20 years plus	.389	7	.002	.706	7	.004

\*. This is a lower bound of the true significance.  
a. Lilliefors Significance Correction

Table 74 Shapiro-Wilk Test

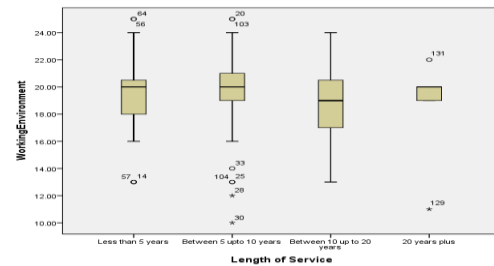


Figure 34 Box Plot

## Kruskal-Wallis H-Test

A non-parametric test was performed to test for differences in mean rank of the four length of service categories. Table 75 depicts the mean rank for each of the length of service categories. The result of the Kruskal-Wallis test is presented in Table 76 where,  $p=0.636$ . From these results, we conclude that there is insufficient evidence to suggest that length of service is an important factor that influences the Working Environment.

		Ranks	
Length of Service		N	Mean Rank
WorkingEnvironment	Less than 5 years	35	61.79
	Between 5 upto 10 years	52	64.38
	Between 10 up to 20 years	27	53.76
	20 years plus	7	59.86
Total		121	

Table 75 Mean Rank

		Test Statistics <sup>a,b</sup>	
		WorkingEnvironment	
Chi-Square		1.703	
df		3	
Asymp. Sig.		.636	

a. Kruskal Wallis Test  
b. Grouping Variable: Length of Service

Table 76 Kruskal-Wallis Test

## 5.8 Summary

This section presented the survey findings for each of the five engagement drivers and analysed the results against each demographic variable. Results were analysed through the use of both parametric and nonparametric tests using SPSS and results revealed that demographics did not have an influence any of the five drivers. The next chapter will discuss the survey results in more detail.

This chapter discusses the findings from the survey conducted in the Company and how it relates to the literature reviewed. The research objective is to examine the key drivers of employee engagement in a declining outsourcing company. In addition, the study aims to understand the current levels of engagement at the Company and to determine, to what extent, employee engagement is important when planning downsizing or closure.

This chapter will be presented under the following six headings:

1. Overview of Results
2. Leadership
3. Communication
4. Organisational Support
5. Learning and Development
6. Work Environment

## **6.1 Overview of Results**

Overall, analysis of the survey indicate that 54% of respondents are currently engaged. This result is determined by the most frequent overall responses being Agree (4) or Strongly Agree (5). This also means that 46% of employees are disengaged with this group either answering Neither Agree nor Disagree (3), Disagree (2) or Strongly Disagree (1). This shows a considerable drop in engagement levels since the last survey conducted in 2013 where responses showed that in excess of 70% of employees were engaged. Whilst this is based on the overall result, a number of the individual drivers on their own, produced higher results. The results of the survey conducted did not illustrate a difference in respondents views based on their demographic of age, gender and length of service. This is in contrast to the view of The Institute of Employment Studies (2004) who illustrated that engagement levels can drop as employees get older and they can also be affected as their length of services increases (Robinson, Perryman & Hayday, 2004).

## **6.2 Leadership**

Leadership responses revealed that 58.36% of respondents answered either Agree or Strongly Agree to the individual statement items, L1-L5. The results of L4 '*I can have a meaningful two way conversation with my line manager*' show that 80.4% of respondents either Agree or

Strongly Agree with this statement. This result shows that respondents are comfortable having a meaningful conversation with their line manager. This is crucial during a close down process where communication is essential. Macey & Schneider (2008) state that when employees feel involved through a collaborative leadership style, their engagement levels tend to increase. This result also supports Kahn's (1990) engagement model, tested by May *et al* (2004) who found that meaningfulness, safety, and availability were significantly related to engagement. They found that rewarding co-worker and supportive supervisor relations were positive predictors of safety. Furthermore, Kahn (1990) identified that management styles impact on employees feeling psychologically safe in their work environment.

The responses to L2 '*My line manager positively leads and motivates others to accept change*' revealed that 75.2% of respondents answered Agree or Strongly Agree to this statement. When a company is planning to cease its operations, strong leadership appears to be at the forefront of maintaining employee engagement. Change leaders, according to Armstrong & Taylor (2014) must recognise where change is taking place, assess it and then enable the implementation of this change successfully into the organisation. The results to L2 suggests that the leadership in the Company have taken time with their employees during the downsizing process and motivated them to accept the change.

Interestingly, the responses to L1 '*Through the organisational decline, I believe Leadership has enabled us to deal with the challenges we face*' yielded different results. Whilst 57.9% either Agree or Strongly Agree with this statement, 41.1% of respondents either Strongly Disagree, Disagree or Neither Agree nor Disagree with this statement. The term Leadership at the Company refers to senior management, those who lead the organisation. This result presents a difference in respondent's views between their line manager and senior management. This indicates that respondents feel that they have received more support to deal with the change by their immediate line manager rather than senior management. For the 41.1% of respondents who do not have a positive view on this statement, they could potentially agree with the view of Theissen (2004) who states that employees impacted by organisational change can feel a lack of clarity over organisational direction, and do not have confidence in the senior management team to make sensible decisions for the future.

Hansson & Wigblad (2006) state that some of the literature indicates that certain dynamics come into play during the closedown process such as diminishing management control but

these results do not support this view. Saks (2006) argue that supervisors are crucial in building engagement amongst employees and that they are at the root of disengagement. The respondent's views confirm that line management are crucial at building and increasing engagement amongst employees. In this regard, responses reveal that line managers are functioning sufficiently, with improvement required for the senior management relationship with employees.

### **6.3 Communication**

The overall results for Communication differed to the Leadership results with 66.6% of respondents answering Strongly Disagree, Disagree, or Neither Agree nor Disagree to the individual statement items, C1-C5. This shows that over half of the respondents either disagree or don't feel able to give a view on the Communication statement items, and as such display signs of disengagement. Robinson et al (2004) state that employee engagement requires a two way relationship between employer and employee that continuously needs to be developed and nurtured in order to maintain levels of engagement. Communication is an essential element of this two way relationship.

The response to C5 '*I feel that my opinion matters*' revealed that 75.1% of respondents either Strongly Disagreed, Disagreed or Neither Agreed nor Disagreed with this statement, therefore, respondents feel that their opinion at the Company does not matter. Attridge (2009) states that having both upward and downward communication will help create a more open and trusting environment which results in higher levels of engagement. These results support the literature that having an opinion that matters is an important factor that influences employee engagement.

The results for C3 '*I feel that employees views influence the decisions taken by Senior Management*' yielded results of 53.4% either Strongly Disagree, Disagree or Neither Agree nor Disagree. This response reveals that respondents don't feel that Senior Management listen to their views. According to Rees and French (2010) allowing employees to have a voice is important when looking at engagement. To maintain trust during difficult periods such as downsizing, senior management must communicate effectively, provide rationale for the decisions they make and treat employees in a dignified and respectful manner (Folger and Skarlicki, 1998; Dirs and Skarlicki, 2004). This is very evident in the responses received to C3, which agrees with the literature and confirms that having a voice and being listened to,

influence engagement levels. The importance of communication is further highlighted by Marks and DeMeuse (2005, p.29) who wrote that “*the need to ‘over communicate’ in a transition has been over communicated for years now*”.

Cameron (1994) stated that communication and information sharing is vital in the success of downsizing. The respondents’ views arising from the survey on the Communication driver suggest that a decrease in engagement has been experienced during the period of decline.

#### **6.4 Organisational Support**

The results for Organisational Support revealed that 55.9% of respondents answered Strongly Disagree, Disagree or Neither Agree nor Disagree to the three statement items. Organisational Support Item 2 *‘I believe the organisation is concerned for my well-being’*, 56.4% of respondents answered either Strongly Disagree, Disagree or Neither Agree nor Disagree with this statement. Employees who feel valued and believe that the organisation is concerned for their well-being are more likely to feel a sense of responsibility towards their employer, resulting in increased loyalty and commitment to the organisation (Lee & Peccei, 2007). With such a high percentage of respondents either disagreeing or not having a view on this statement, it tends to suggest that there exists a belief in the Company among its employees that there is a lack of concern for employee well-being.

Perceived organisational support refers to an employees’ belief that the organisation values their contribution and cares about their well-being (Rhoades and Eisenberger, 2002). The level of support and care the employee receives from the organisation influences their psychological safety and enables them to employ themselves without fear of negative consequences (Kahn, 1990). Well-being is linked to Kahn’s engagement model where employees feel they work in a safe environment. If an employee perceives the organisation is not concerned for their well-being, engagement levels will most likely decrease.

The results for OS1 *‘I feel valued for the work that I do’* revealed that 46.7% of respondents either Strongly Disagree, Disagree or Neither Agree nor Disagree with this statement. According to a study conducted by Aon Hewitt (2011), recognition is a key driver for employee engagement. When an employee does not feel appreciated for the work that they do, they are more likely to leave their jobs. Feeling valued is an important factor in determining how

engaged an employee feels (Robinson et al, 2004). The response to this statement in this case therefore suggests that almost half of the respondents do not feel valued by the organisation. The results for OS4 '*I feel adequately rewarded for the work that I do*' revealed responses of 48.1% either Agree or Strongly Agree with this statement. As 51.9% of respondents answered Strongly Disagree, Disagree or Neither Agree nor Disagree, there are a considerable number of employees who do not feel adequately rewarded for what they do. Maslach et al (2001) state that recognition and rewards, along with a system that is deemed fair and just, are key in driving engagement levels in organisations. Similarly, Bratton and Gold (2007) agree by stating that reward strategies can be described as management's key lever in creating higher levels of engagement. The responses to OS4 suggest that nearly half of the employees feel inadequately rewarded for the work performed. This is in contrast to the Company's salary bench-marking exercise which previously confirmed that the Company was adequately rewarding its employees in line with current market rates.

## **6.5 Learning and Development**

The overall Learning and Development results reported that 65.42% of respondents answered Strongly Agree or Agree. This indicates that the majority of respondents are satisfied with the learning and development opportunities available to them at the Company which has led to increased engagement levels. Robinson et al (2004) note that providing opportunities for employees to develop in their jobs is a key driver of employee engagement and the overall responses to this driver support this view.

The statement item (L1) '*I feel that I have mastered the skills necessary to do my job well*' achieved a very high result with 84.9% of respondents answering either Strongly Agree or Agree to this statement. Similarly, statement item (L2) '*I feel I have the necessary tools to enable me to do my job effectively*' showed that 83.5% of respondents either Agree or Strongly Agree with this statement. The positive response received to both of these statements reveal that employees feel they are both sufficiently trained and have mastered the necessary skills to perform their role successfully. Kahn (1990) also states that having the necessary tools at work makes employees more able to engage.

In contrast to L1 and L2, L5 did not report positive results. The statement item '*In the past 12 months, I have had opportunities at work to learn and grow*' showed that 50.4% of respondents

answered Strongly Disagree, Disagree or Neither Agree nor Disagree. This result is most likely caused by the Company confirming its closure, resulting in limited opportunities for employees to change roles or secure a promotion. Though training and development can be costly and time consuming, if employees feel they are being invested in and are an asset to their organisation it will help sustain their levels of engagement (Ahmadi, et al, 2012). This statement item also relates to feelings of meaningfulness in Kahn's (1990) engagement model. Employees want to feel that the organisation is investing in them and that they can make a meaningful contribution to the company in return.

When an organisation goes through significant change, the literature states that learning and development is central to employee engagement. Cameron (1994) view supports this argument and advocates providing opportunities for personal growth and development for individuals in the midst of downsizing. It is important for employers to remain focussed on employee engagement instead of just concentrating on the financial performance of the company. In contrast to this, Gandolfi (2008, p.11) states that "*survivors generally find themselves with increased workloads and job responsibilities while frequently receiving few or no resources, training and support*". In this case, the view of Cameron would appear to be more relevant with the findings of the survey.

## **6.6 Working Environment**

The results for the Working Environment driver show that 71.4% of respondents answered Strongly Agree or Agree to the statement items. This is the highest result of the five key drivers. The responses to W1 '*The environment in this organisation supports a balance between work and personal life*' resulted in 68.4% of respondents answering Agree or Strongly Agree. This result supports the views of Lee & Peccei (2007) who state that employees who feel valued and believe that the organisation is concerned for their well-being are more likely to feel a sense of responsibility towards their employer, resulting in increased loyalty and commitment to the organisation. This result also relates to Kahn's (1990) model of engagement where, availability, relates to the job role and how available the employee is to do their job, and if they have good work-life balance. Respondents feel that the work environment supports a balance between work and personal life which has increased engagement levels.

W2 '*I am able to satisfy both my job and family/personal responsibilities*' also received a strong result with 72.9% of respondents answering Strongly Agree or Agree to this statement. This



demonstrates that the majority of respondents are happy with the level of flexibility received to balance both work and personal commitments which has increased engagement levels.

The highest results received under the Work Environment driver was for W4 *'My team work effectively together to meet our objectives'* where 83.4% of respondents answered Strongly Agree or Agree to this statement. This is consistent with much of the literature which states that co-worker relationships is a key influencer in employee engagement. Kahn (1990) stated that interpersonal relationships promote psychological safety if they provide support, trust, openness, flexibility and lack of threat. This is further supported by Schaufeli and Bakker (2004) and Saks (2006) who confirmed that support from colleagues predicts engagement. Attridge (2009) also agrees that the working environment is affected by factors such as relationships with colleagues and relationships with management. This positive result confirms that respondents are strong team players who well together to meet business objectives and this has led to higher levels of engagement.

The results for W5 *'The amount of work I am asked to do is reasonable'* revealed that 69.1% of respondents answered Agree or Strongly Agree. This contradicts Gandolfi (2008, p.11) view that *"survivors generally find themselves with increased workloads and job responsibilities while frequently receiving few or no resources, training and support"*. This response shows that employees are satisfied with the amount of work that they are asked to do on a day to day and is consistent with the responses to W1 *'The environment in this organisation supports a balance between work and personal life'*. During the decline period, employees feel their work load is reasonable and they have achieved a greater work-life balance.

The overall results for Working Environment suggest that employee engagement levels increase when they work in a supportive environment that connects people.

## **6.7 Summary**

Kahn (1990, p.694) definition of employee engagement "the harnessing of organisation members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances" strongly relates to the findings of the survey conducted at the Company. Respondents revealed that cognitively, how they feel about Leadership and Working conditions, are strong influencers of employee engagement. Emotionally, the survey results have shown that employees who feel that their

organisation cares about their well-being will show higher levels of engagement. Physically, employees at the Company feel they are not over worked and have achieved work-life balance and therefore physically can exert themselves to undertake their roles.

The findings strongly suggest that employee engagement is associated with the five key drivers of leadership, good communication, organisational support, learning and development and the working environment. The most notable findings, in the case of a company in decline, is that employees place a higher emphasis on relationships with colleagues and their line manager. Employees need a confidante at work where they can speak without fear of consequences. Other findings revealed that, development opportunities during the decline period are vital to skill building, ahead of employees facing the employment market. In addition, employees want the Company to take their opinions into consideration, even if the Company is in wind-down. Each of the key drivers discussed have been linked to Kahn's (1990) engagement model and the findings of this study support the three psychological conditions of meaningfulness, safety and availability.

The next chapter will discuss the conclusion to this study.

## **Chapter 7 Conclusion**

The aim of this study was to examine the key drivers influencing employee engagement in a declining outsourcing company in Dublin. There were two questions to be addressed as part of research:

Q1. What are the currently engagement levels in the Company?

Q2 To what extent should the Company consider employee engagement when planning downsizing or closure?

The study surveyed 133 employees of a declining outsourcing company in Dublin. The purpose of the study was to understand this group's engagement levels at a time when they are facing redundancy, but still expected to perform to a high standard. The response to the survey revealed that only 54% of employees were engaged which shows that engagement levels at the Company have fallen since the last survey in 2013. An individual's gender, age or length of service was found not to have an impact on engagement results.

Results show that feelings of safety appear to be heightened in a declining company. Employees have placed great importance on having strong relationships with team members and line managers where they can express themselves freely without having fear that it will have negative consequences. This shows that employees want a confidante at work to share their feelings on the company closure and impending job loss. Employees also want to feel cared about personally during the decline period as it not only affects their work life, redundancy also affects them on a personal basis.

The study exposed that employees want to have a voice, and want senior management to take their views into consideration when making company decisions. Employees at the Company feel supported by line management but do not feel supported by senior management and this has led to lower levels of engagement. This is an important factor for leadership to consider in order to build trust amongst its employees during the company wind-down. To achieve, higher levels of engagement, leadership must communicate effectively with its employees. Channels of communication both upward and downwards in the organisation are essential to allow employees opportunities to influence decisions. Employees want a sense of involvement with their employer and want to be treated as valued individuals who are able to contribute to the direction of the company, regardless of the stage of its lifecycle.

This study revealed that learning and development continues to be important factor for employees even when the organisation has an impending closure. Employees want to prepare themselves for the employment market and ensure that they are best placed at securing a new role. Development opportunities such as role rotation or up-skilling in a new task, are important to employees in the final months of the company's life. Robinson et al (2004) noted

that providing opportunities for development is a key driver of employee engagement. Leaders play an important role ensuring that development opportunities are created during the decline phase in order to keep employees motivated and interested. Employees want to feel invested in, and the organisation reaps the benefits of increased employee engagement. .

Employee engagement can lead to a host of positive organizational outcomes such as higher levels of productivity and task performance, customer satisfaction, and reduced employee turnover (Harter, Schmidt and Hayes, 2002; Rich, Lepine and Crawford, 2010). Given these benefits, it is crucial that organisations continue to monitor employee engagement and to create an environment that fosters engagement. It is particularly essential for employees who do not have the promise of long term job security, but are still expected to continue to perform to a high standard.

Leadership play a significant role in maintaining and improving engagement levels and it is crucial for them to understand how their employees are feeling. The results show that there is significant room for improvement and this can only be achieved through, firstly understanding the levels of engagement, and then implementing actions to address any issues that have been emphasised. Whilst employers cannot force employees to become engaged, they can create an environment that influences engagement, which leads to a host of benefits for both the employer and its employees. The study revealed that it essential to monitor employee engagement on an ongoing basis, not just in the good times. As the Company in this study is declining over a two year period, it is essential that engagement levels are measured as early as possible to allow adequate time to implement any changes highlighted in the results.

This study will add to the existing body of knowledge on employee engagement and will contribute to the research from the perspective of a declining Irish based company.

### **Limitations**

This study examined a particular occupational group in a single organisation, therefore, results should not be generalised across all companies in decline. The study adopted a quantitative approach which was deemed appropriate for this study, securing a high response rate of 84%. However, a mixed method approach, by including interviews, may complement and refine the

quantitative findings. Interviews can be more detailed and can provide further insight into how employees are feeling.

### **Future Research**

Future research into employee engagement in a number of companies in the decline phase, regardless of their industry type, would be beneficial. This would benefit from a larger sample size. There is also potential to include all occupational groups including senior management rather than a specific sub-set of the organisation.

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## **Appendix 1**

# **Summary Analysis of the Company Staff Survey**

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March 2013



## 1. Reliability Analysis

Fundamentally, reliability concerns the extent to which an experiment, test, or any measuring procedure yields the same results on repeated trials. The measurement of any phenomenon always contains a certain amount of chance error. Two sets of measurements of the same features of the same individuals may never exactly duplicate each other. However, repeated measurements of the same phenomenon tend to show certain consistency from measurement to measurement. The tendency towards consistency of measurement is referred to as reliability. Reliability was measured using Cronbach's Alpha.

### Statistics Explained:

Cronbach's Alpha was used in the reliability analysis, this statistic are explained further below.

### Cronbach's Alpha

Cronbach's Alpha internal consistency indicator was used to estimate the reliability of each driver. This provides a measure of the internal consistency of the items or how well they measure the same property. For each factor, a Cronbach's Alpha was calculated to determine how well statements 'hang together' or measure the same underlying construct. Cronbach's alpha is a measure ranging from -1 to +1. High values in the region of greater than 0.75 are desirable suggesting that all of the items are measuring the same concept. George and Mallery (2003) provide the following rules of thumb: > .9 – Excellent, > .8 – Good, > .7 – Acceptable, > .6 – Questionable, > .5 – Poor, and < .5 – Unacceptable.

Below is an analysis of each driver.

### Driver - Leadership

#### Scale Items

1	I believe that Directors will keep the promises they make
2	I believe that the Directors will enable us as an organisation to deal with the challenges we might face
3	I believe that the Directors care about colleague well-being
4	I feel that the Directors communicate effectively with colleagues
5	I feel that employees views influence the decisions taken by the Directors
10	I believe that the Directors are genuinely interested in soliciting employees' views, opinions & suggestions
11	I believe that the Directors are good at soliciting employees' views, opinions & suggestions

### Cronbach's Alpha 0.92

The driver for Leadership consists of 7 items, the Cronbach's Alpha is 0.92. This is a good score for the reliability of the scale.

### Driver - Communication

#### Scale Items

4	I feel that the Directors communicate effectively with colleagues
5	I feel that employees views influence the decisions taken by the Directors
6	I understand the aspirations for our organisation
7	I have a clear understanding of the goals and objectives of The Company
11	I believe that the Directors are good at soliciting employees' views, opinions & suggestions

#### **Cronbach's Alpha 0.85**

The driver consists of five items. The Cronbach's Alpha is 0.85. This is a good score for the reliability of the scale.

	<i>Cronbach's Alpha if Item Deleted</i>
<i>q4</i>	0.82
<i>q5</i>	0.82
<i>q6</i>	0.83
<i>q7</i>	0.83
<i>q11</i>	0.81

If any items were deleted from the scale there was no improvement in the Cronbach's Alpha score.

#### **Driver - Line Management**

13	I feel that line management are providing strong leadership
14	I feel that my line manager always supports me to deal with the impact of organisational change
15	My line manager is positively leading and motivating others to accept change
16	My manager provides me with honest feedback on my performance on a regular basis
19	My manager provides the coaching and development I need to improve my performance
20	My manager encourages my growth & development
21	Good work & performance is acknowledged & appreciated by my manager
22	I have meaningful, two way conversations with my manager around my performance
25	I feel comfortable to initiate conversations with my manager around my performance

#### **Cronbach's Alpha 0.97**

##### **Driver - Teamwork**

35	My team members are a great source of support through periods of change
36	My team work effectively together to meet our objectives

#### **Cronbach's Alpha 0.85**

The driver consists of two items. The Cronbach's Alpha is 0.85. This is a good score for the reliability of the scale. As there are only two items in this scale we cannot examine change in Cronbach's Alpha if one item was deleted.

##### **Driver - Colleague Empowerment and Alignment**

29	The work I do is very important to me
----	---------------------------------------

30	My work provides me with the opportunity to do what I do best every day
31	I am happy with my involvement in decisions that affect my work
32	I have the tools and information readily available to do my work well
33	I have sufficient autonomy in my day-to-day role
34	I have a significant influence over what happens in my team

**Cronbach's Alpha 0.88**

The driver consists of six items. The Cronbach's Alpha is 0.88. This is a good score for the reliability of the scale.

**Driver - Learning and Development  
Scale Items**

20	My manager encourages my growth & development
27	I have mastered the skills necessary to do my job well
28	I have access to varied learning & development opportunities, including on the job learning, training courses, line manager coaching etc. to support me to do my job well

**Cronbach's Alpha 0.69**

The driver consists of three items. The Cronbach's Alpha is 0.69. This score is on the low side of acceptable for the reliability of the scale. This means that these items may not reliably measure this scale.

	<i>Cronbach's Alpha if Item Deleted</i>
<i>q20</i>	0.6
<i>q27</i>	0.7
<i>q28</i>	0.44

Removing q27 'I have mastered the skills necessary to do my job well' from the scale has a small improvement in Cronbach's Alpha to 0.70 from 0.69.

**2. Validity Analysis**

The type of validity we propose examining is referred to as construct validity. This measures the degree to which the test instrument measures the theoretical concept or characteristic that it was designed to measure. Constructs are theoretical entities, not in themselves directly observable. Factors measured in the survey such as 'leadership', 'trust' etc., are not necessarily seen directly, only their hypothesised manifestations among various behaviours or attitudes. The proposed



underlying factors are referred to as constructs. Basically, construct validity is concerned with the extent to which a particular measure relates to other measures consistent with theoretically derived hypotheses concerning the concepts (or constructs) which are being measured. Based on current theory the researcher predicts how the measuring instrument should behave in certain situations. A factor analysis was carried out as a means of investigating construct validity. Factor analysis allows identification a small number of factors that explain most of the variance observed in a much larger number of manifest variables. In this procedure there is no preconceived model regarding factor structure. All 47 items were be placed in the model and then the resultant best fit model was reported.

## Appendix 2 Employee Engagement Survey

**Demographics**

**Gender**

Female

Male

**Age**

18 - 29

30 - 40

41 - 50

50 +

**How long have you been employed by the company?**

< 5 years

5 - 10 years

10 - 20 years

20 + years

## Leadership

**Through the organisational decline, I believe leadership has enabled us to deal with the challenges we face**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

**My line manager positively leads and motivates others to accept change**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

**I feel my line manager always supports me to deal with the impact of organisational change**

- Strongly disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

**I can have a meaningful two way conversation with my line manager**

- Strongly Disagree
- Disagree
- Neither Agree Nor Disagree
- Agree
- Strongly Agree

**Good work and performance is acknowledged and valued by my line manager**

- Strongly disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

## Communication

**Through the organisational decline, I feel that employees have been communicated with effectively**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

**Senior Management are good at soliciting employee views, opinions and suggestions**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

**I feel that employee views influence the decisions taken by Senior Management**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

**I receive the information and communication needed to do my job**

- Strongly disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

**I feel that my opinion matters**

- Strongly Disagree
- Disagree
- Neither Agree Nor Disagree
- Agree
- Strongly Agree

## Organisational Support

### I feel valued for the work that I do

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

### I feel my organisation is concerned for my well being

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

### My team members are a great source of support through periods of change

- Strongly Disagree
- Disagree
- Neither Agree Nor Disagree
- Agree
- Strongly Agree

### I feel adequately rewarded for the work that I do

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

### What is your primary reason for remaining with the organisation through to closure?

- Career Development
- Redundancy Terms
- Reward Package (e.g. Salary, Bonus, STEP)
- Complete Professional Qualification

## Learning and Development

**I feel that I have mastered the skills necessary to do my job well**

- Strongly Disagree
- Disagree
- Neither Agree nor Disagree
- Agree
- Strongly Agree

**I have the necessary tools to enable me to do my job effectively**

- Strongly Disagree
- Disagree
- Neither Agree Nor Disagree
- Agree
- Strongly Agree

**I have access to learning and development opportunities including on the job learning, cross-training, line manager coaching to support me to do my job well**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

**My line manager encourages my growth and development**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

**In the past 12 months, I have had opportunities at work to learn and grow**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

## Environment

**The environment in this organisation supports a balance between work and personal life**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

**I am able to satisfy both my job and family/personal responsibilities**

- Strongly Disagree
- Disagree
- Neither Agree Nor Disagree
- Agree
- Strongly Agree

**The pace of work in this organisation enables me to do a good job**

- Strongly Disagree
- Disagree
- Neither Agree Nor Disagree
- Agree
- Strongly Agree

**My team work effectively together to meet our objectives**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree

**The amount of work I am asked to do is reasonable**

- Strongly Agree
- Agree
- Neither Agree Nor Disagree
- Disagree
- Strongly Disagree