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Influence on the level of Employee Engagement in a South African pharmaceutical organisation

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Influence on the level of Employee Engagement in a South African pharmaceutical organisation

Thato Koma

A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Business Administration

Johannesburg, 2011

ABSTRACT

The primary aim of this research is to identify the factors influencing employee engagement at a pharmaceutical organisation in South Africa.

Employee engagement is deemed in this research to be the overall commitment of an employee to the psychological, social and cultural identity of an organisation.

Face-to-face interviews were conducted at the case site with a number of managers to ascertain the company's engagement drivers. A questionnaire survey was also conducted with all Lundbeck SA staff to capture their views on engagement drivers within the company. Secondary data was collected from the company's official website and other available company documents.

Responses from all these sources were analysed qualitatively to discern comparisons and contrasts in viewpoints on engagement. Responses were also discussed within the context of extant conceptual and empirical literature on employee engagement.
Finally, recommendations are made to enhance engagement based on the outcome of this research.

The study noted that Lundbeck SA devotes enormous time and resources to creating an enabling environment for employee engagement.
Lundbeck SA is a unique case with a 'best practice' engagement strategy and engagement practices that are culturally relevant, thus applicable in most South African organisations. The study also contends that the intent and purpose of Lundbeck SA's strategy are underscored in the literature, thus universally justifiable.

However, the aptitude for South African organisations to adopt similar practices is uncertain, due to the evidently foreign cultural foundations that underlie Lundbeck SA's management practices which defy the cultural rules of accepted management behaviour in the South African cultural context.

DECLARATION

I, Thato Koma, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Thato Koma

Signed at ……

On the …….. day of …… 2011

DEDICATION

I dedicate this work to my son Rethabile (Thabi) Koma. This accomplishment is not only for me, but for you too. I love you dearly

ACKNOWLEDGEMENTS

Firstly, I would like to express my appreciation to my Heavenly Father, who held my hand throughout the duration of the MBA programme, and granted me the strength and the ability to complete this study. Without Him, this would not have been possible.

To my partner, Rodney Gazide, thank you for supporting and encouraging me to complete this project. The financial commitment and sacrifice you made to see me accomplish this educational endeavour is beyond comprehension. Thank you for believing in me.

To my supervisor, Conrad Viedge, your professional advice and guidance provided throughout will not be forgotten. You generously shared your wisdom, knowledge and expertise on the subject of employee engagement with me. To have you as my research supervisor was the highlight of my MBA journey.

To Ben Christen, the Managing Director of Lundbeck SA, and all the employees who participated in the study, thank you for opening your doors and allowing me to make use of your organisation for this research. You eagerly gave your valuable time, and showed remarkable cooperation during the data collection process.

In addition, I would like to extend my deepest gratitude to Arnold Shkaidy for his assistance with notes captured during the interviews. I greatly appreciate the time and effort you devoted to my work.

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CHAPTER 1: INTRODUCTION

1.1 Purpose of the study

The purpose of this research is to investigate the important elements that influence employee engagement at Lundbeck South Africa (Lundbeck SA), a South African pharmaceutical company.

1.2 Context of the study

The interest or focus in this research is on employee engagement in the pharmaceutical industry, arguably one of SA's most robust industries, and one, as this research contends, in which employee engagement has the potential to enhance organisational competiveness, especially in the global marketplace.

The theory that employee engagement in the workplace improves service quality, customer satisfaction, employee retention, productivity and financial performance is supported by many researchers (Greenberg 2004; Harter, Schmidt and Hayes 2002; Sacks 2006; Soldati 2007).

In South Africa, employee engagement in both public and private sector is a subject of intense debate and interest for various professional, political and pragmatic reasons. Where and when this debate occurs, it is generally predicated on the need for South African organisations to gain a more competitive position in the global economy.

The proportion of disengaged employees in South Africa, however, is slightly higher than the global benchmark, with 24% of the workforce in organisations not fully engaged (Towers Perrin 2008).

Booyen (2000) advises that if South African organisations are to survive, they need to understand the different cultural expectations of its people and manage them properly in order to avoid experiencing adverse effects on organisational effectiveness (Denton and Vloeberghs 2002).

Catteeuw, Flynn and Vonderhorst (2007) say that most companies in the healthcare industry are faced with the commensurate challenges of growing their business in an increasingly competitive marketplace while discovering and developing innovative new medicine, and according to Robert (2006), a vital competitive advantage can be achieved through employees who are engaged in their work and committed to their organisations.

The purpose of this study is to investigate, in order to better understand, the drivers or factors that influence employee engagement within Lundbeck SA, with the aim of identifying and explaining the appropriate dimensions of engagement as it exists within the organisation.

Based on the results, possible guidelines that can provide a framework for managers and organisations will emerge, which other organisations could adopt to increase employee engagement.

1.3 Problem statement

The problem addressed in this research is what organisations can do to promote employee engagement within their workforce. Keeping a workforce engaged, positive and productive can challenge any well-managed organisation even in prosperous times, however, when the competitive business climate buffets an organisation for any number of reasons, engaging employees and boosting productivity becomes even more difficult (Catteeuw et al 2007).

The pharmaceutical industry is no different in this aspect, according to Nelson (2000), who states that the challenges facing the pharmaceutical industry are compounded by a variety of factors that many other industries do not face, such as government regulation of sales practices, non-direct tracking of sales results, and the impact of managed care on sales performance, all of which can have a negative effect on organisational productivity and competitiveness, as it does employee motivation.

1.3.1 *Main problem*

Employee engagement is still one of the greatest challenges facing organisations in this decade (Frank, Finnegan and Taylor's 2004), as a result, there is a huge, untapped potential that many organisations do not recognise, and therefore have not addressed (Bates 2004).

Many studies (Hewitt 2004; Towers-Perrin 2003; Greenberg 2004; The Gallup Organisation, 2004; Cameron 2005; ISR 2005) have demonstrated a strong link between employee engagement and business outcomes, noting that any organisation that seeks not only to retain valued employees, but also increase its levels of performance should pay close attention to factors that promote engagement within their workforce.

Vey and Cantrell (2004) note that pharmaceutical companies that experience higher performance in revenue growth rates are those that are good at developing the following five human capital resources, all of which are stated as statistically significant predictors of subsequent organisational financial performance.

In fact, effective management of some human capital resources account for up to 27% of the variation in revenue growth rates across companies in the study (Vey and Cantrell 2004).

1. Leadership and direction
2. Work culture/environment
3. Work/life balance
4. Academic collegial exchange
5. Compensation and Benefits

The study notes that leadership in organisations is the most strongly related to financial performance, with the most important attributes being the top leader's ability to adapt, take risks, encourage autonomy and manage effectively.

Similarly crucial to high performance in the pharmaceutical industry is the right work environment that values employee diversity, uses performance-based advancement and encourages learning and improvement opportunities (Vey and Cantrell 2004).

Although often neglected, work/life balance is another area of human capital development that is crucial in enhancing organisational financial performance, followed very closely by organisational support for academic and collegial exchange which was also found to be a major player in the annual revenue growth rates.

Finally, although often thought to be the most crucial of all the human capital development areas, compensation and benefits, was found to have very little influence on financial performance relative to other dimensions of human capital development mentioned above.

1.3.2 *Sub-problems*

- The first sub-problem is to establish the organisation's definition of engagement.
- The second sub-problem is to evaluate how employee engagement is influenced within the organisation.
- The third sub-problem is to establish the employees' experience of engagement as it exists within the organisation.
- The fourth sub-problem is to determine the perception of managers on the effects of engagement on employee performance.

1.4 Significance of the study

This study should contribute to the debate on how to influence employee engagement in order to enhance employee productivity and organisational performance in the pharmaceutical industry in South Africa.

Vey and Cantrell (2004) note that high performance pharmaceutical companies are more likely to create and maintain a work environment that values employee diversity, rewards individual employee performance, and encourages continued learning and training; factors which are more likely to attract the best and brightest applicants who are looking for an environment they can thrive in professionally and boost productivity and innovation.

As the 21st Century unfolds, major changes are beginning to occur in today's workplace, creating an urgent need for human resource professionals around the globe, to focus more attention and energy on keeping employees actively engaged in their work and retaining talent (Frank et al, 2004) for better business performance and return to shareholders (Hewitt 2004), especially in the current poor economic climate (Research Works June 2009).

Although various studies have found positive associations between engagement and meaningful organisational outcomes, MacLeod and Clarke (2009) content that too many organisational leaders are unaware of employee engagement and are still to be convinced of its benefits.

This study analysed employee engagement within a South African pharmaceutical organisation, raised awareness and understanding of factors that promote employee engagement and finally, put forward recommendations appropriate for the South African business environment.

1.5 Delimitations of the study

This study analysed comprehensive employee engagement processes limited to a single organisation within the South African Pharmaceutical industry and does not appraise their application within all aspects of the South African pharmaceutical organisations. Therefore, the results of the study may not be representative of other pharmaceutical organisations.

1.6 Definition of terms

This section reviews different attempts to define and measure employee engagement.

1.6.1 *Definition of Employee Engagement*

Engagement is a “complex phenomenon” (*Cheese, Thomas and Craig*2007:25), due to lack of formal definition of the term in the research literature (Finn and Rock 1997).

The term engagement is an old concept synonymous with words such as motivation, passion and commitment (MacCashland 1999). Like many psychological constructs, the notion of engagement is simple to understand yet more difficult to define and measure (Frank, Finnegan and Taylor 2004).

MacLeod and Clarke (2009) found over fifty different definitions when reviewing the concept. One practitioner gives the simplest definition of employee engagement as “when the business values the employee and the employee values the business” (MacLeod and Clarke, 2009, p.7).

Some of the various definitions of engagement are reviewed below:

Harter and Schmidt (2006) simply describe engagement as a modernised version of job satisfaction evidenced by employee's involvement with, commitment to, and satisfaction with their work.

Others, (e.g. Kahn 1990; Hewitt 2003; ISR 2003 and Towers Perrin 2003) view it as an intricate phenomenon, defining it as a pervasive state of being that employees experience based on their emotional and intellectual involvement with their organisation, and as a result of the critical components of the workplace (McCashland 1999).

Kahn (1990) links engagement to employees' positive emotional reaction to jobs, roles and work context, noting that engagement is determined primarily by people's psychological presence; the feeling that they are making a difference in the work that they care about, that they are working with people who share their mission and values and that their company respects them as adults (Effrom, Gandorsey and Goldsmith 2003).

While Staw, Sutton, and Pelled, (1994) are of the view that engagement of the mind only encompasses cognitive and behavioural components but lacks the emotional appeal, Kahn (1990) argues that although partly related to the environment, employee engagement focuses predominantly on the relationship between the person, the organisation and their jobs, rather than to states of satisfaction and happiness that are usually ascribed to climate-environmental factors.

Engaged employees, according to Kahn (1990), are physically involved, cognitively vigilant, and emotionally connected during work role performances and have difficulties with detaching themselves from their work (Schaufeli, Salanova, Gonzalez-Roma, and Bakker 2002).

Engaged employees, according to Csikzentmihalyi (1975) feel a high level of ownership and want to do whatever they can for the benefit of their internal and external customers, and for the success of the organisation as a whole. They feel loyal, devoted, have a sense of belonging and are proud to be part of the organisation and are willing to stay with the company despite other opportunities available to them (Melcrum 2005).

Melcrum (2005) further notes that when employees are fully engaged, they think, feel and act positively towards their organisation and they support and believe in the company's objectives.

The characteristics of engagement behaviour as explained by Leiter and Maslach (2004) are high energy, high involvement, and high efficacy, where employees do not even notice the passage of time during work because they are involved not only with their minds, but with their hearts too (Haudan and MacLean 2002).

Engaged employees frequently go above and beyond normal expectations (Melcrum 2005), using their talents and discretionary effort to make a difference in their employer's quest for sustainable business success (Employee Engagement Report 2008).

Towers-Perrin (2003) describes engagement as a mutual contract between the employee and the employer, where employers have a responsibility to train leaders and build a meaningful workplace while employees are responsible for contributing to an engaging workplace. This form of a contract, according to the ISR (2003), is a process by which an organisation increases commitment and contribution of its employees to achieve superior business results.

Kahn (1990) notes, though, that people tend to engage differently given their experiences of psychological meaningfulness, safety and availability in specific situations. Kahn theorised that people involved themselves to varying degrees in their work along physical, cognitive, and emotional dimensions, and depending on how engaged they were, differences were noted in the employees work performance (Kahn 1990).

In figure 1 below, Mercer (2002) provides some insights into the different psychological stages that represent increasing levels of engagement within the organisation.

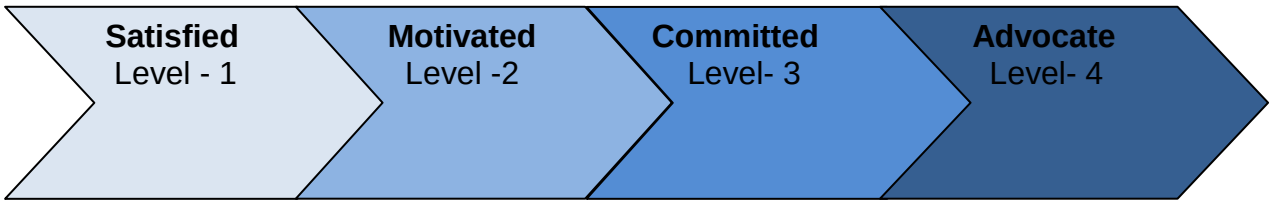

Figure 1: Mercer's Employee Engagement Model (2002)

According to Mercer (2002), the initial stage of employee engagement is that of satisfaction, whereby employees enjoy their jobs and are not dissatisfied with terms and conditions.

Satisfaction is then followed by employee motivation, the next level of employee engagement characterised by energetic contribution by employees, striving to achieve personal goals as opposed to team/organisational goals.

The next level of engagement is employee commitment whereby employees display loyalty to the organisation, becoming optimistic for the future and seeing the bigger picture, with a sense of how their job fits in (Mercer 2002).

Those in the fourth level of engagement in the workplace are referred to as advocates. They are reported to contribute discretionary effort, proactively seeking opportunities to serve the mission of the organisation, and speaking positively about the organisation as well as recommending their organisation as an employer of choice. They withhold criticism and are constructively critical for the good of the organisation.

Discretionary effort, according to Towers-Perrin (2003) is brought to work in the form of extra time, brainpower and energy, and comprises duration, intensity, and direction (Campbell and Pritchard 1976; Kanfer 1990).
Engagement ultimately comes down to people's desire and willingness to give discretionary effort in their jobs, and Bates (2004) highlights that this is a reminder by employees that the heart is a tougher battlefield than the mind.

1.6.1 *Working Definition of Employee Engagement*

Although there are various definitions and forms of engagement existent within the literature as discussed above, many researchers (Kahn 1990; Towers Perrin 2003; Schaufeli and Bakker 2004; May, Gilson, and Harter 2004; Melcrum 2005) describe the concept of engagement as a three-component construct including the cognitive, emotional and physical engagement.

Kahn (1990) suggests that employees can use varying degrees of their selves in three ways: cognitively, emotionally and physically. The cognitive dimension describes how interesting and absorbing employees find their work. The emotional dimension expresses how employees feel about their work and whether they are enthusiastic and affectively attached to their role. The physical dimension describes the extent to which employees demonstrate work-related effort and helping behaviour.

Below is a brief description of each of the three facets, referred to as "think, feel and act" process by Melcrum (2005).

Cognitive Engagement (think) – Schaufeli, et al., (2002) explains cognitive engagement as an affective state of being that is not focused on any particular object, event, individual, or behaviour. Rather, in this state of "absorption", employees are "immersed in their work" (Research Works 2009:3).

Emotional Engagement (feel) – According to Towers Perrin (2003), emotional engagement is as a result of "people's personal satisfaction and the sense of inspiration and affirmation they get from their work and being part of their organization" (Towers Perrin 2003:4). It is the extent to which people value, enjoy and believe in their jobs, managers, teams and organisation, resulting in dedication to and enthusiasm about their job (Research Works 2009).

Physical Engagement (act) –Hewitt (2003) states that when employees are cognitively and emotionally engaged, then physical engagement will follow, in the form of "vigour" that allows people to burst with energy at their work (Research Works 2009).
Physical engagement is reported as the behavioural outcome of cognitive and emotional engagement where employees display discretionary efforts in their work and have no intention of leaving the organisation, leading to higher levels of performance and retention.

This three dimensional perspective on engagement was adopted for this study due to its inclusiveness, allowing a more holistic outlook on engagement.

1.7 Assumptions

The researcher assumes that:

- All respondents will give honest and accurate responses regarding employee engagement as its exits within the organisation.

- Employer and employee perceptions on the benefits of employee engagement will be very similar.

- Both employer and employees will offer specific suggestions on how employee engagement can be achieved and/or improved in the organisation.

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

In general, the literature helps to develop sharper and more insightful knowledge about the topic (Yin 2003:9). There is an extensive multidisciplinary body of conceptual and empirical literature on the subject of employee engagement that will be critically reviewed in this section leading to a reflective position on existing debates and findings, in order to provide insights on how organisations can manage the work environment to engage employees.

It is important to note that, although the literature on employee engagement is multidisciplinary, this review focuses more on literature in the management and behavioural sciences, primarily because of the context in which employee engagement is investigated in this research.

2.2. History and Development of Employee Engagement

Engagement at work was conceptualised in 1990, by William Kahn, a researcher and professor at the Boston University School of Management. He defined the concept of work engagement as “the harnessing of organisational members” selves to their work roles (Kahn 1990).

Referred to as “organisational commitment” by some researchers (Meyer and Allen 1991; Gubmann 2004), employee engagement was a natural evolution from past research on high involvement, empowerment, job motivation, organisational commitment, and trust. It has since been reported as one of the most important variables in the study of management and organisational behaviour in the last three decades (Mathieu and Zajak 1990; Benkhoff 1997).

In recent years, many researchers and practitioners have expanded the concept of employee engagement, providing a range of definitions, measures and theories on the subject. Furthermore, management consultants who have led much of the recent interest in engagement tend to avoid defining the term all together and instead refer only to its apparent benefits (Macey and Schneider, 2008).

For the purpose of this study, the literature from both academic and consultancy-based research will be reviewed, with a major focus on the following allied topics to further depict the imperative elements of employee engagement:

- Factors Effecting Employee Engagement
- Models of Employee Engagement
- Consequences of Employee Engagement
- The Engagement Gap (Disengagement)

2.3. Factors Influencing Employee Engagement

Ketter (2008) states that the two key drivers of engagement are the connection between the employees work and the organisation's success, followed by the employees' belief that their work matters to the organisation.

The following factors are cited by Khan (2007) as key influencers of employee engagement:

- *Trust and integrity* - How well managers communicate and follow through.
- *Nature of the job* - Mental stimulation associated with the job.
- *Alignment between employee and company performance* - Employees' understanding of how their work contributes to the company's performance.

- *Career growth opportunities* -Career advancement prospects for employees.
- *Pride about the organisation* - Self-esteem that employees gain from their association with the company.
- *Relationships with co-workers and team members* - Employees' influence on their colleagues.
- *Employee development* – Employees' skill development.
- *Relationship with one's manager* –The value employees place on their relationships with their managers.

The research results released by The Best Companies Guide UK (2008) support Kahn's (2007) findings, citing the following organisational factors as the basis for successful employee engagement:

- Leadership: good leadership leads to a happy team
- *My Company*: How much people value the company, and are proud to work there.
- *Personal Growth*: Whether employees feel challenged by their jobs.
- *My Manager*: The employee-manager relationship.
- *Giving Something Back*: Community service and volunteering opportunities.
- *Fair Deal*: Fair pay and benefits compared to similar organisations.
- *Well-being*: Balance between work and home life.

Hewitt Associates (2001) concludes that "When a company makes a real effort to offer satisfying work, communicate regularly and honestly about the organisation's goals, investing in the development of individuals, then the power of passionate workers can emerge."

For the purpose of this study, the following four factors that are constantly mentioned in the literature will be discussed:

1. Organisational culture
2. Organisational leadership
3. Organisational communication
4. Employee recognition and appreciation

2.3.1 Organisational Culture

Essentially, employees are more engaged in their work when the organisational culture is psychologically healthy, and when management of the company acts in ways that make employees proud to work there (Research Works 2009).

Organisational culture, according to Mercer (2002), is a reflection of how the organisation conducts its work. Schein, 2004 describes it further as 'an enduring and embedded set of basic assumptions and characteristics developed by the organization', and that organizational culture is 'shared and valued by its members, in relation to how the organisation is and how it operates in order to deal and cope with external adaptation and internal integration' (p.17).

Lockwood (2007) emphasises that organisational culture sets the tone for employee engagement, because culture and employee motivation go hand-in-hand (State of Employee Engagement Global Research2008).

Hargreaves (1994) views culture as having elements of both content and form, where the content of culture is the surface elements of what the organisation says, does, and thinks, while the form of culture is about the patterns of relationships and forms of association between its members.

The following 10 key cultural elements that encapsulate organisational culture were identified by Kee (2003):

- *Assumptions*: Unwritten rules that are accepted as fact.
- *Norms, customs and routines*: How people behave, interact and work at all levels of the organisation.
- *Power*: Not the result of position or title. Power, which can be positive, negative or mixed, determines who influences opinion.
- *Rites and Rituals*: Ceremonies and events that highlight what is important and not important.
- *Roles and Responsibilities*: Determine expectations and provide insight into performance measurement.
- *Stories and Myths*: Description of the company history.
- *Structure*: The invisible organisational chart that identifies relationships, communication and power.
- *Symbols*: Non verbal communications that help explain values and beliefs.
- *Systems and Rules*: Methods that control, measure, and reward desired behaviour.
- *Values*: What the organisation cares about the most.

Brett and Behfar (2003) warn that if organisations want to truly engage their workforce, leadership, communications, human resources and managers, they need to understand the differences in cultural drivers, in order to create the right work environment. According to (Accenture 2004), this is the one that values employee diversity, uses performance-based advancement, and encourages learning and improvement opportunities.

Branham (2005) states that when culture recognises employees as people, not merely resources; that culture is empowering. In addition, through a culture of respect, integrity, learning and development, organisations can earn employee loyalty (Kaye and Jordan-Evans 2003).

2.3.2 Organisational Leadership

Tucker (1984:41) defines leadership as “the ability to influence or motivate an individual or a group of individuals to work willingly toward a given goal or objective under a specific set of circumstances”.

Employee engagement by leaders is vital; as “people have become the primary source of competitive advantage” (Wellins, Bernthal, and Phelps, 2005, p. 3).

The first step in addressing employee engagement, according to Molinaro and Weiss (2005) is to ensure that leaders have an intimate knowledge of where their employees stand in terms of engagement.

According to Maritz (1995), excellent organisations begin with excellent leadership, creating an environment where people want to be part of the organisation, experience purpose in their jobs and feel fulfilled (Covey 2005).

Employees typically see the organisation as they see their supervisor (Tross and Egermann 2004), hence the critical importance of the role of frontline leadership in building engagement (Gopal 2004; Grensing-Pophal 2001; Bates 2004).Failure to put the right people in the right positions and failure to address problems in a timely manner, ultimately lead to a decrease in management’s leadership effectiveness (Henning, 2009).

Accenture (2004) reports that the most important attributes of leadership and direction are top leadership's ability to adapt, take risks, encourage autonomy, and manage effectively. According to Mercer (2002), leaders who can help employees see how strategy relates to various processes and procedures build engagement, because the power of synergy lies in the connection between the boardroom and the employees.

This is critical in harnessing the true potential of individuals and that of the organisation (Thomas and MacDiarmid 2004). Employees engage better when there is a more genuine sharing of responsibility between management and employees over issues of substance (Purcell 2003).

Bennett and Bell (2004) emphasise the significance of senior leaders in driving engagement by pointing out that senior leaders account for 40% of the variance in engagement scores, making them the single most important engagement driver. It is in this light that Bates (2004) notes that much of the engagement work in organisations is the responsibility of first-line supervisors. Employers have a responsibility to train leaders and build a meaningful workplace, and employees have a responsibility to contribute to an engaging workplace (Towers-Perrin 2003).

Thus, even though promoting greater engagement can be done at the level of the individual employee, it seems equally important to improve employee engagement through effective leadership and actions at the organisational level, requiring a two-way relationship between employer and employee (ISR 2003).

There are certain characteristics that are often demonstrated by those leaders who are most likely to promote engagement in the workplace. According to the Corporate Leadership Council (2004), these leaders often possess the following characteristics:

- Strong commitment to diversity
- Take responsibility for successes and failures
- Honesty and integrity
- Help find solutions to problems
- Respect and care for employees as individuals
- Set realistic performance expectations
- Passion for success
- Defend direct reports

Hall and Maritz (1997) bring to light that leaders differ in their priorities and preferred styles, and therefore in the types of internal conditions they create. The following 10 leadership capabilities that leaders should possess for successful engagement and retention of employees in organisations are suggested by (Taylor 2004).

Table 1: 10 Leadership Capabilities (Taylor 2004)

LEADER	CAPABILITIES
Trust Builder	Creates a sense of trust and concern with team members.
Esteem Builder	Develops ways to give team members responsibility, freedom to act, and feel good about themselves
Communicator	Communicates the importance of retention to team members and others effectively
Climate Builder	Develops ways to make work and the workplace enjoyable and fulfilling
Flexibility Expert	Recognises, understands, and adapts to individual needs and views
Talent Developer and Coach	Develops and coaches team members to help them grow, resulting in greater employee commitment and loyalty
High-Performance Builder	Creates conditions that reinforce high levels of team member performance, particularly critical for retaining the most talented people
Retention Expert	Develops retention knowledge and an understanding of the supporting values central to initiating effective retention-focused actions
Retention Monitor	Demonstrates ability to measure and identify potential retention problems and take pre-emptive action
Talent Finder	Within the scope of his or her role, actively seeks to source and select qualified people effectively

According to Weiss, Molinaro and Davey (2007:19), there are emerging expectations of leaders in organisations, who are able to lead holistically. Their description of a “holistic leader” is a leader who is able to:

- Align and engage employees around a strategy that delivers value to the customer
- Takes an enterprise-wide perspective that defines success for the whole company, not just their functional areas
- Builds strong relationships with customers, employees and external stakeholders
- Helps employees deal effectively with ambiguity, uncertainty and conflict associated with increasingly complex business environments
- Builds strong leadership capacity within their organisations by growing and developing future leaders
- Models the values of the organisation, rather than being self absorbed with their own personal egos and agenda.

Robie, Brown and Bly (2008) conclude that “the behaviour of top level executives impacts the organisations bottom-line” (pp.131).

2.3.3 Organisational Communication

Many studies highlight the importance of management’s ability to communicate with their employees and to use engagement strategies in the workplace (Ketter, 2008). Purcell (2006) emphasises that one of the main drivers of employee engagement is communication, whereby employees have the opportunity to feed their view upwards.

Purcell further highlights the value of employee feedback, saying that meaningful dialogue through open, honest and frequent communication, will build employee engagement only if it goes both ways. Gubman (2004), however, argues that communication is not simply a two-way process as superficially defined in most cases.

He cautions that in the context of employee engagement, leaders should communicate frequently and personally to employees; speak directly, openly and honestly to them.

In organisations with engaged workforces, information cascades from top management to employees in a timely and orderly fashion, with processes established to build upward flow of information from employees to top management (Mercer's Report 2002). Mercer (2002) states that although planning is necessary in communication, it should be crafted to take into account the various learning styles within the organisation, and the communication vehicles preferred by employees to allow enough flexibility to meet the day-to-day needs of information-thirsty employees.

Mercer further reveals that employees who state that senior management communicate a clear vision of the future direction of the organisation are less likely to leave, and are satisfied with and committed to their organisation.

Under such circumstances only 16% say they are seriously thinking about leaving, while 7% are dissatisfied with their organisation and those who say they don’t feel a strong sense of commitment, comprise only 6%.On the other hand, when senior management does not communicate a clear vision of the future direction of the organisation, the company could experience a 40% potential employee turnover, with 39% dissatisfied employees and 32% uncommitted workers (Mercer 2002).

A survey done by Mercer (2003) in Australia highlighted that many employees who considered looking for a new job within the next year were those who felt that senior management did not present a clear vision of the future direction of the organisation, did not set clear priorities, and failed to establish clear objectives.

2.3.1 Employee Recognition and Appreciation

Molinaro and Weiss (2005) believe that recognition and appreciation, in the form of monetary rewards and compensation, is another important driver of employee engagement, as it demonstrates that employees are valued and that their contribution is acknowledged by the organisation.

Employees' work efforts can also be recognised in the form of appreciation and direct feedback that employees receive from managers, as an indication that leaders notice the often unnoticed things that employees do to make their organisations successful (Molinaro and Weiss 2005).

Some of the best pay practices that Branham (2005) cautions employers to embrace in order to better engage and retain their talent are listed below:

Offer competitive base pay linked to value creation -the need to provide increased value to customers has led many companies to link base pay more to value creation and less to rank or years of service. This results in some companies paying lower ranked employees more than their managers, if they are crucial to providing value.

Reward results with variable pay, aligned with business goals - because of an increased focus on productivity, many companies are turning to new pay practices that require employees to put more of their pay at risk in exchange for greater rewards if the company achieves business objectives. While some employees balk, the more motivated amongst them tend to find the risk well worth it.

Reward employees at a high enough level to motivate higher performance - variable pay awards to employees should be higher when the bottom-line impact of their results is significant, when that result is difficult to achieve, when it takes longer to achieve, and when base pay is more at risk.

Mercer (2002) emphasises the importance of having sufficient reward levels and a basic understanding of reward structures and changes in organisations, in order to sustain the state of employee satisfaction.

2.3.1 Summary

The reviewed literature on the factors influencing engagement reveals that organisational culture, leadership, communication and employee recognition are amongst some of the key influencers of engagement in organisations. Below is a summary of each factor, how it impacts on engagement and its significant benefits to the organisation.

Culture:

How people experience their workplace culture and how they feel about their work, determine their level of engagement (Bates 2004).
Organisations that provide a workplace culture with the psychological conditions of meaningfulness (job enrichment, work-role fit), safety (supportive manager and co-workers) and availability (resources available) are more likely to have engaged employees (May, Gilson and Harter 2004). Such organisations often demonstrate pro-active practices and best outcomes by weaving retention and engagement deeply into the fabric of the workplace culture (Lockwood 2004).

However, when culture attempts to control workers and forces them into choosing between having a life and a career, it becomes unhealthy and toxic (Branham 2005), further cautioning that failure by company leaders to address these issues can drive employees to leave their jobs.

Leadership:

When employees see and experience their leaders acting in accord with the expressed values of the organisation and allocating resources in ways that support strategy, Mercer (2002) notes that employees are more likely to engage.

According to Human Resource Institute (2004), employees connect with bosses who care about them and are willing to help them achieve their goals, resulting in high staff retention rates.

Recent research indicates a linkage between leadership retention competencies, attrition, job abandonment rates, engagement as reflected by measures of team member satisfaction, and other on-the-job performance measures (Frank and Stone 2004).

Communication:

Employee engagement is strongly associated with employees having a voice, being able to express their opinion upwards to their manager and beyond, knowing what's going on, what's planned and why (Purcell 2006).

Clear, consistent and honest communication, according to Lockwood (2004), remains an important management tool for employee engagement and positive business results. According to Kohut and Segars (1992), high performing companies have robust communication strategies in place.

Recognition and Appreciation:

Employees feel a sense of worth when they are confident that if they work hard, do their best, demonstrate commitment and make meaningful contributions, they will be recognised and rewarded accordingly (Branham2005). He mentions "The need to feel a sense of worth" as one of the four fundamental human needs, which when not met, causes employees to begin to disengage and think about leaving their organisation.

2.4. Models of Engagement

To ensure that the insights gained from this study are informed by a comprehensive understanding of the engagement construct, four engagement models and measures are reviewed below. These models are associated with: Hewitt (2004 2005), the Corporate Leadership Council (CLC), the Institute for Employment Studies, and the Six C's Model of Engagement (Cheese 2000) respectively.

The Six C's Model was adopted to formulate the research questions due to its clarity of its definition and evaluation of engagement. Although not comprehensive, it is logical, easy to understand and leads to a good understanding of employment. In its main categories, the model covers most of what is said by others, and thus provides a validated measure of engagement.

2.4.1 Hewitt's Model of Engagement

Hewitt Associates pioneered the measurement of employee engagement in the early 1990s, signalling a shift in focus from measuring employee satisfaction to employee engagement (Bennett and Bell2004).

Hewitt Associates (2004) describes engagement as the level of commitment and involvement an employee feels towards the organisation itself, its culture, values, people, and the work role they perform.

According to Hewitt Associates (2004), engagement is "the state of emotional and intellectual involvement that an employee has with their organisation", and consequently taking action to improve the business results for the organisation. The model identifies six engagement drivers: quality of life, work, people, opportunities, compensation and procedures.

Each driver is broken down into sub-components that allow organisations to have a specific focus on areas that drive engagement within their environment (Figure 2, below):

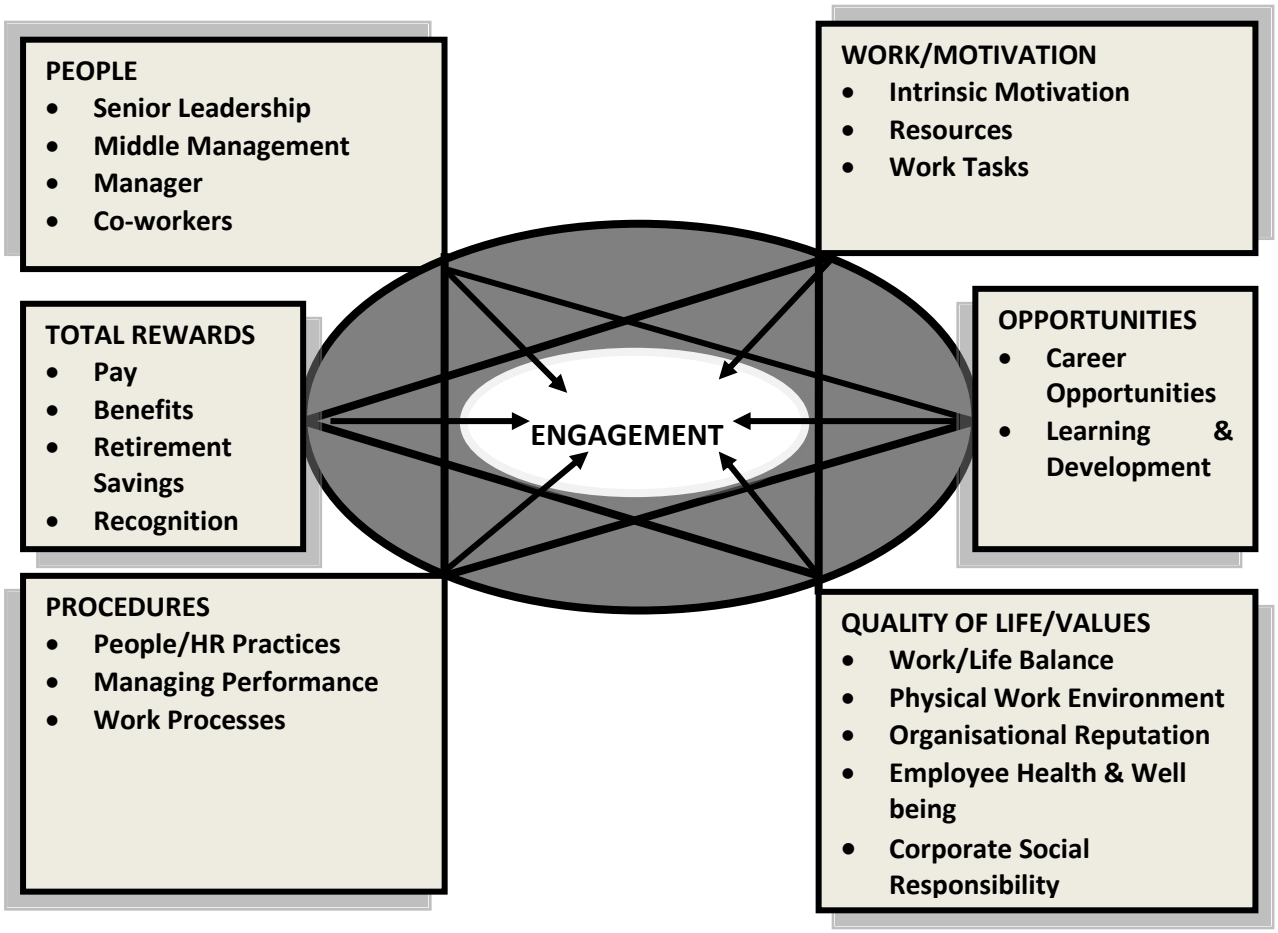

Figure 2: Hewitt's Engagement Model (Adopted from Hewitt 2004)

Together, these engagement drivers are said to account for about 85% of the employees' perceptions of their work experience, which ultimately determines whether employees engage or not.

The model explains engagement as what attracts and retains talented employees, and concludes that if employees are intellectually and emotionally engaged, then behavioural engagement - which is categorised into three types by Hewitt (2005) - will follow.

Hewitt (2005) points out that the results of successful employee engagement in the workplace are affirmed by employees' behaviour, evidenced by what they say and do. The model measures engagement using three indicators, Say, Stay and Strive. It is focused on what employees say about their employer to others, their willingness to remain with their current organisation, and how motivated they are to go "above and beyond", striving to do their best to contribute to business success.

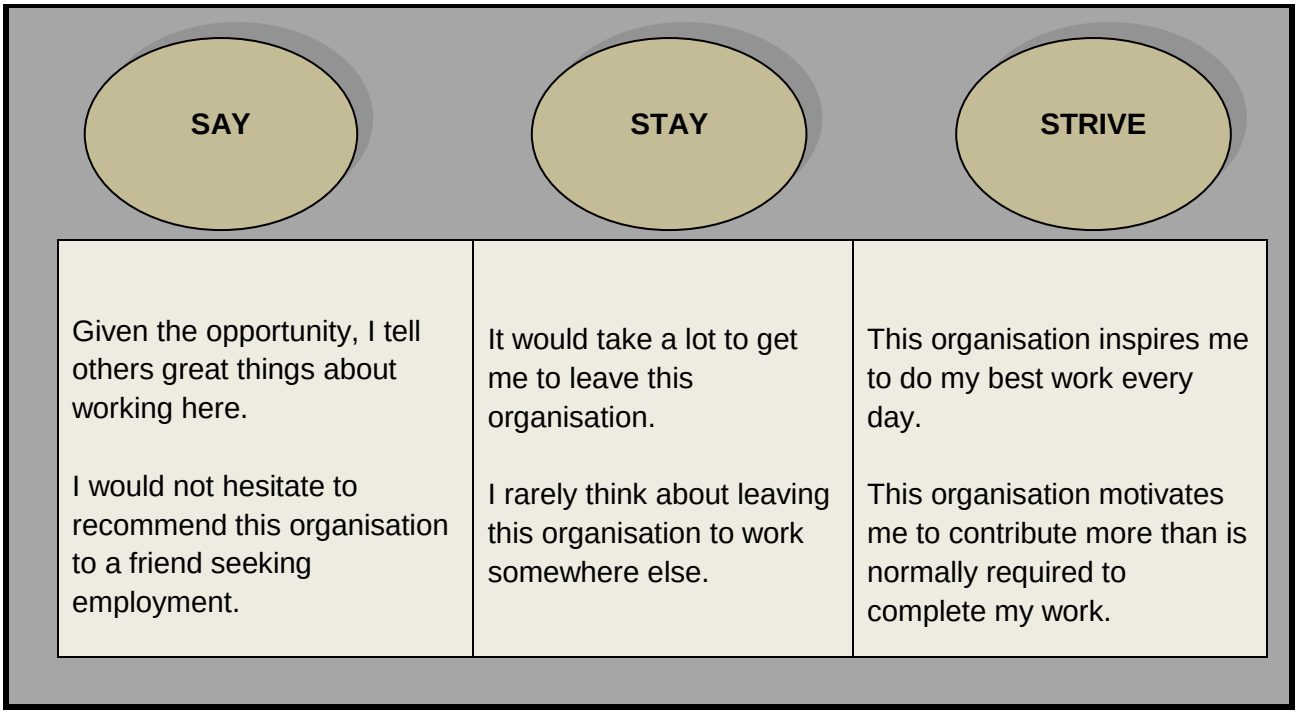

Figure 3: Hewitt's Say, Stay, Strive Model (Hewitt 2005)

The first aspect, say, assesses the pride which every employee feels whenever they speak about their organisation and whether they would recommend the same to others as a place to work. The second aspect (stay) constitutes the employees' commitment to stay with the organisation. The final aspect, (strive) involves the dedication of the employees to their job and the amount of effort they would be willing to exert even beyond their task for the success of their organisation.

When fully engaged, employees do not only speak positively about the organisation, but they also show an intense desire to be part of the organisation, and they exert extra effort and engage in behaviours that contribute to business success (Hewitt 2005).

2.4.2. Corporate Leadership Council (CLC) Engagement Model

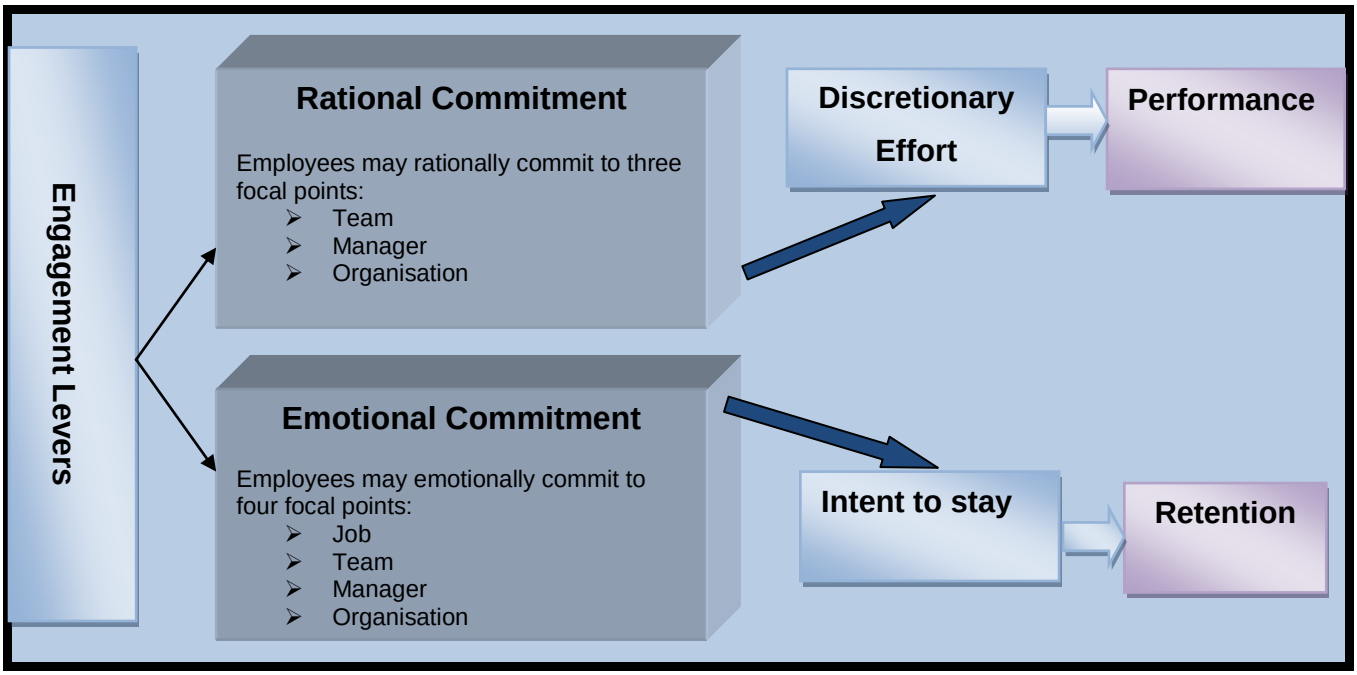

Figure 4: Corporate Leadership Council Engagement Model (CLC 2004)

Among the top 25 drivers of employee engagement, the most important one is the connection between an employee's job and organisational strategy (CLC 2004).

While employees' commitment to their manager is crucial to engagement, the manager is most important in enabling employees to commit to their jobs, organisations and teams.

Based on a survey of 50,000 employees around the world, a CLC (2004) analysis of both rational and emotional forms of engagement revealed that emotional engagement is four times more valuable than rational engagement, because a strong emotional commitment to one's job and organisation has the greatest impact on discretionary effort. Most importantly, employees who are most committed perform better and are less likely to leave the organisation.

2.4.3. The Institute for Employment Studies (IES) Model of Engagement

IES (2003) demonstrates a strong link between engagement, and feeling valued and involved. The model explains engagement as a positive attitude held by the employee towards the organisation and its values. Therefore, any organisation aspiring to raise employee engagement levels needs to pay close attention to the following:

- Good quality line management
- Two-way communication
- Effective internal co-operation
- A development focus
- Commitment to employee wellbeing
- Clear, accessible HR policies and practices, to which managers at all levels are committed.



Figure 5: IES's Engagement Diagnostic Tool (IES 1003)

2.4.4. Six C's of Engagement

In their engagement model, Cheese, Thomas and Craig (2008) identify six engagement drivers simply referred to as the Six C's. As shown in Figure 6 (below), the six C's are best understood by organising them into a hierarchy. The model suggests that the building blocks of engagement are the more rational elements of the job or tasks, how well we support people in doing them, and whether they are fairly rewarded for them.

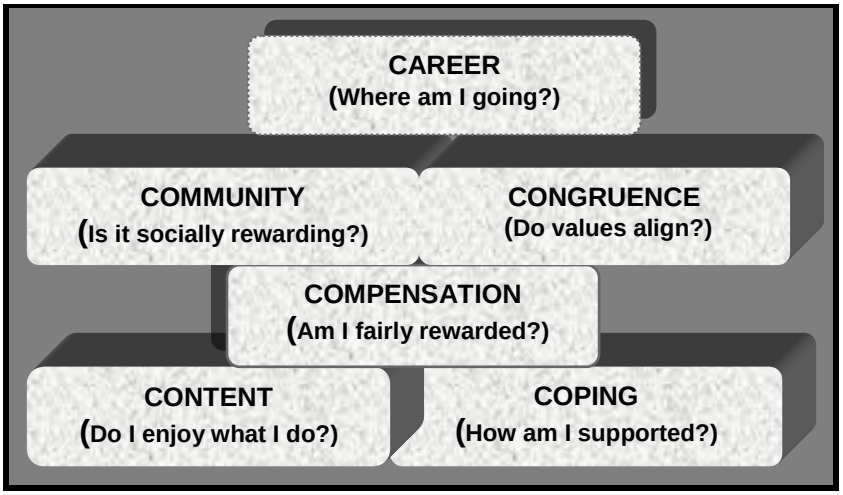

Figure 6: Drivers of Engagement: the Six C's (Cheese et al. 2008:163)

At the basic level, the first C driving engagement is the actual *content* of an employee's job (what the job entails). It focuses on the level of enjoyment that employees find in their job. This leads to the second C, which is *coping* (referring to what is required to successfully do the job). It aims to establish if employees are provided with the resources necessary to cope with the demands of the job, and whether or not goals and objectives are achievable. The third C, *compensation***,** looks at how fairly employees feel that they are rewarded for their contribution, whether they understand how they should be compensated through clear objectives and goals, and finally, whether they fully understand their evaluation process and feel that it is fair. Compensation does not only focus on financial rewards, but includes other forms of recognition such as acknowledgment from the supervisor for extra effort.

The fourth C is *community*, which deals with the degree of positive social interaction and connection employees feel in the workplace, and it addresses how well social needs are met on the job. The fifth C is *congruence*, referring to alignment of core values and culture, alignment of objectives and meeting the expectations of employees. The last C is *career***,** and focuses on alignment between the career and life expectations of employees in the short and long term, and the opportunity available to them within the organisation.

The model proposes that all six paradigms should be influenced by the immediate line managers, who according to Cheese et al. (2008), are mainly responsible for employee engagement and job satisfaction in the workplace.
Each C is assessed separately based on a set of questions to help depict the level of engagement in each category. The following are a set of questions on which the assessment of each of the Six C's is based:

Content

- What are the physical and mental demands of the job?
- What sense of achievement does it offer?
- Does it involve learning?
- Is the work meaningful?
- Does the worker find some level of satisfaction in performance of the job?

Coping

- Is the workplace environment adequate?
- Are management and co-workers supportive?

Compensation

- Is the compensation process perceived as equitable?
- Is the degree of relationship between compensation and performance understood?

Community

- What degree of connection does the employee feel?
- To what extent does work fulfil social needs?
- Are associations on the job enjoyable?
- Is there a sense of fun?
- Are co-workers supportive?

Congruence

- Is the person comfortable in or with the organisational culture?
- Do personal goals and objectives align with those of the organisation?
- Are espoused organisational values actually practiced by managers and co-workers?

Career

- Are short and long-term career advancement opportunities consistent with individual expectations?
- Does the person feel that the organisation is investing in him or her, in respect of training and career growth?
- Are work-life balance needs being met?
- Is the worker proud to be associated with the organisation and identify with it?
- Does the individual feel a sense of alignment with his or her managers, when it comes to performance evaluation?
- Does the person's manager understand his or her career aspirations?

2.4.5. Summary

The review of various engagement models reveals that engagement has as many definitions as it does proponents. However, what remains the same in each model is its recognition of engagement as a multi-dimensional construct where employees feel engaged when they find personal meaning and motivation in their work, receive positive interpersonal support, and operate in an efficient work environment.

As mentioned earlier, for the purpose of this research, the six C's of engagement model by Cheese, Thomas and Craig (2008) was adopted in the formulation of the research questions to evaluate employee engagement.

The model offers a diagnostic tool which was used to assess specific engagement drivers from the employee survey and to formulate interview questions. These are not mutually exclusive and should all work together to help an organisation become a high-performance business. The approach of this model allowed for each area of engagement to be assessed separately, allowing a broader view of engagement as it exists within the organisation.

In addition to the six engagement factors above, this research assessed two additional areas of engagement namely, employee's advocacy and intention to stay. These two supplementary areas were factored in to establish the ultimate behaviour of employees as a result of their level of engagement as depicted by the Six C's. All the engagement components were measured separately, following Towers Perrin (2003) recommendation who states that an imbalance could indicate problems with engagement sustainability.

2.5. Consequences of Employee engagement

2.5.2. Organisational Performance

Many practitioners and academics(e.g. Gallup 2004; Erickson 2005; Hewitt 2005 and Saks 2006),agree that the consequences of employee engagement are positive, pointing out that high levels of engagement are constantly associated with high levels of organisational performance, including total shareholders' return (Saks 2006; Soladati 2007).

According to Hewitt (2005), engagement compels positive behaviours in the workplace such as employee advocacy, commitment and discretionary effort; the consequences of which are thought to be valuable to organisational effectiveness (Erickson 2005).

Employees who are more committed, according to Gallup (2004),work harder and smarter, and are 20% more efficient in their job (Lockwood 2007) than those who turn up and merely do what they are obliged to do.

The effects of engagement on performance have discussed by various authors (Bennett and Bell 2004; Buckingham and Coffman 1999; Coffman and Gonzalez-Molina 2002; Harter, Schmidt and Hayes 2002; Hewitt 2005), all reporting a positive relationship between engagement and other organisational outcomes such as customer satisfaction, productivity, profit and shareholder return.

Not only is work engagement personally valued and motivating for workers, it also is important for driving positive business processes and outcomes (Research Works 2009).
When highly engaged, employees generally give the extra effort because they care, not only because the manager requires the effort (Wellins, Bernthal and Phelps (2005).

According to White (2008), businesses can achieve huge cost savings by encouraging greater employee engagement. Comparing high-engagement to low-engagement companies over a three-year period, the financial differences were substantial (ISR 2005).

The value of engagement was quantified by the Towers-Perrin (2004) European talent survey, which compared the financial performance of UK companies and their engagement scores.

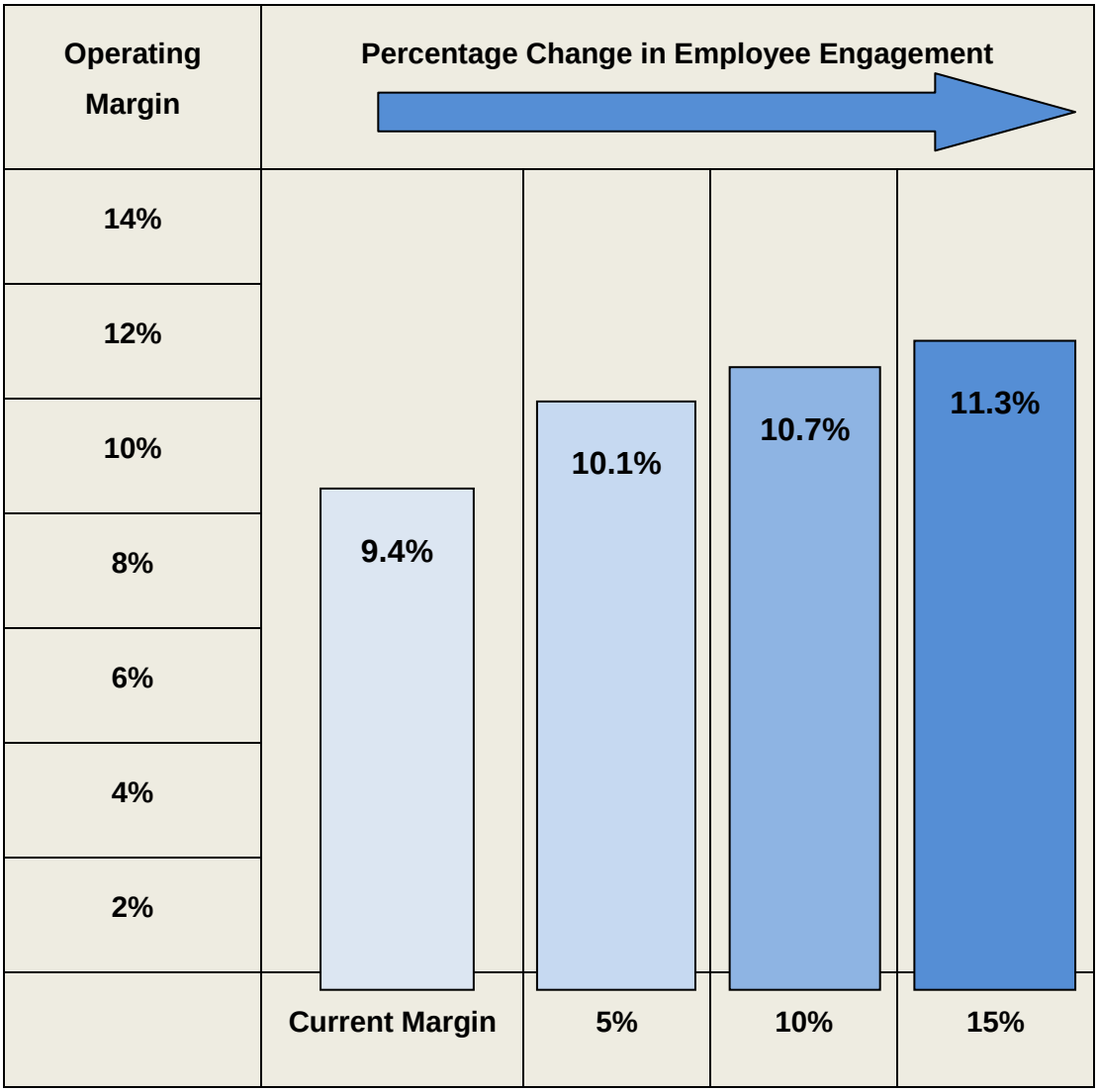

Figure 7: Operating Margin associated with 5%, 10% and 15% change in engagement (Towers-Perrin 2004 European Talent Survey (5000 employees)

The link between engagement and performance is well established. After several years of surveys, Towers- Perrin (2005) concluded that a 5% increase in total employee engagement is correlated with a 0.7% increase in operating margin.

Gallup (2003), identified 12 indicators (Q12) linking employee engagement with positive business outcomes and profitability.

Results have shown that companies with high Q12 scores experience lower turnover, higher sales growth, better productivity, better customer loyalty and other manifestations of superior performance (Krakoff 2004).

Melcrum Publishing (2005) states that when employees are fully engaged, they think, feel and act positively towards their organisation and support and believe in the company's objectives. They also perform above and beyond normal expectations, enabling the organisation to realise better financial results, due to their extraordinary performance (Cameron 2005). Employee engagement is related to meaningful business outcomes at a magnitude that is important to many organisations that seek not only to retain valued employees, but also to increase their performance (Greenberg 2004).

A study by ISR (2003) using data from over 360,000 employees from 41 companies, found that those companies with a low overall engagement lost 2.01% operating margin and were down 1.38% in net profit margin over a three year period. High engagement companies on the other hand, gained 3.74% operating margin and 2.06% net profit margin during the same period. Engaged employees, the study concluded, clearly contributed to the bottom line of their companies (ISR 2003), in line with Bilmes et al. (1997) statement that companies that place employees at the core of their strategies produce higher long term returns to shareholders than their industry peers.

These long-term benefits of engagement, which are often seen in the quality of an organisation’s talent, passion and commitment, are nearly impossible to replicate (Wellins, Bernthal and Phelps 2005).

2.5.3. Best Companies to Work For (BCTWF)

Gratton (2000) says that organisations that naturally become considered to be best companies to work for are those with an infused employee engagement philosophy in their work environment - putting people at the heart of the corporate purpose. An employer of choice recruits and engages talent through practices that address tangibles and intangibles, focuses on the long term as well as the short term, tailoring talent to the needs of the organisation (Branham 2005:57).

These organisations have senior leaders who engage their employees through personal connections and communication (U.S. Merit Systems Protection Board 2009). They are known for their unique work environments that motivate employees to do their very best, and most have been recognised in lists such as *Fortune's* 100 BCTWF (Bernthal 2009).

Hewitt (2005) identified four main aspects that differentiate Best Employers from other organisations:

1. Provide a meaningful work experience where employees take on a higher purpose by supporting the company's vision;

2. Provide professional development through training opportunities;

3. Develop a performance driven culture that also emphasises fun and celebration;

4. A people-centred leadership approach that communicates clear expectations for employees, that are challenging, meaningful, and link personal goals with the company's strategic direction.

The corporate world is seeing more and more of the BCTWF lists appear every year, all of which are based on employee interviews and surveys. In South Africa, the most widely advertised is the annual Deloitte BCTWF. The survey, gives employers a valid insight into the overall employment experience of their employees, affording them an opportunity to understand how they are delivering against the needs and expectations of their employees.

Employers are rated across 13 dimensions including leadership, transformation, communication, rewards and management style.

Companies that were voted the 2010 most desirable to work for by employees were McDonald's SA, Flight Centre and Microsoft in their different categories (large, medium and small company) respectively. Although these three companies differ in size and are in different sectors, a closer look at each of them reveals one thing in common: they all have employee engagement embedded in their business strategies.

For McDonald's SA, employees are placed at the heart of the business strategy through the company's "Five People Principles" which place great emphasis on Respect and Recognition, Values and Leadership, Remuneration, Development and Growth and Employee Support. McDonald's and its independent operators strive to achieve this through their actions everyday (www.mcdonalds.co.za).

Sam van Gool, the HR General Manager at Flight Centre, indicated that their reason for participating in the survey was because employee engagement is very important to their organisation as they change focus to attraction and retention of industry talent, whilst still maintaining employee satisfaction and engagement. He added they will continue to participate in the survey because Flight Centre is serious about its employees and the issues that drive them (www.bestcompany.deloitte.co.za).

Microsoft SA Managing Director, Mteto Nyati, attributes their achievement entirely to employee engagement and open communication.

He stressed the company's commitment to creating space for employees to contribute to the growth of Microsoft SA, and providing a challenging workplace in which employees feel they are making a real difference (www.transcripts.businessday.co.za).

According to David Conradie, director of Human Capital at Deloitte, leading companies are those that invest in an employer brand strategy regardless of the marketplace, because they realise that engaged and loyal staff are their strongest assets. Conradie adds that as a result, these organisations tend to score consistently well despite prevailing economic conditions (www.fin24.com).

2.1. Disengagement (The Engagement Gap)

According to Wah (1999), employee engagement is one of the top five most important challenges facing management around the world. Branham (2005) provides a broader view on the matter of disengagement, suggesting that if the following four fundamental human needs are not being met, employees begin to disengage and think about leaving their organisations:

The need for trust - expecting the company and management to deliver on its promises, to be honest and open in all communication with you, to invest in you, to treat you fairly and to compensate you in a fair and timely manner.

The need to have hope - believing they will be able to grow and develop skills and have the opportunity for advancement or career progress.

The need to feel a sense of worth - feeling confident that if you work hard, do your best, demonstrate commitment and make meaningful contributions, you will be recognised and rewarded accordingly.

The need to feel competent - expecting to be matched to a job that aligns you with your talents and desire for a challenge.

It must be noted though, that different people require different engagement drivers (D'Aprix and Tyler 2006; Harley and Lee 2005). Therefore, employees are likely to be engaged on one dimension of their work and not the other. However, the more engaged an employee is on each dimension, the higher his or her overall personal engagement is (Kahn 1990).

Bates (2004) considers that the engagement challenge has a lot to do with how an employee feels about the work experience, about how he or she is treated, and about emotions. Among other factors that get in the way of engagement could be "a disconnection with an immediate supervisor or a feeling that the organisation doesn't care" (Bates 2004).The U.S. Merit Systems Protection Board (2009), on the other hand, strongly view inefficient processes within organisations as an engagement barrier that often turns an employee who is highly motivated and an excellent performer, into a disengaged and mediocre one.

Some researchers (The Conference Board 2005; Robert 2006; Bardwick 2007; Randstad 2008), link recent business trends and economic market forces to lower levels of employee job satisfaction and diminished employee work engagement. Bardwick (2007) is adamant that many years of eroding corporate loyalties, company downsizing, job losses due to globalization, and fears of job instability experienced or witnessed by employees in the workplace, have all somehow contributed to employee disengagement.

According to Robert (2006), these changes have resulted in significant implications for commitment and reciprocity between employers and employees, and thus for employee engagement.

Maslach, Schaufelli and Leiter (2001) offer a different view on the issue, holding excessive job demands in the workplace responsible for emotional exhaustion. Earlier Maslach (1993) explains that when job demands exceed job resources, employees become energy depleted, undermining their motivation to invest themselves in their work (Bakker 2007).

This is referred to by some authors (Maslach and Leiter 1997; Schaufeli and Enzmann 1998; Bakker 2004) as “burnout”. Schaufeli and Bakker (2004) explain this as a three factor structure resulting from exhaustion, cynicism and reduced professional efficacy, leading to decreased motivation and the development of dysfunctional attitudes and behaviours at work (see also Schaufeli and Enzmann 1998).

The two processes responsible for engagement and burnout are depicted in Figure 8 below, with solid arrows representing a positive relationship, and a negative relationship represented by dashed arrows.

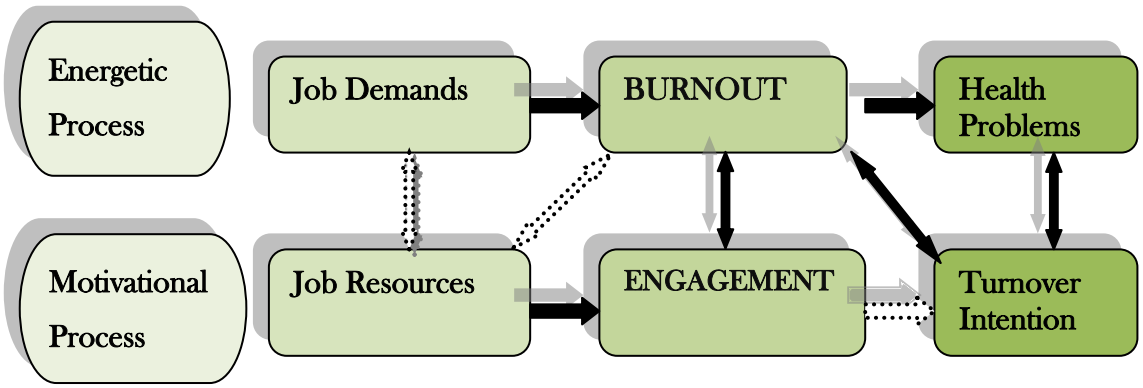

Figure 8: Schaufeli and Bakker Engagement vs Burnout Model (Schaufeli and Bakker 2004:297)

Burnout is said to be generated by the energetic process rather than the motivational process which is responsible for engagement (Schaufeli and Bakker 2004).

Gatenby, Rees, Soane and Truss (2008) offer a broader perspective on employee engagement barriers (explained below), which they hold responsible for many engagement challenges in organisations.

- *Inconsistent management styles*: Managers’ attitudes can drive disengagement if employees feel they are being unfairly treated.

- *Reactive decision making*: Superiors who address workplace problems too late can potentially drive employees towards disengagement.
- *Rigid communication channels*: A company culture that prevents knowledge-sharing within the company hinders employee engagement.
- *Poor work-life balance*: A company culture that supports excessive overtime for staff, does not encourage engagement, as employees often feel overworked.
- *Low perceptions of senior management*: Employees tend to disengage in organisations where there is lack of visibility and interaction with employees.

Macik-Frey, Quick and Nelson (2007)urge that organisations should try to prevent these engagement barriers developing, by adopting some of the most effective prevention tools such as ensuring a better fit of the employee with the work environment, providing practical on-the-job support, improving general working conditions, and creating a supportive corporate culture.
Failure to prevent engagement barriers can have unintended negative consequences, such as work performance quality deficits, job burnout, and a range of health problems (Nelson and Simmons 2003).

Some researchers have categorised levels of engagement with each category, providing a measure of overall engagement in the organisation (Kahn 2007; Gallup 2003).
Gallup researchers examined employee responses to see which factors differed most strongly amongst engaged employees (27% of respondents), those who were not engaged (59%) and those who were actively disengaged (14%).

The responses from the three categories were as follows:

- Engaged employees work with passion and feel a profound connection to their company. They drive innovation and move the organisation forward.
- Non-Engaged employees are essentially “checked out.” They’re sleepwalking through their work day, putting time but not energy or passion into their work.

- Actively disengaged employees aren't just unhappy at work, but are busy acting out their unhappiness. Every day, these workers undermine what their engaged co-workers accomplish.

The Marketing Communications Agency (MCA) suggests that in any organisation, there are four types of people, namely: champions, bystanders, loose cannons and weak links (Gordon-Brown and Thomas 2005):

- *Champions* are those who are both willing and able to give their best to support organisational goals. They act as ambassadors for the company's brand with customers, recruits and other stakeholders.

- *Bystanders* understand organisational goals, but do not have the emotional drive to support them.

- *Loose cannons* are highly motivated to support the organisation's goals, but they do not understand these goals and how to achieve them.

- *Weak links* range between those who are waiting to be engaged by the organisation and its goals, and those who have already given up on their opportunities of engagement.

2.6.1 The Cost of Disengagement

Disengagement is a cost to organisations in the form of lost productivity, profits and morale. According to Melcrum Publishing (2005), some aspects of disengagement, such as higher absenteeism rates, higher staff turnover and lower productivity, drain the company financially (Coffman and Gonzalez-Molina 2002).

According to Kahn (2007), disengaged employees are physically present but psychologically absent; they are unhappy with their work situation and insist on sharing that unhappiness with their colleagues. They disconnect themselves from work roles and withdraw cognitively and emotionally (Kahn 1990), displaying incomplete role performances and task behaviours, and becoming effortless, automatic or robotic (Hochschild 1983).
Highly disengaged employees repeatedly exhibit negative behaviours such as resistance, blame, mistrust and low levels of commitment (Coffman and Gonzalez-Molina 2002), and they do nothing more than meet their job requirements (Buckingham and Coffman 1999). In extreme cases, according to Wellins, Bernthal and Phelps (2005), disengaged employees may even undermine or badmouth their organisations.

Towers-Perrin (2008) states that there is a strong link between engagement and financial performance, and therefore cautions organisations against diminishing engagement, stating that it poses a serious risk to employers as those who are moderately engaged will eventually slide toward increasing disengagement. Khan(2007) states that disengagement can lead to disloyalty and organisational failure, with serious consequences for the economy (Frank, Finnegan and Taylor 2004).

2.6. Conclusion of Literature Review

Influence on Employee Engagement

Various factors have been cited in the literature as key influencers of engagement. Although there are different theories from different authors, what remains consistent is that leadership, organisational culture, communication and employee rewards and recognition, all play a key role in determining the level of engagement within organisations.

In short, what influences engagement in the workplace is a people-centred leadership approach that communicates clear expectations that are challenging, meaningful, and link employees' personal goals with the company's strategic direction (Hewitt 2005).

Models of Employee Engagement

Each model and related theory reviewed offered different insights into the functioning of engagement, but there are three core elements in common. Firstly, engagement is generally understood to have a rational or intellectual component, capturing the degree to which an employee identifies and concurs with the company's mission and vision. Secondly, there is a behavioural aspect, in which high energy and discretionary effort are present. And thirdly, there is an emotional element, demonstrated as an attitudinal attachment or as enthusiasm.

The Hewitt Model depicts engagement as an outcome of employees' work experience which is characterised by three types of behaviours - say, stay and strive (Hewitt 2005). These reveal the rational, emotional and behavioural aspects of employees' connection to the organisation respectively. The Hewitt Model also emphasises the link between engagement and employees' intentions to stay with the organisation.

The CLC Model suggests that the behavioural aspect of engagement (discretionary effort), is impacted upon by the emotional and rational commitment to one's job and the organisation. The model notes, however, that the emotional impact is more valuable that the rational impact, due to a strong link between intent to stay (retention) and one's emotional commitment to a job and organisation.

The third engagement model reviewed - IES (2003) - although not specific about the three core elements of engagement mentioned by the others, explains engagement as a positive attitude held by the employee towards the organisation and its values, consequently making employees feel more valued and involved, and leading to a display of engagement behaviour. The model concludes that the work behaviour of employees is often a reflection of the kind of organisational environment in which they work.

Finally, the Six C's Model of Cheese, Thomas and Craig (2008), places more emphasis on the rational and emotional facets of engagement, suggesting that engagement begins with the most basic elements on the rational level, such as job satisfaction and rewards, and then builds up to the higher level of emotional engagement determined by work-personal values and career fulfilment. The approach of this model allows for each recommended area of engagement to be assessed separately, giving a clearer perspective of engagement as it exists within the organisation.

Consequences of Employee Engagement

Although there are different approaches by different authors towards engagement, they concur on the outcomes of employee engagement. Research shows that engaged workers help organisations reap benefits such as increased efficiency, higher levels of customer satisfaction, higher productivity, and lower turnover rates (Buhler 2006).

Towers-Perrin (2003) maintains that the outcome of employees' discretionary effort is the main driver of organisational performance and the most important purpose of engagement. According to Hewitt (2005), enhancing employee engagement creates a "win-win" situation, because when employees are happier they become more productive and this ultimately leads to a positive impact on business results.

Towers-Perrin (2004) compared the financial performance of companies where 5,000employees in the United Kingdom worked with the engagement scores resulting from those employees completing an engagement survey.
The study showed that every 5% increase in engagement is associated with a 0.7% increase in the overall business operating margins.

The Engagement Gap (Disengagement)

Melcrum Publishing (2005) associates disengagement with high rates of absenteeism, staff turnover, and low productivity in the workplace. When disengaged, employees only do their job and nothing more (Buckingham and Coffman 1999).

Disengaged employees are said to demonstrate behaviours of distrust, resistance, and blame towards others, as well as low levels of commitment (Coffman and Gonzalez-Molina 2002). In extreme cases they may undermine or bad-mouth the organisation (Wellins et al. 2005).

According to Kahn (2003), the level of employee engagement can range from high to low, depending on the individual employee's psychological makeup. Conversely, this variability in work engagement is also related to key aspects of company performance, and can be influenced by many aspects of organisational structure and functioning (Research Works June 2009).

To promote higher levels of employee engagement, companies must make themselves the kinds of organisations with which employees want to engage (Research Works 2009).

Key insights from the literature regarding the concept of employee engagement were derived from Kahn (1990), Schaufeli and Bakker (2004) and May et al. (2004), who explained engagement as a three-fold involvement of the physical, emotional and cognitive nature.

2.6.2. Research Question 1

What is the organisation's definition of employee engagement?

2.6.3. Research Question 2

How does the organisation go about influencing employee engagement in line with the six C's of engagement?

2.6.4. Research Question 3

What is the perception of management on the effects of employee engagement?

CHAPTER 3: RESEARCH METHODOLOGY

This chapter outlines the research design, the sources of data, unit of analysis, the population frame, the sample and sampling technique, the measurement, collection and administration of data, and finally the technique of analysing data.

The current study aimed to identify and explain how employee engagement is influenced at Lundbeck SA. It is a descriptive case study, whose objective is to provide an understanding of how the case study organisation, Lundbeck SA, promotes engagement as perceived by both managers and employees.

The main factors influencing engagement were determined in line with the Six C's of engagement (Cheese et al. 2008), which related to the adopted definition of engagement above, and including both cognitive and emotional elements.

At the cognitive level are the more rational elements of the jobs or tasks given to the workforce, how well employees are supported, and how fairly they are rewarded. At the emotional level are the factors such as the alignment of work and personal values and career fulfilment.

The approach of the Six C's Model allowed for each area of engagement to be assessed separately, allowing a broader view of engagement as it exists within the organisation.

In addition to the six engagement factors discussed above, this study assessed two additional areas of engagement, namely employees' advocacy and intention to stay. These two supplementary areas were factored in to establish the ultimate behaviour of employees as a result of their level of engagement as depicted by the Six C's. All the engagement components were measured separately, following Towers-Perrin's (2003) recommendation, who stated that an imbalance could indicate problems with engagement sustainability.

3.1 Research methodology /paradigm

This research was conducted using a qualitative case study method intended to provide an in-depth understanding of what drives engagement for employees at the case site. This was in order to gain valuable insight into how other companies could manage engagement more successfully.

Yin (2003) states that when a 'how' or 'why' question is being asked about a contemporary set of events, over which the investigator has little or no control, the research qualifies as a case study. The frameworks of such studies are exploratory, and therefore a qualitative research method is more appropriate as it allows the research to focus on a single complex phenomenon (Creswell 2003), which in this case is employee engagement.

The case study method, according to Leedy and Ormrod (2005), is particularly relevant to the current study, as it provides a better understanding of how humans engage and interact within the contexts of various settings. Although a comprehensive “catalog” of research designs for case studies is yet to be developed (Yin 2003:19), case studies have a distinctive place in evaluation research (Guba and Lincoln 1981; Patton 1990).

This study investigated the phenomenon of employee engagement in the context of organisational culture. When boundaries between phenomenon and context are not clearly defined, as in the subject of employee engagement, a case study method is the most relevant, due to its intensive, particularistic and rigorous nature (Yin 2003).

3.2 Research Design

To overcome any shortcomings associated with case studies, the following stringent systematic procedures for conducting a case study, as prescribed by Yin (1994:64) and Stake (1995) cited in Tellis (1997) were followed in this study.

- *An overview of the case study* should communicate to the reader the general topic of inquiry and purpose of the study (Tellis 1997). The researcher ensured this by defining case study objectives, issues and questions, preparing the theoretical framework based on the literature review, organising case details and preparing for the line of inquiry.

- *Properly designed field procedures* were ensured by preparing a data collection plan covering times for site visits, and all relevant documents needed for interviews. Interviews were of an open-ended nature and the subject's schedule dictated the activity.

- *Case study questions* were prepared using the research questions formulated during the literature review, to remind the interviewees of the data to be collected and their possible sources.

- *A guide for case study report* - engagement drivers were broken down into six different categories suggested by the model adopted for the study. The categories were compared and contrasted. Single instances we interpreted and patterns identified. Synthesis, generalisations and triangulation were used, as theoretical propositions were relied upon. To avoid concluding problems, Tellis (1997) advises that the case study report be planned as the case develops due to a lack of uniform outline in most case studies.

The Six C's Model of Engagement was used in this study as a framework for collecting the information on engagement. It was chosen because of its clearly confined drivers of engagement and the relative importance of each.

The data were collected from the respondents using a standardised protocol, semi-structured interview schedule and a properly designed questionnaire. The non-directive interview method was adopted, where the respondents were encouraged to talk openly and honestly.

3.3 Population and sample

3.3.1 Case Site

The case study organisation was Lundbeck SA Pty Ltd. Lundbeck SA is a subsidiary of Lundbeck Institute, a global pharmaceutical company engaged in research to find new drugs for the treatment of Central Nervous System (CNS) disorders. It has been in operation in SA for 25 years.

In order to gain an appreciation of the engagement dynamics at Lundbeck SA, the background to the company is provided below based on information on the website (www.lundbeck.com).

Lundbeck Institute has operations in 56 countries and employs 5,900 people worldwide. Lundbeck SA employs 47 people, who have been with the organisation for an average of 10 years, with years of service ranging between 5 and 22 years. Although Lundbeck SA is a fairly small organisation, research (Ketter, 2008) shows no correlation between size of the company or workforce when assessing engagement drivers.

Lundbeck has five core beliefs, represented by a star-fish logo, summarised in Table 2 below:

Table 2: Lundbeck's Core Beliefs (Lundbeck 2010)

1. Specialisation is our strength	**Our focus makes us more potent in the market place and efficient in research and development.**
2. Speed is our weapon	**As specialists we are faster than our larger competitors at every stage of the process.**
3. Integration is our culture	**We combine our specialist knowledge and experience with those who share our objectives from our partners in R&D. to people affected by CNS disorders.**
4. Results are the measure of our success	**We generate better results than our competitors by adding value in everything we do, streamlining the way we operate and fighting bureaucracy.**
5. Research is our foundation	**We are a research-based pharmaceutical company. and as such recognise and value great ideas and scientific achievement, wherever they come from.**

The starfish logo represents ambition, strength and hope. Its shape is ambiguous - both a star and a human figure with its arms outstretched (Lundbeck 2010).

Lundbeck SA has demonstrated resilience in the face of hostile industry challenges, and the belief in this study is that similar organisations in South Africa and elsewhere can learn crucial lessons from Lundbeck SA and its employee engagement strategies.

3.3.2 Sample and sampling method

Although the researcher had planned to conduct interviews with the management and employees of Lundbeck SA, due to time constraints, interviews were conducted only with the management team, and the employees were provided with questionnaires to triangulate the data.

Face-to-face interviews were conducted with the management team in order to identify themes that influence engagement. In addition, questionnaire survey of employees was conducted to compare management and staff perspectives on engagement in the organisation. Semi-structured interview questions were used to identify clearly defined facts or opinions by managers regarding employee engagement, while the questionnaire served to explore how these apply within the organisation.

Interviews and questionnaires provided the researcher with primary data, whilst secondary data were obtained from company document analysis (website, reports, and published articles) to provide more information about the company and its culture (Babbie 2001). These two sets of data were integrated to provide depth and clarity for the study findings.

Table 3: Profile of respondents

Description of respondent type	Number sampled
Managers	9: Planned for 10
Employees	33
Total number of respondents	42

3.4.3 Case Study Identities

The Managing Director, HR manager, Operations Manager and Sales Managers were selected because of their knowledge of engagement within the organisation. Employees participated in the survey to compare and contrast their views with the perception of their managers about employee engagement.

Edwards, Thomas, Rosenfeld and Booth-Kewley (1997) point out that an important distinction between organisational surveys versus those used for social or marketing purposes is fear of reprisal. Therefore, Yin (2003) recommends that research participants be protected to avoid any possibility of this.

This study ensured the anonymity of individual participants, without compromising the accuracy of the case itself. With the exception of The Managing Director Ben Christen, all managers' interview responses were given random numbers (such as, manager1, manager2 and so on) to identify them. The employee survey was completely anonymous and no names were linked to survey responses.

3.4 The research instrument

Two research instruments used for the study were:

1. A semi-structured interview schedule, with pre-determined interview questions and related probes (Patton 2002).
2. An employee survey

Semi-structured interviews were used to examine the engagement processes at Lundbeck SA, from the managers' perspective, and to investigate their effects on organisational performance. Related probes were designed to depict how employee engagement is influenced by management in accordance with the Six C's Model.

Employee survey was administered to depict the employee's perceptions of their work environment. Lawrence (2007) states that employee surveys are one of the most common ways used today to measure employee engagement.

Some of the questions used in the survey were taken from the Alpha Measure Employee Survey System (www.alphameasure.com). Alpha Measure questionnaire covers 16 organisational topics, allowing one to configure a comprehensive employee survey that addresses the needs of the organisation, or in this case, the needs of the research. For this research, survey items chosen were those in line with the Six C's of engagement.

Cheese et al (2008)'s definition of each C was used as the basis to making a choice of items as set out below:

To measure each of the six C's, the following set of questions was chosen from the Alpha Measure Employee Survey System (www.alphameasure.com).

Content

I know what my job expectations are

I have the opportunity to utilise all of my job-related skills

I have enough freedom to make sure I always meet customer needs

I feel as if I have job security

Coping

I feel I receive adequate training for my position

My company is good at communicating important decisions affecting employees

Compensation

I am consistently recognised for good work

I am satisfied with my salary

Rewards and promotions are given fairly

I understand my benefits

The information I have received about my benefits is adequate

I receive sufficient benefits from my company

My company provides better employee benefits than most other companies

This competency examines whether employees believe they are properly and fairly recognized for their efforts. This organizational topic also explores what type of behaviour is appreciated and rewarded within your organisation.

Community

I feel I am part of a team

I feel safe to express my ideas in the workplace

I feel comfortable working with other employees on projects

My co-workers always treat me with respect

This competency is designed to examine issues surrounding effective cooperation, collaboration, and communication between the co-workers within your organisation.

Congruence

My company standards for business are high

My company's policies are appropriate and foster a positive working environment

My company is well organised

My supervisor always treats me with respect

I feel comfortable speaking with my supervisor about most things

My supervisor is always available when I need him or her

There's a clear and helpful process to solve grievances

Policies are applied evenly to all employees

Employees are treated equally and receive equal opportunities

This competency surveys the staff on whether ethical behaviour and sound values are an integral part of managing the organisation.

Career

I believe I can get ahead here if I work hard

I feel like I play an important role in decision-making processes

My supervisor provides me with adequate feedback of my job performance

I feel comfortable asking for time off for personal needs

I have a flexible work schedule that fits my life

I still have time for a personal life

According to Alpha Measure Employee Survey System (www.alphameasure.com), the career competency explores issues such as internal growth opportunities, potential for advancement, career development importance, and the relationship between job performance and career advancement. The question set examines whether employees believe they have a chance to grow within the organisation.

Alpha Measure Employee Survey System (www.alphameasure.com) defines employee engagement as “the level of commitment an employee has towards their organisation, therefore the questions are referred to as Positive Scale Questions/Statements because they measure the level of employee engagement by assessing the positive attitude of employees towards the organisation.

The primary behaviours of engaged employees are speaking positively about the organisation to co-workers, potential employees and customers, having a strong desire to be a member of the organisation, and exerting extra effort to contribute to the organisation’s success” (www.alphameasure.com).

There are four questions in the base question set written to investigate employee engagement levels. The Employee Engagement Report is a mean analysis of the answers collected for the employee engagement questions.

A set of questions about the organisation, work, compensations, relationship with managers and colleagues, and corporate culture was included in the questionnaire and all factors were categorised under each of the Six C’s of engagement used as an engagement assessment framework for the study.

Interview questions in qualitative research often contain a mixture of both open-ended and closed-ended questions (Woods 2006). For this study, employees were provided with a structured questionnaire consisting of 34 multiple-choice questions and 4 short answer questions. Some 32 of the 34 survey multiple-choice items were categorised into the relevant Six C’s to assess the view of Lundbeck SA employees on different dimensions of engagement in the organisation.

The last two (2) items were used to evaluate the employees' emotional and intellectual commitment to the organisation according to Hewitt's (2005) Say, Stay and Strive Model of Engagement. They determine the employees' willingness to become advocates for their organisation and their intention to stay with the organisation.

The multiple-choice questions were in a Likert Scale format, whereby respondents specified their level of agreement to a statement against the five-level Likert items ("Strongly disagree," "Disagree," "Neutral," "Agree" and "Strongly agree"), explained below, as the key predictors of the level of engagement.

Table 4: Employee Survey Scoring Table

Answer Selection	Description
Strongly Agree	The employee strongly agrees with this statement and believes the organisation is exceeding expectations in relation to core competency item.
Agree	The employee agrees with the statement and believes the organisation is on target in relation to this core competency item.
Neutral	The employee neither has negative or positive feelings regarding this item.
Disagree	The employee does not agree with the statement and believes the organisation is below target in relation to this core competency item.
Strongly Disagree	The employee strongly disagrees with the statement and believes the organisation is far below target in addressing this core competency item.

All employees took part in the survey. The four short open-ended questions were meant to allow respondents to express themselves in their own words and provide more in-depth answers. However, due to poor response received in this section, the results were excluded from the research analysis.

For management interviews, nine of the ten managers participated, one of which was conducted telephonically due to geographic restrictions. All face-to-face interviews took place at the Lundbeck SA offices in Northriding, Johannesburg.

3.5 Procedure for data collection

According to Yin (2003), although case study data collection follow a formal plan, the specific information that may become relevant is not readily predictable. He further warns that research is “about questions and not necessarily about answers” (Yin 2003:59).

For this research, interviews and employee survey were administered concurrently to validate one form of data with the other form, and to transform the data for comparison (Creswell and Plano Clark 2007:118).

The study was composed of two sequential methods, which addressed questions and answers following interview sessions, as well as the employee survey and identifying similar phrases, relationships between themes, distinct differences between subgroups, and common sequences (Miles and Huberman 1994).

Data were collected through eight face to face interviews one telephonic interview and 33 employee questionnaires. While primarily reliant on the interview captured data and questionnaire responses, other relevant corporate documents provided qualitative background information about the company and its culture (Babbie 2001), and an understanding of its approaches to employee engagement.

For data collection, notes were recorded and reviewed before, during, and after each interview, and important quotes and comments were specifically captured during each interview.

To increase the accuracy of data, the researcher requested assistance from one of the Lundbeck SA associates to capture a separate set of notes during the interviews for later comparison. Completed questionnaires were returned to the researcher within one week.

The basic outline of the research was part of the protocol recommended by (Yin 2003:59), which is meant to facilitate the collection of accurate and relevant data using the relevant units of analysis as shown in Table 5 (below):

Table 5: Design vs Data Collection: Different Units of Analysis (Yin 2003)

Design					Conclusions
		From an Individual	**From an Organisation**		
	About an individual	Individual Perceptions	Archival Records Perceptions &Attitudes	**Individual Case study**	
	About an Organisation	How Organisation works Why Organisation works	Personal Policies Organisational outcomes	**Organisational Case study**	

Data Collection Source

Yin (2003) states that in an organisational case study design, the organisation itself is a unit of analysis and the interviews with individual people are the data collection source. “Properly done, the case study data collection is likely to lead to large amounts of documentary evidence, taking the form of published reports, publications, memoranda and other documents collected about the case” (Yin 2003:77).

Careful observation of the protocol ensured better exploration of engagement, and uncovered the essence of the phenomenon. According to Tellis (1997), the protocol is a major way of increasing the reliability of case study research, and is intended to guide the investigator in carrying out data collection for a single-case study.

3.6 Data analysis and interpretation

Analysis of case study evidence is the least developed and most difficult aspect of doing case studies (Yin 2003). Yin advises that the best preparation for conducting case study analysis is to have a general analytical strategy, without which analysis will be difficult. These analytical strategies include relying on theoretical propositions, rivalry explanations and case descriptions.

In this study, the interview result was analysed using theme analysis to determine the main engagement themes at Lundbeck SA (Patton 2002). The information from the questionnaires was used as data for analysis and interpretation.

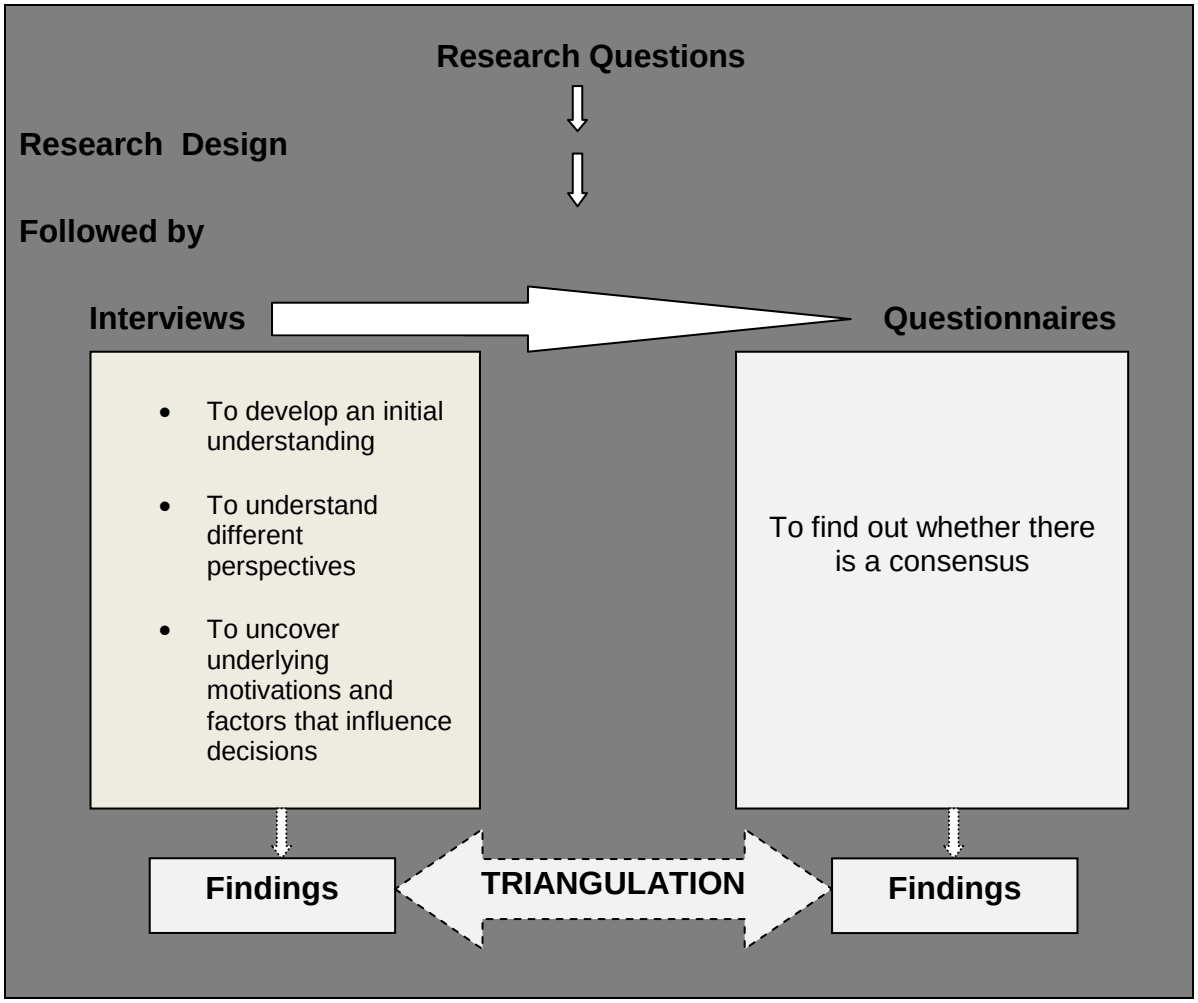

Figure 9: Exploratory Sequential Study Analysis and Interpretation (Hesse-Biber 1996)

Six c was used as framework to guide both methods used in this study. The first method was a series of interviews to identify the main engagement themes at Lundbeck SA. The second method used the Six C's Model of Engagement (Cheese et al. 2008) as a guide to select the most relevant employee survey items.

The survey items were then placed into the different paradigms of the Six C's, which functioned as the main aspects of the work environment that served to generate and sustain the felt connection between the employees and the organisation. The number of survey documents coded for each variable was used as a guide to determine its level of importance.

For the analysis of interview data, the following summary of analytic planning suggested by Miles and Huberman (1994: 279, was adopted:

- Putting information in different arrays
- Making a matrix of categories and placing evidence within such categories
- Creating data displays such as flow-charts for examining the data
- Tabulating the frequency of frequent events
- Examining the complexity of such tabulations and their relationships
- Putting information into chronological order or using some other temporal scheme

Questionnaire results were placed in a qualitative context, creating a hybrid analysis which provided the researcher with a set of variables with which to sort the qualitative data into categories, to enhance the ability to generalise findings (Hesse-Biber 1996).

The results and discussions for this research will both be covered in chapter 4.

3.7 Limitations of the study

The qualitative research approach has been criticised for lack of objectivity, structure, numeric data, its large samples, statistical analysis, predetermined methods, established guidelines, and experimental precision (Miles and Huberman 1994), Yin 2003; Leedy and Ormrod 2005). The researcher, however, adopted the employee questionnaire to allow for more volume and to raise the confidence level of the sample (Hofstee 2006:133).

The primary limiting factor of the current study was that the data and analysis were based on a single organisation, restricting the ability to generalise the results.

However, a single case study allows emphasis on how theory operates in one organisation, the results of which can be generalised to other similar organisations.

For this study, the researcher's limitations of resources such as time, personnel and financial support, kept the scope of the study to its current size.

3.8 Validity and reliability

As in all research, consideration must be given to construct validity, internal validity, external validity, and reliability (Yin 2003). However, the validity and reliability of a research methodology is susceptible to potential threats such as research omissions, misinterpretations, treatment artefacts, or measurement error Popper (1972).

To increase validity and reliability of the methodology this research will follow the recommendation of Yin (2003:34) below, with four stages commonly used to ensure the quality of research:

Table 6: Case Study Tactics for four design tests (Yin 2003:34)

TESTS	CASE STUDY TACTICS	RESEARCH PHASE IN WHICH TACTIC OCCURS
Construct Validity	• Use multiple sources of evidence • Establish chain of evidence • Have key informants review draft case study report	data collection data collection composition
Internal Validity	• Do pattern-matching • Do explanation-building • Address rival explanations • Use logic models	data analysis data analysis data analysis data analysis
External Validity	• Use theory in single-case studies • Use replication in multiple-case studies	research design research design
Reliability	• Use case study protocol • Develop case study database	data collection data collection

In this study, the quality of design was established through what Yin (2003) described as a set of logical tests to ensure trustworthiness, credibility, conformability and data dependability.

The questionnaire was structured based on the extensive literature review and preliminary face-to-face interviews to ensure both content and face validity, as suggested by Leedy and Ormrod (2001).The validity of the results, however, will be more reliant on the honesty of the respondents.

3.8.1 External validity

The external validity problem has been a major barrier in doing case studies (Yin 2003:37). This is especially true of single cases that have been criticised for offering a poor basis for generalisation. Yin (2003) however, argues that this analogy is relevant only to survey research, not case studies which rely heavily on analytical generalisation, rather than statistical generalisation.

3.8.2 Internal validity

The internal validity of a research study is the extent to which its design and the data it yields allow the researcher to draw accurate conclusions about cause-and-effect and other relationships within the data." (Leedy and Ormrod 2005:97; Yin 2003:36). However, they also consider that internal validity is only a concern for causal (explanatory) case studies, in which an investigator is trying to determine whether an event led to another.

To ensure the accuracy of data for this research, the concept of triangulation was applied during the study through the use of multiple sources of data to gain some comprehension of explanations (Merriam 1998; Yin 2003; Leedy and Ormrod 2005).

3.8.3 Reliability

Yin (2003) points out that the reliability of a study lies in its ability to demonstrate that the operations of the study, such as the data collection procedures, can be repeated with the same results. The aim of this is to minimise errors and biases of the study.

Following Robson's (2002) recommendations, the standard survey questionnaire will be pilot-tested before use, in order to improve reliability.
This will be conducted through establishing congruence between research problems, the study objectives, the literature reviewed and the formulated propositions (Miles and Huberman 1994).

CHAPTER 4: PRESENTATION AND DISCUSSION OF RESULTS

This chapter presents the results of the data collected and analysed in the study. The main findings of the research are discussed and a summary of the case study report and interpretations from the literature is provided. The chapter proceeds to present significant recommendations and concludes with suggestions which could facilitate further research.

The research set out to identify the factors that foster employee engagement at Lundbeck SA, and the impacts of engagement on employee performance and firm productivity. This study provided clarity on what engagement is, how it is influenced and maintained at Lundbeck SA, and the potential benefits that can be gained from engaged employees.

4.1 A Single Case Report

According to Eisenhardt (1989), data analysis and interpretation form a crucial part of the research process. This study aims to achieve the research objectives and to answer the research questions highlighted in chapter 2.

Due to the nature of the research, a single case study approach was selected as the most suitable method for analysing employee engagement at Lundbeck SA, a pharmaceutical organisation with 43 employees.

The research was conducted through face-to-face semi-structured interviews with Lundbeck SA's management staff, and through a questionnaire survey of Lundbeck SA employees.

The compilation of this report was based on a classic single-case study report format, which entails using a single narrative augmented with tabular and graphic displays to present, describe, and analyse the findings (Yin 2003).

The analytical process below, as suggested by Strauss and Corbin (1990), Spiggle (1994); Miles and Huberman (1994), was adopted for the analysis and interpretation of the research results.

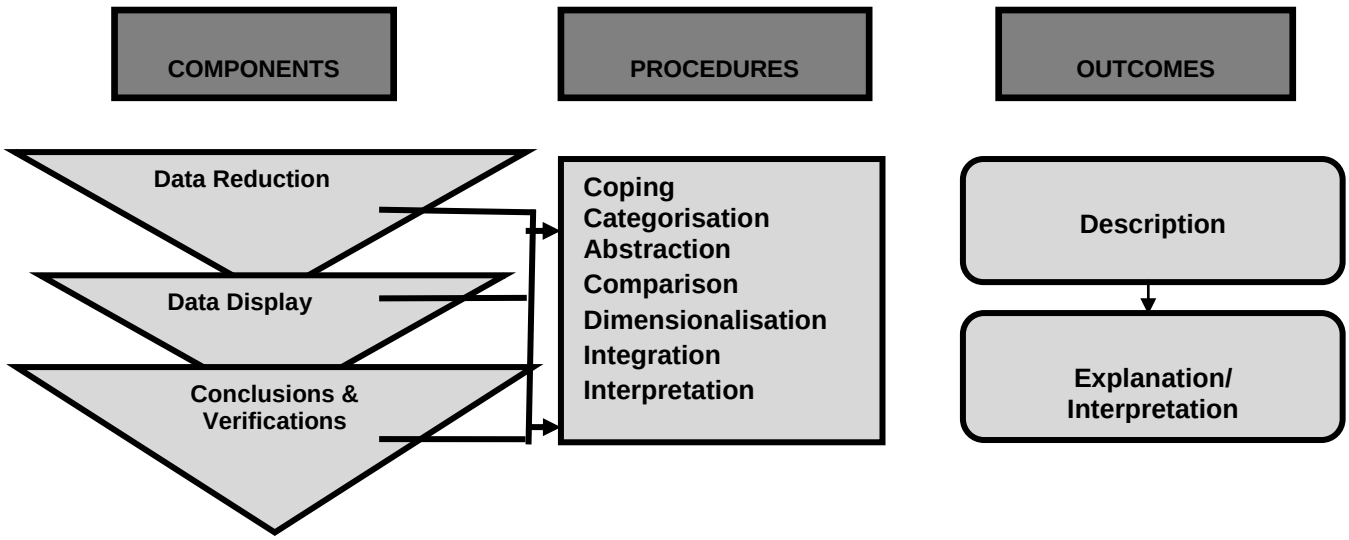

Figure 10: Data Analysis Process (adapted from Strauss and Corbin (1990), Spiggle (1994), Miles and Huberman (1994)

A small set of themes was gradually compiled to cover the consistencies discerned in the data, and the generalisations were substantiated or corroborated with conceptual information from the existing literature. Data aggregation and reduction were achieved through the use of data matrices, tables, and figures (Miles and Huberman 1994).

The results of the interviews and surveys were compiled and analysed using qualitative methods such as graphs, histograms and charts. Conceptual information from the literature on employee engagement was reviewed and used as part of the analytical framework for the research data collected from Lundbeck SA management and employees. The results of the surveys provided the platform for the conclusions and recommendations of this study.

4.2 Demographic profile of respondents

Gender: Most employees at Lundbeck SA are females, who make up more that 90% of the workforce.

Age: Some 51% of the employees are between 30 and 39 years of age, and people over the age of 40 make up 45% of the workforce. The remaining 4% is less than 30 years of age.

Race: White people make up 68% of the workforce, followed by 21% blacks and the remaining 11% being Indians and Coloured people.

Years of service: Some 96% of the employees at Lundbeck SA have been with the organisation for longer than 5 years, 36% have completed 10 years of service and 4% have worked for the company for over 20 years.

Gender Classification of respondents

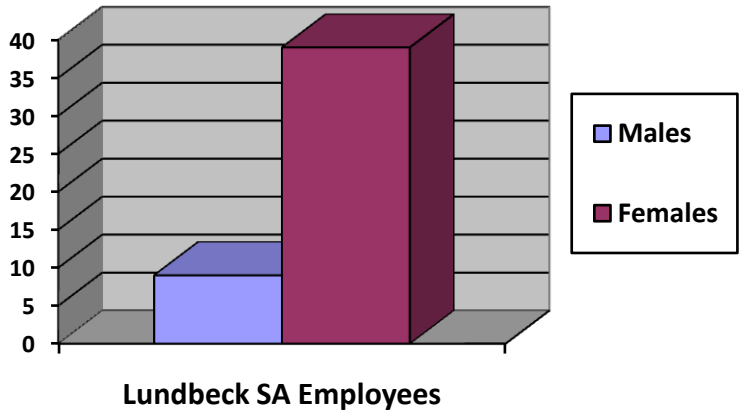

Figure 11: Gender profile of respondents

Age Variance of respondents

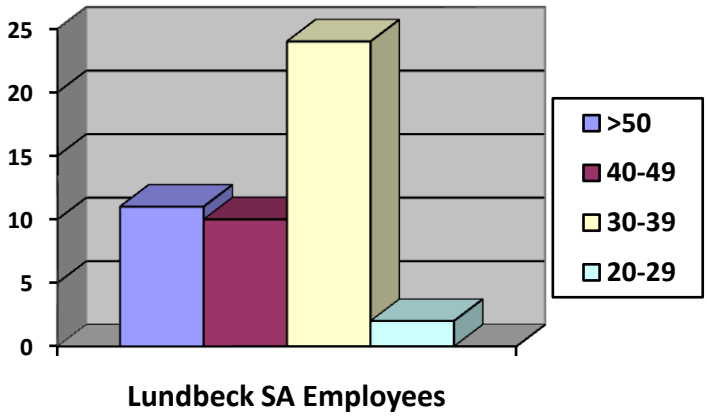

Figure 12: Age profile of respondents

Respondents' distribution by race

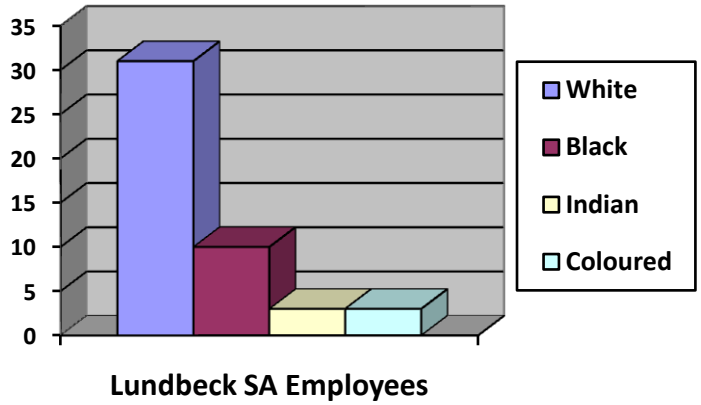

Figure 13: Racial profile of respondents

Respondents' years of service

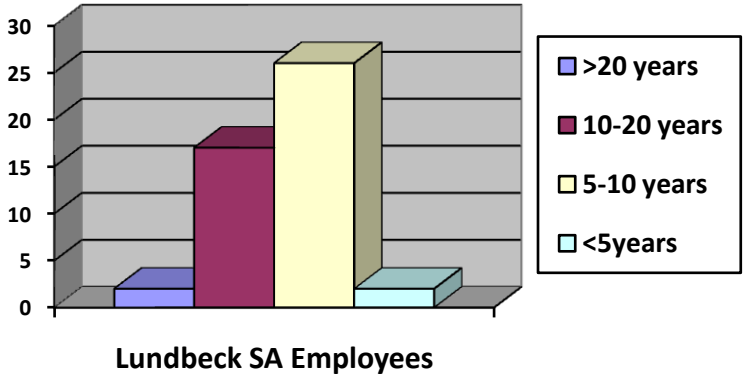

Figure 14: Profile of respondents by years of service

4.3 Lundbeck SA's Definition of Employee Engagement

In response to research question1, definition of engagement at Lundbeck SA was established from the main themes extracted from the interview response of the management team to the first research question of the study: What is the organisation's definition of employee engagement.

In general, managers at Lundbeck SA define engagement within the organisation in terms of the behaviour demonstrated by employees during work tasks. The Managing Director (MD) pointed out that at Lundbeck SA, people are very creative, hard working and passionate about what they do. Most of the work, he added, happens without his input:

> "Our people are loyal and even during difficult times; I would rate the people's commitment at about eight out of ten." (Ben Christen 2010).

Manager2 concurs with the statement, and adds that the people in her department have a very high work ethic:

> "They strive to do the right thing. This is essential for complying with legislation as it pertains to the warehouse. For example, when dealing with doctors there is extra effort to supply information to them as quickly as possible. Because of the nature of pharmacy work, mistakes have to be minimised and what you do has to be correct. Certainly that is what people working in the warehouse strive to achieve" (Lundbeck manager2 2010).

Another manager indicates that engaged employees look up to their managers as role models and they strive to apply the "Lundbeck way":

> "If someone is asked to go the extra mile, there is willingness to cooperate outside the norm" (Lundbeck Manager4 2010).

In the case of the sales force, those engaged always endeavour to develop their product knowledge and they make every effort to build good relationships with their customers:

> "They work very hard without much effort from management. They do it for the love of the company, because they are proud to be part of Lundbeck" (Lundbeck Manager4 2010).

Most managers at Lundbeck SA defined employee engagement in terms of the resulting behaviour, which they strongly believe, is linked to the employees' emotional attachment to the organisation and what it stands for. Therefore, they do their best at work:

> "They are proud of the organisation and they feel that they should contribute positively" (Lundbeck Manager4 2010).

What leads to the emotional attachment was explained by Manager7 as follows:

> "People show each other mutual respect at Lundbeck. Your personal life is respected so you feel that you won't let Lundbeck down" (Lundbeck Manager7 2010).

From the MD's point of view, employee engagement at Lundbeck SA is ultimately defined by the high rates of employee retention:

> "Our people have a high sense of ownership and loyalty towards Lundbeck, and stay with the organisation for many years" (Ben Christen 2010).

Interview Results: Although it is difficult to condense the definition of employee engagement, Table 7 below gives a list of the most recurring themes given by managers at Lundbeck SA, in response to research question 1.

Table 7: Definition of Engagement at Lundbeck SA (2010)

RESPONDENTS
9 Lundbeck SA managers
For Lundbeck SA Managers, Employee Engagement meant:
• Committed to the mission and vision of the organisation • High sense of loyalty and ownership • High Work ethic • Consistently obtain high performance • Feeling valued and emotionally connected to the organisation • Motivated to contribute more to the organisation • Passionate and enthusiastic about the job • Proud to be part of the organisation • Delivering without any obligation • Making an extra effort to be more efficient • Respect for colleagues • Enjoying interacting with colleagues at work • Intention to stay with the organisation even during difficult times • Full participation in team work • Creative and going the extra mile • Satisfied with level of benefits provided • Displaying mature behaviour • Taking responsibility for one's work • Have good relationships with customers • Enjoying autonomy and the ability to make decisions • Accountable

In general, managers gave account of engagement within the organisation as the behaviour demonstrated by employees as a result of their emotional connection to the organisation.

The working definition of engagement as a three-component construct including the cognitive, emotional and physical engagement concurs with the definition of engagement according to the Lundbeck SA managers. The cognitive aspect, however, is more experienced than witnessed; therefore, employees are the ones who are more likely to give an account of that.

4.3.1 Discussion pertaining to definition of engagement at Lundbeck SA

In response to research question 1, a variety of definitions for employee engagement have been offered by researchers, many of which have been discussed in the literature review. These diverse definitions make it critical for organisations to "continually understand and foster employee engagement in the workplace" (Lanphear 2004:1).

In order to measure and explain engagement at Lundbeck SA, it was necessary to establish the managers'articulation of what engagement means (Shaw 2006)and build a general understanding of the construct as it operates within this organisation.

Engagement was explained as "motivation, commitment, passion, desire, ambition, trust, empathy, solidarity, inspiration, selflessness; the quality that persuades people to align their own interests with their organizations" (Cheese et al. 2008).

The working definition of employee engagement adopted for this study, as a three-component construct including the cognitive, emotional and physical engagement was also explained to the managers, followed by a semi-structured interview process to explore the views of management on what management would define as engagement within the organisation. Managers were asked to give a brief description of the workforce at Lundbeck SA based on each of the three facets, referred to as the "think, feel and act" process (Melcrum Publishing 2005).

The information derived from the company's website states that a Lundbeck employee is "ambitious", "takes pride in achieving new goals and results that benefit everyone" (www.lundbeck.com). In line with its values, Lundbeck identifies the behavioural outcomes of engagement as imaginative, passionate and responsible.

A definition of engagement at Lundbeck SA was established from the main themes extracted from the interview response of the management team to the first research question of the study: What is the organisation's definition of employee engagement?

4.4 Factors Influencing Employee Engagement at Lundbeck SA

The following recurring themes (Table 8) were revealed about the views of managers on what influences employee engagement at Lundbeck SA:

Table 8: Influences on Engagement at Lundbeck SA (2010)

RESPONDENTS:
9 Lundbeck SA managers
WHAT INFLUENCES ENGAGEMENT AT LUNDBECK SA :
• Strong family environment • Emotional and physical support • Culture of respect • Work-life balance • Honest and open communication • Work flexibility • Autonomy • Job security • Safe and friendly working environment • Training and skill development • Provision for necessary work tools • Remuneration and Benefits • Recognition and Appreciation

The managers gave consistent views on what they believe to be the key driver(s) of employee engagement within the organisation. Most emphasis was put on company culture by most managers, with statements such as:

> “At Lundbeck, we drive values of respect, dignity, trust and hope”. She added, “At Lundbeck people are not numbers but have a personal life with personalities. Each one is valued as a person” (Lundbeck Manager2 2010).
>
> Every Lundbeck employee is treated with dignity and respect (Ben Christen 2010).
>
> “Although we all strive for the same goal, people are respected for different styles and diversity of thinking” (Lundbeck Manager9 2010).
>
> “We have a very high work ethic and we value respect, honesty, loyalty and trust. People here are aware of what they say and do. I think in Lundbeck, if you don’t operate within these values you would stand out” (Lundbeck Manager8 2010).
>
> “We do try hard to treat everybody the same. For example, everybody gets the same gifts. No exception is made because of management level or based on any arbitrary criteria” (Lundbeck Manager5 2010).

In general, the managers at Lundbeck SA attribute to their managing director the engagement influence on the overall organisational culture, communication and style of leadership prominent in the company. They say the MD leads by example. These are some of the statements from the managers:

> “At Lundbeck you feel empowered. You have a say in what happens in the company. This is especially so because of the MD providing us with the space to participate and grow. Ben also shares decisions. He delegates because he has confidence in his management team” (Lundbeck Manager4 2010).

> "Our MD is very open and approachable. Here you are somebody; you are not just a number. People who work here love the company" (Lundbeck Manager8 2010).

Not discounting his influence and contribution to the present environment in Lundbeck SA, the MD believes that he has a very capable and supportive team of managers, who ensure engagement of employees on a daily basis:

> "Individual managers bring various management approaches to Lundbeck and apply them within the context of the Lundbeck culture" (Ben Christen 2010).

4.4.1. The Managers' Views on Influence of Employee Engagement

The main outcomes extracted from this section include the managers' views on how engagement is influenced within the organisation. With the help of open-ended questions (see Appendix 2) the managers were allowed to speak about what they personally do, to ensure that employees are engaged, as well as what influences their own engagement.

The recurring themes and statements noted in the section above, presented a broader view of how Lundbeck SA functions to keep its employees engaged.

The managers were further asked more specific questions aimed at depicting how the different Six C's of Engagement are influenced in the organisation by individual line managers.

Content:

This aspect of engagement is referred to by Cheese et al. (2008) as something from which employees derive satisfaction and enjoyment. People today are looking for more ability to impact their own jobs. Work takes up a large proportion of our lives, sometimes too much, and we identify ourselves through our work. The content of work can be managed and impacted every day by the objectives or tasks we set (Cheese et al. 2008).

Most managers at Lundbeck SA indicated that it is easy for people to enjoy being part of the company, because each person is celebrated. People are allowed to be creative in their work in order to derive the most fulfilment from it:

> "It is very important for you to be happy in the company that you work for", said Lundbeck Manager2 (2010).

The MD also strongly believes that it is very important for people in the company to enjoy what they do, saying:

> "At Lundbeck there's a vibe, an energy where people are hard working and passionate about what they do. I allow innovation and it gives me great pleasure to see things happening without my involvement. This makes them proud of their achievements." (Ben Christen 2010).

According to Manager5, employees are allowed the freedom to be creative in their work as a way of driving more satisfaction out of what they do:

> "They are really not dependent on each other for their job outputs. Although they have common goals and pursue strategies that are generic, they also have individualised strategies to reach specific sales goals. We give individuals responsibilities but keep staff accountable" (Lundbeck Manager5 2010).

The style of management also came up as a key contributing factor to influencing job satisfaction and enjoyment. Manager9 believes in a relaxed style of management.

> “We are not over-controlling. Within certain boundaries, people can be creative” (Lundbeck Manager9 2010).

Manager4 alluded to this by pointing out that people want to be allowed the freedom to utilise their skills and be creative, without too much interference from management:

> “My style of management is to leave it to the people to perform the task or assignment and to only get involved if my assistance and support is needed. Generally we don’t want people breathing down our necks and I try to apply that principle. We are fairly relaxed as long as work gets done” (Lundbeck Manager4 2010).

Although this relaxed environment brings about work enjoyment within the organisation, one of the managers argued that it could be a breeding place for indolence, whereby people know that there are very little consequences for their behaviour.

Coping:

The second of the six C’s, coping, looks at whether or not employees have been given the means to cope with the demands of their jobs, and if their set goals and objectives are achievable. People need physical, intellectual, and emotional resources to engage at work, and any obstacles or distractions that drain resources will limit the amount of energy that an individual can bring to their work role, and therefore reduce engagement. On the contrary, if people are given ample resources for coping with job demands and work/life stressors, their energy stores are renewed and they are able to engage.

According to manager5, the recruitment process at Lundbeck SA ensures that they employ only people who possess both the required skills and the personality that fits each position, thereby eliminating any problems related to lack of skills. Referring to the sales force, the manager added:

> “We believe that you have to appoint for the right fit from word go. They are all extremely knowledgeable and have good relationships with customers. There is no dead wood amongst them. Since I have been in my position, I have never had to address poor performance” (Lundbeck Manager5 2010).

The idea of recruiting for best-fit was further accentuated by the MD, who stated:

> “We recruit the best people based on competence and skills. We also consider the human element when we employ people” (Ben Christen 2010).

Knowledge-sharing amongst the team members was highlighted by Manager6 as a way of learning from colleagues, and establishing how they can better perform their duties:

> “The transfer of information in my meetings with the sales people is huge. You have to also understand the individual nature of the reps (representatives) so that you can respond collectively where necessary but also respond appropriately to individual concerns where applicable. (Lundbeck Manager6 2010).

Training and development, according to Manager7 is another way in which the company ensures employee competency. (Lundbeck Manager6 2010):

> “The sales force is also provided with continuous product training, which is headed by a practising psychiatrist who understands the expectations of our key customers. This equips the sales force with the most relevant information and professionalism that is expected by customers.

Setting reasonable and achievable targets was pointed out by Manager6 as a way of supporting employees to meet the company’s expectations, and avoiding any likelihood of work overload:

> “Our point of departure is to establish consistency first because that provides a basis for establishing expectations. So when you deal with a problem everyone understands” (Lundbeck Manager6 2010).

When setting targets, Manager5 also highlighted that they deem it important to get the people involved. “We are a team. We strive for buy-in and get people involved to garner their ideas” (Lundbeck Manager5 2010).

Team work and involving people in decision making was also strongly expressed by other managers:

> “We have a sharing style of leadership at Lundbeck. We strive for buy-in and get people involved to garner their ideas.” (Lundbeck Manager5 2010).
>
> “We work in a cross-functional team that thrives on discussions that include the entire team. We rarely embark on a process without thorough and in-depth discussions prior to making decisions” (Lundbeck Manager3 2010).

Manager4 added that in their team they often engage in very informal communication in order to easily solve problems together:

> “Through verbal interactions we try and resolve problems together. We have constant open discussions” (Lundbeck Manager4 2010).

Communication was also brought up as a way to maintain a firm support structure, to ensure that employees cope at work. Manager6 said constant communication is their strong point:

> “We make it a point of knowing what everybody else does. Honest and open communication is encouraged and any possible form of support is offered where relevant. I inform people about what is happening on the international front and departments conduct their own meetings to ensure that every employee is in the loop.

> “Regional managers are included in strategic meetings to guarantee that every manager is up to date with the latest thinking. I involve my people in decision making, by engaging in brainstorming before making any decision” (Ben Christen 2010).

For the sales force, Manager6 indicated that it is critical to keep constant and regular contact with the representatives in order to detect any potential problems:

> “You can hear from the tone of a person’s voice if there’s something wrong and we will act immediately to address any particular challenge” (Lundbeck Manager6 2010).

Once again, the culture within the organisation was highlighted as a contributing factor to helping employees cope with their work. Although the company employs the most skilled people for the job and equips them with the relevant tools to best perform in their respective roles, there are times when personal issues get in the way of people coping with the demands of the job. When this happens, the employees get the necessary support from the managers:

> “In this organisation, we are committed to the wellbeing of our people, supporting them emotionally and practically. When they experience personal and family crises, they know that Lundbeck will support them in every way possible” (Ben Christen 2010).

All managers mentioned in their interviews that there is a very good balance between work and personal life, which contributes hugely to the wellbeing of employees.

When people experience personal challenges, the company gives them extra leave, and according to the MD, this is not considered a loss to the company, because he believes that employees do reciprocate. Manager6 confirmed this:

> “Your personal life is respected so you feel that you won’t let Lundbeck down” (Lundbeck Manager6 2010).

> “We get even more back because people want to make contributions. We try to apply this philosophy consistently. It is the same for everybody and the concession is not based on your role or position. I believe in a balance between work life and home life. For that reason, we close our offices at 16h00.” (Ben Christen 2010).

Those who have young children are allowed the flexibility of rearranging their working hours to enable them to manage their responsibilities. Some employees are even able to work only half a day:

> “Lundbeck makes it possible for me to work in a gainful and challenging environment but at the same time it allows me to be there for my children. I would certainly stay at Lundbeck until I retire” (Lundbeck Manager4 2010).

> “When employees make requests, or can’t be available their personal circumstances are taken into account” (Lundbeck Manager8 2010).
> “We are flexible to respond to the need for time to attend to personal matters. Family life is very important to us at Lundbeck”, added Lundbeck manager5 (2010).

Manager7 said that when management acts in ways that are supportive of personal lives, it combats any possibilities of overworked employees.

Compensation:

Compensation focuses on employees' feelings about financial rewards in relation to their contributions, at a rate which is reasonably market comparable. Cheese et al. (2008) argue that although the rational drivers of pay and benefits are still important, the more emotional drivers of reward are also critical in building engagement. The emotional drivers include the idea of fairness - was my performance properly recognised and assessed and was my pay and compensation therefore reflective of that -and the wider sense of recognition that people seek for their contributions.

The MD indicated that although their salaries are market related, the recent pharmaceutical industry challenges have called for cost curtailment, having a huge impact on employee compensation, especially on incentive payouts.

> "The focus is on a bigger vision for the future while paying attention to cost drivers in the short term" (Ben Christen 2010).

Incentives at Lundbeck SA, according to Manager3, are given for the achievement of common goals, rather than for individual goals, in order to avoid competition.

Individual performance is recognised in many ways by different managers:

> "I will pick up the phone to immediately call a rep when he or she does well. It helps to have also been out in the field because one understands the need for responsive feedback" (Lundbeck manager5 2010).
>
> "I have no influence over rewards. I can only thank and recognise people for their contributions but I can't provide tangible rewards" (Lundbeck manager4 2010).

According to Manager6, although not in control of rewards, he does provide recognition by means of time off, gift vouchers or simply by sending a message to show appreciation for an achievement.

Other managers, especially those whose employees are not in the sales and marketing team, indicated that their performance measures are quite different from those used in sales. Therefore performance recognition of their direct reports is often done during annual performance reviews.

Community:

This fourth C depicts whether employees feel any degree of positive social interaction. People now expect work to be fun at least some of the time, and they believe that part of their line managers' responsibility is to create an environment that is enjoyable and fun to work in (Cheese et al. 2008).

From the Lundbeck website, the sense of community in the company is described as follows:

> "At Lundbeck, we are connected in a very special way. Something beyond words, formulas, and procedures binds us together." Some call it Teamwork. At Lundbeck we are Brainmates" (Lundbeck.com 2010).

According to Manager 8, the culture that exists within Lundbeck SA directly mirrors the Danish culture, which is characterised by collectivism and communitarianism, where regard and support of colleagues and family are the primary motivating factors.

The community factor came out consistently high during the interviews. Interaction during working hours is not only restricted to work related issues. In fact the MD says he encourages people to have fun at work.

> "At Lundbeck there is an '*esprit de corp'*; a family environment within which employees are allowed the freedom for social interaction and informal communication during working hours. I love to see friendships developing and I want to hear people laugh in the passage." (Ben Christen 2010).

Not only does he encourage others to relate in this manner at work, but the MD himself ensures that he is part of the community.

> "Every morning when I arrive at work, I go to every office and greet every person and often enquire about their personal wellbeing. I know their pets' names, partners and children." (Ben Christen 2010).

Echoing the words of the managing director, another manager emphasised that employees at Lundbeck SA are greatly valued and known beyond their duties.

> "At Lundbeck people are not just a number but have a personal life with personalities. Each one of us is valued as a person" (Lundbeck manager2 2010).

Regardless of people's position within the organisation, the entire workforce enjoys lunch together on a daily basis. During these lunch times, employees converse on a range of issues that are introduced in a social context.

> "We have a lot of time for fun and laughs. Our lunches are especially conducive because we discuss personal stuff and mostly issues unrelated to work. Previously when the budget allowed, we had family weekends" (Lundbeck manager7 2010).

Family weekends at Lundbeck SA was an annual event where the company took out every employee of the company, regardless of position, to a specific destination where they were all treated to a weekend of relaxation, dining, and having fun together.

> "As a result, at Lundbeck we do not only know our colleagues but we also know their spouses and children" (Lundbeck Manager3 2010).

> "We know everybody who works for Lundbeck including the names of their children" (Lundbeck Manager7 2010).

Although the company has a lot to offer its employees, the managers agree that those who have the ambition to grow in their careers are not catered for:

> "This is a very small organisation, and people stay here long, which makes it very difficult for others to move up the ladder within the company" (Lundbeck Manager9, 2010).

> "There aren't many promotion opportunities if you want a career that is upwardly mobile, but the environment and the flexibility it provides are ideal for me" (Lundbeck Manager4, 2010).

> "Although there isn't much scope in respect of the corporate ladder, people find motivation in the work that they do and in how the company treats them like adults" (Lundbeck Manager3, 2010).

All managers were in agreement that although they try in various ways to motivate and engage the employees, there are constraints regarding career opportunities, mostly related to the size of the organisation and the small product portfolio.

4.4.2. Discussion pertaining to Managers' Influence on Engagement

According to Cheese et al. (2008), line managers should not only play a key role in driving engagement through the business, but must be engaged themselves.

In order to determine how engagement is influenced at Lundbeck SA, it was essential to ascertain the main engagement drivers within the organisation. The Six C's of Engagement were used to determine the main factors influencing engagement at Lundbeck SA.

According to information on the official website of Lundbeck, different initiatives are often put in place to ensure the company's main focus on employee satisfaction. One of the ways in which the company maintains focus on employee development and motivation, is through the Lundbeck Employee Satisfaction Survey, known within the organisations as the 'Lundbeck ESS'. The Lundbeck ESS measures employee satisfaction with regard to a range of parameters, such as management, work climate, and development opportunities.

From the management interviews, it is apparent that the influence on engagement is driven from the top - by the MD of the organisation. The sales managers also seem to play a key role in engaging the sales force.

Except for the career aspect, which everybody agrees has very little influence on the level of engagement within the organisation, there seems to be a good balance between the other five C's in terms of the attention paid by management to ensure employee engagement in those aspects. Cheese et al. (2008) argue, however, that work-life balance is still one of the key current challenges of employee engagement at the stages of development and deployment. Therefore, when working and personal life are mutually sustaining rather than in conflict, it highlights that an organisation cares about its employees' careers.

The MD of Lundbeck SA indicated that although they try hard to create a highly engaged workforce, the hostile pharmaceutical trading environment in which they operate has brought about some drastic changes that may have created some despondency in the workforce. Due to cost curtailments, Lundbeck SA has had to do away with some of the initiatives that the company used in the past to drive engagement:

> "Lundbeck International adopted a more hard line business approach. Lundbeck International appointed a new CEO who introduced different approaches to managing Lundbeck's pipeline that will only introduce new products only in three years time" (Ben Christen 2010).

The MD maintains that Lundbeck SA will be able to put back in place all the engagement initiatives that were there before, once the current challenges have been dealt with:

> "What keeps us going is our positive commitment to the good times ahead". He added "The people at Lundbeck SA, he says, know that even when times are tough, they will be looked after" (Ben Christen 2010).

4.4.3. Survey Results (Employees' views)

In order to validate the data gathered from the management of Lundbeck SA regarding how they influence engagement, an employee questionnaire based on the Six C's model was administered to assess the employees' attitudes towards engagement.

The first three categories of the Six C's model dealt with the cognitive aspect of engagement (content, coping and compensation), while the other three (community, congruence and career) addressed the emotional elements. A summary of each engagement driver is provided below, followed by the survey results on each.

Respondents specified their level of agreement to a statement against the five-level Likert items ("Strongly disagree," "Disagree," "Neither agree nor disagree," "Agree" and "Strongly agree").

Although different definitions are offered by different authors, a common thread across definitions of engagement is the notion of "positive psychology" (e.g. Kahn 1990, Hewitt 2005, Scarlett 2010).Alpha Measure Employee Survey System (www.alphameasure.com) also rates employees' level of engagement by assessing the positive behaviours of employees and how they speak about the organisation.

All “strongly agree and agree” responses were recorded as positive, indicating the level of engagement for that specific engagement element. “Strongly disagree and disagree” responds were recorded as negative, and finally, “neither agree nor disagree” responds were recorded as neutral.

Theme 1: Content

Content was measured with the following items:

1) I know what my job expectations are

2) I have the opportunity to utilise all of my job-related skills

8) I have enough freedom to make sure I always meet customer needs

25) I feel as if I have job security

Table 9: Survey results pertaining to Content

Ordinal Survey Responses	1	2	8	25	Total
Strongly Disagree	0	0	0	0	2%
Disagree	0	0	2	0	
Neither agree nor disagree	0	3	1	6	8%
Agree	11	13	12	15	90%
Strongly agree	22	17	18	12	

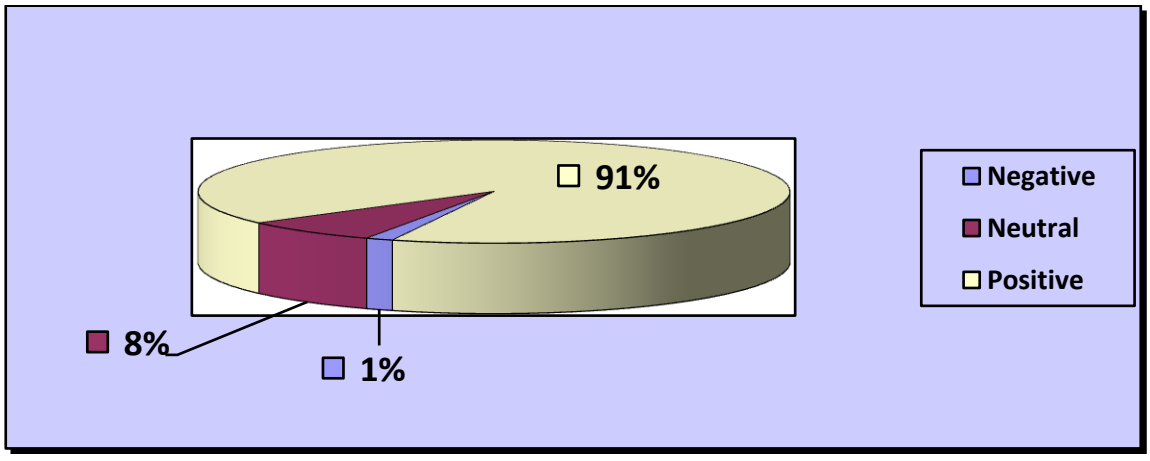

Figure 15: Survey Results for Content

Theme 2: Coping

Coping was measured as follows:

4) I feel I receive adequate training for my position

20) My company is good at communicating important decisions affecting employees

Table 10: Survey results pertaining to Coping

Ordinal Survey Responses	4	20	Total
Strongly Disagree	0	0	3%
Disagree	0	2	
Neither agree nor disagree	6	6	18%
Agree	16	13	79%
Strongly agree	11	12	

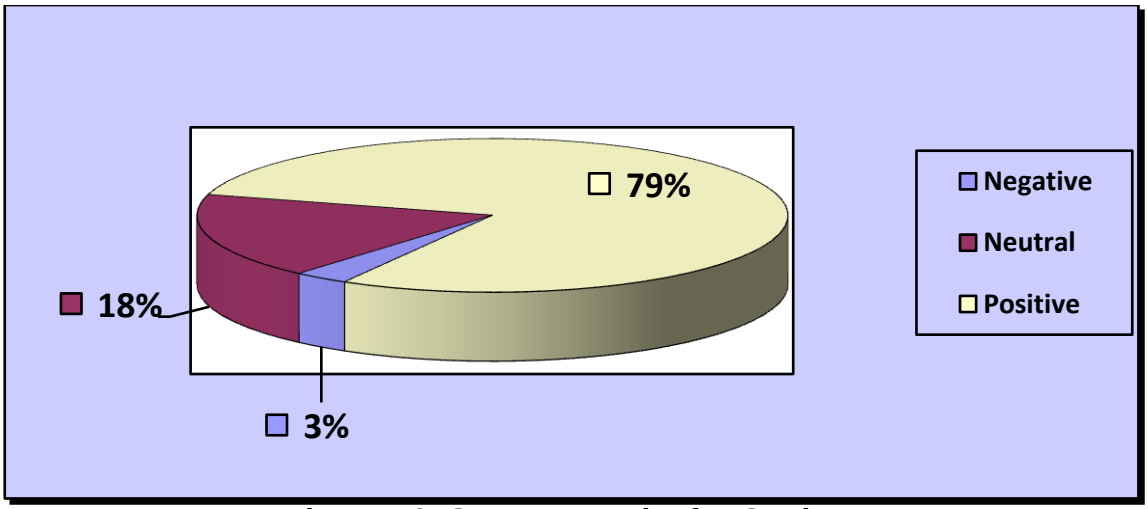

Figure 16: Survey Results for Coping

Theme 3: Compensation

Compensation was measured as follows:

3) I am consistently recognised for good work

6) I am satisfied with my salary

22) Rewards and promotions are given fairly

29) I understand my benefits

30) The information I have received about my benefits is adequate

31) I receive sufficient benefits from my company

32) My company provides better employee benefits than most other companies

Table 11: Survey results pertaining to Compensation

Ordinal Survey Responses	3	6	22	29	30	31	32	Total
Strongly Disagree	0	1	2	0	0	0	0	5 5%
Disagree	0	3	4	0	0	1	1	
Neither agree nor disagree	7	8	8	1	4	4	7	6 17%
Agree	11	13	11	20	19	13	8	7 78%
Strongly agree	15	8	8	12	10	15	18	

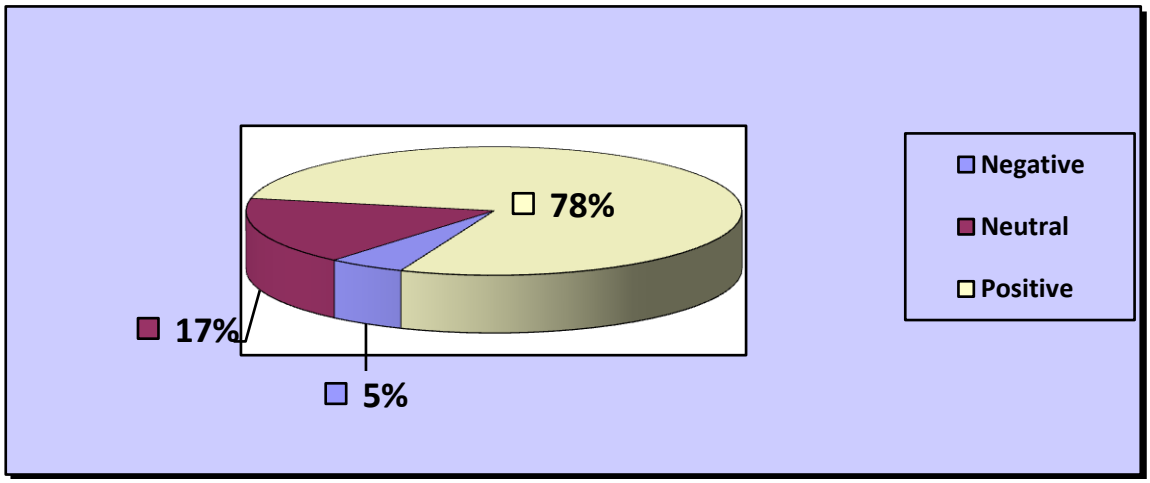

Figure 17: Survey Results for Compensation

Theme 4: Community

Community was measured as follows:

5) I feel I am part of a team

13) I feel safe to express my ideas in the workplace

14) I feel comfortable working with other employees on projects

15) My co-workers always treat me with respect

Table 12: Survey results pertaining to Community

Ordinal Survey Responses	5	13	14	15	Total
Strongly Disagree	0	0	0	0	5%
Disagree	1	5	0	0	
Neither agree nor disagree	1	6	3	2	9%
Agree	9	14	17	17	86%
Strongly agree	22	8	13	14	

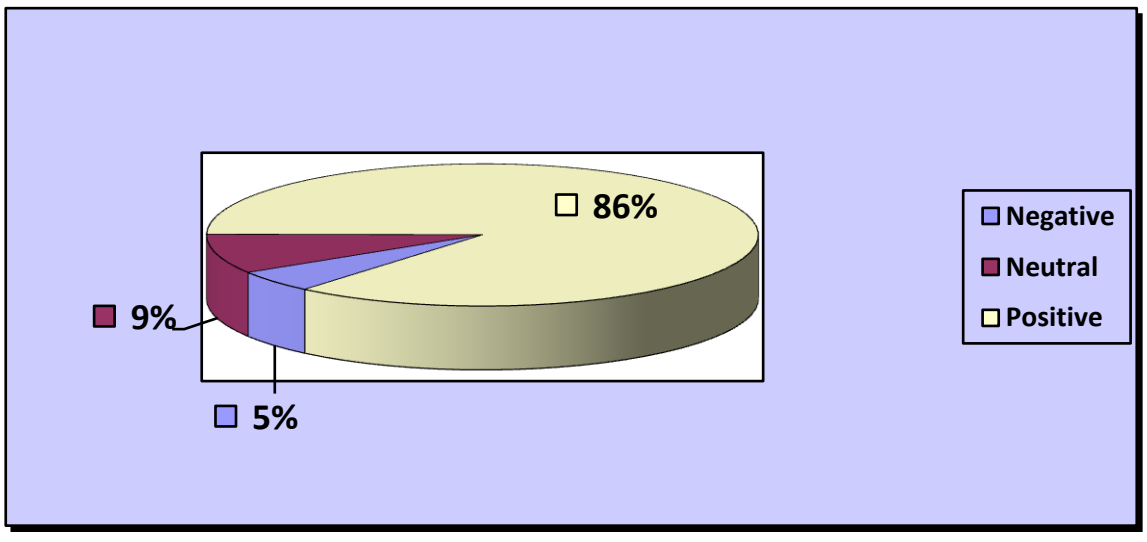

Figure 18: Survey Results for Community

Theme 5: Congruence

Congruence was measured as follows:

1) *My company standards for business are high*
2) *My company's policies are appropriate and foster a positive working environment*
3) *My company is well organised*

16) My supervisor always treats me with respect

17) I feel comfortable speaking with my supervisor about most things

18) My supervisor is always available when I need him or her

21) There's a clear and helpful process to solve grievances

23) Policies are applied evenly to all employees

24) Employees are treated equally and receive equal opportunities

Table 13: Survey results pertaining to Congruence

Ordinal Survey Responses	**9**	**10**	**11**	**16**	**17**	**18**	**21**	**23**	**24**	**Total**
Strongly Disagree	0	0	0	0	1	0	0	0	0	6%
Disagree	1	0	0	1	1	1	4	2	7	
Neither agree nor disagree	0	3	0	4	5	3	7	9	9	13%
Agree	5	10	16	8	11	11	16	8	10	81%
Strongly agree	27	20	17	20	15	18	5	14	7	

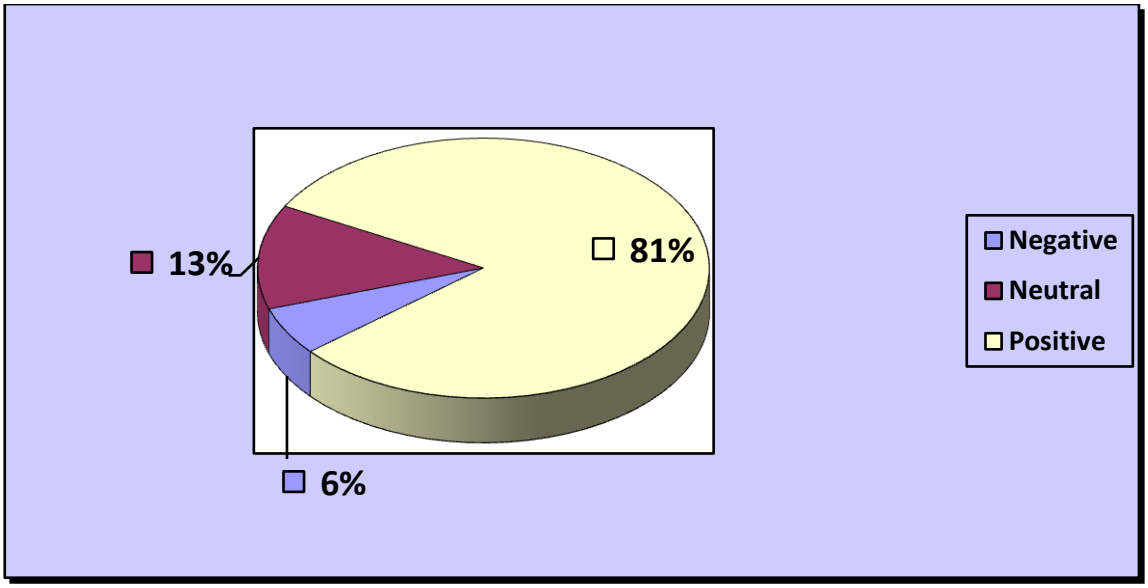

Figure 19: Survey Results for Congruence

Theme 6: Career

Career was measured as follows:

7) I believe I can get ahead here if I work hard

12) I feel like I play an important role in decision-making processes

19) My supervisor provides me with adequate feedback of my job performance

26) I feel comfortable asking for time off for personal needs

27) I have a flexible work schedule that fits my life

28) I still have time for a personal life

Table 14: Survey results pertaining to Career

Survey Responses	7	12	19	26	27	28	*Total*
Strongly Disagree	1	0	0	0	0	0	7%
Disagree	5	6	1	1	0	0	
Neither agree nor disagree	15	12	1	3	3	5	19%
Agree	7	8	19	10	13	15	74%
Strongly agree	5	7	12	19	17	13	

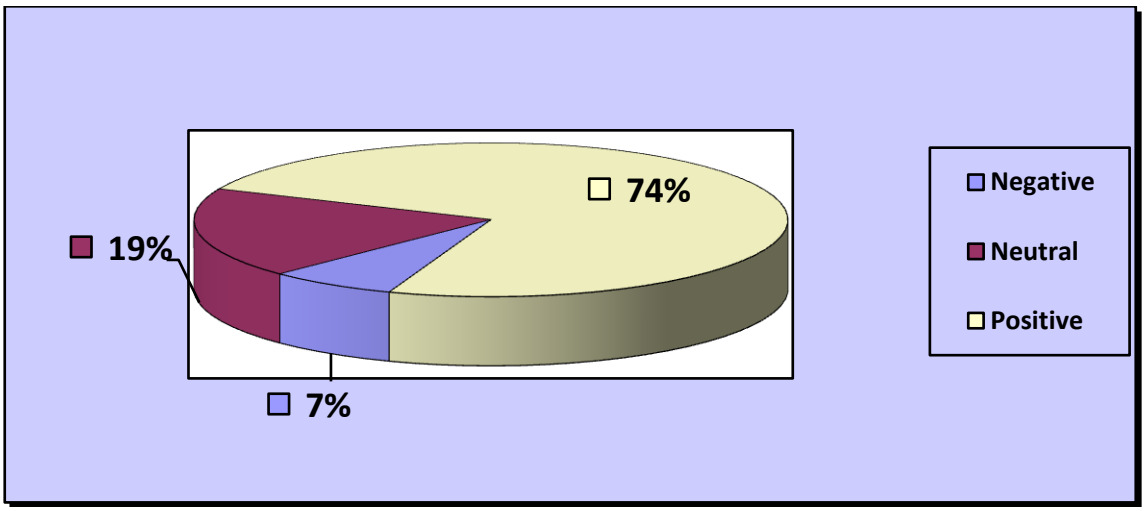

Figure 20: Survey Results for Career

4.4.4. Analysis of Employee Survey Results

The qualitative data gathered from the interviews with management regarding the influence of engagement at Lundbeck SA did not vary greatly in content with the Six C's Model adopted for the employee survey. This suggests that engagement dynamics in the organisation are not dramatically different from those used in the engagement models discussed in the literature review.

The degree of influence on each of the factors, however, was determined by the employee survey results, rating the Six C's in the following order within Lundbeck SA: Content, Community, Congruence, Coping, Compensation and Career.

***Content*:** The driver which was more predictive of engagement at Lundbeck SA was 'Content', at 91%.According to Cheese et al.(2008), this is an indication that people find their job satisfying and fulfilling, and that the work context is somehow life enhancing. They further highlight that the objectives or tasks the organisation sets, impact hugely on how the content of work is managed.

At Lundbeck SA, as mentioned earlier in this chapter, the managers ensure that employees are involved in the setting of objectives. Manager6's exact words were:

> "Our point of departure is to establish consistency first because that provides a basis for establishing expectations."

***Community*:** Cheese et al. (2008) state that part of their line managers' responsibility is to create an environment that is enjoyable and fun to work in. Community as a driver of engagement was ranked the second most influenced in Lundbeck SA. According to Cheese et al. (2008), companies that score high on community influence are those who engage employees by creating an employment experience that is in tune with employees' needs and interests, and is also consistent with peoples' expectations in today's business environment.

When line managers influence this driver of engagement, it gives employees a sense that their work environment and colleagues provide a supportive and positive context for work, and they share some sense of identity with others (Cheese et al. 2008).

At Lundbeck SA, 78% of the workforce agrees that the company provides them an element of fun.

Congruence: Rated third as an engagement factor at Lundbeck SA, the results indicate that the organisation is meeting the expectations of the employees regarding the core values and culture which people expect to see actually exhibited by their supervisors and leaders. Gratton (2000) remarks that people are often motivated to succeed due to factors such as values, beliefs, expected outcomes, as well as the environment.

One of the company's values, extracted from the website, is to be responsible. At Lundbeck, "Responsible" means that all employees are expected to do the right thing and act responsibly towards colleagues, the environment and the external community (Lundbeck.com 2010).

The study findings from Katrinli, Atabay and Gunay (1996), show that the congruence between the employee's family values and the organisation has a significant relationship with the employee's commitment. At Lundbeck SA, family values form a critical part of the organisation.

Coping: This dimension was rated fourth at Lundbeck SA. According to Cheese et al. (2008) this aspect of engagement means workers have been given the means to cope with the demands of their jobs, and their set goals and objectives are achievable. These comprise not only the necessary knowledge, technology and training, but also a positive workplace environment, supportive managers and colleagues, and working practices and processes which reduce effort rather than add to it.

Compensation: The theme of compensation was the fifth strongest engagement predictor.

Data gathered from the official website of Lundbeck reveals that the organisation believes that offering attractive salary packages and employee benefits is vital in order to attract and retain the best-skilled employees.

Such employees are able to contribute to the company's achievement of its vision of becoming a leader in pharmaceuticals used in psychiatry and neurology. Specific benefits and salary packages, however, are negotiated locally by the subsidiaries, and adapted to local conditions.

Career: The career dimension was ranked last in its predictive capacity of engagement at Lundbeck SA, according to the employee questionnaire results. These indicate that 74% of the employees still believe they have growth opportunities in the organisation.

All the line managers indicated that there is no comprehensible career plan for employees at Lundbeck SA.

Continuance commitment: Buckingham and Coffmann (1999) maintain that "intention to stay" with the organisation or continuance commitment is an antecedent of engagement. This theme was included in the study as a variable to determine the intention of employees regarding their future relationship with the organisation.

If people don't enjoy their work, Cheese et al. (2008) states that a primal motivational instinct is change it. On the contrary, when employees are fully engaged, they become advocates for their organisation and they do not want to leave (Hewitt 2005). Lockwood (2007) further states that employees who are engaged are 87% less likely to leave their organisation.

As a result of the influence on the Six C's of engagement at Lundbeck SA, the commitment of employees to continue working for the organisation was investigated using the following two multiple-choice survey items:

33) *I would recommend working for this company to my friends*
34) *I hope to work for this company for many years*

Table 15: Survey Results pertaining to Advocacy and Intent to Stay

Ordinal Survey Responses	33	34	Total
Strongly Disagree	0	0	0%
Disagree	0	0	
Neither agree nor disagree	1	3	6%
Agree	8	5	94%
Strongly agree	24	25	

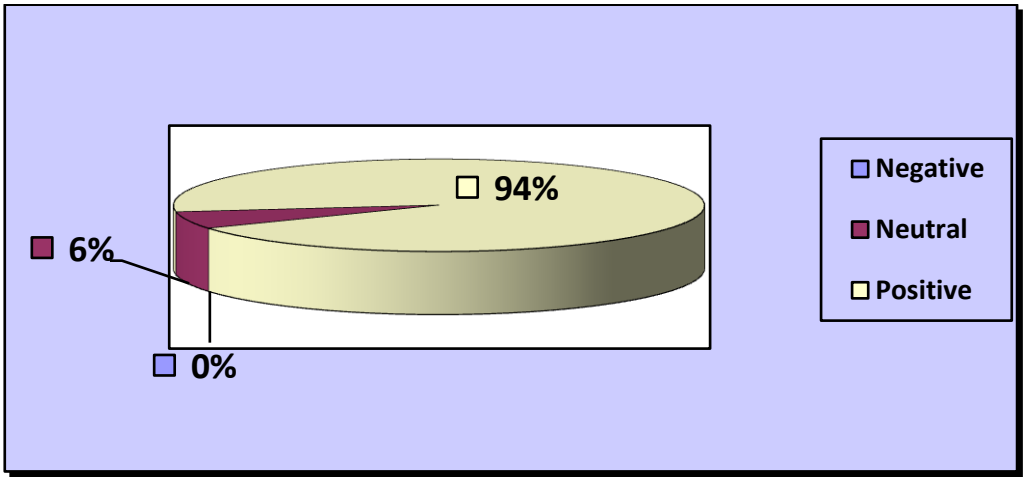

Figure 21: Survey Results for Advocacy and Intent to Stay

4.4.5. Summary of Employee Survey Results

Figure 22 represents the results of the employee survey in terms of the six C model of engagement (Cheese et al 2008). As can be seen, the score for all six c's are all relatively high. Lundbeck as an organisation is concerned about creating "a good working environment and providing the best possible development opportunities for our workers" (Lundbeck.com 2010). In accordance, the managers at Lundbeck SA affirmed their commitment to an engaged workforce. Figure 22 (below) shows how employees at Lundbeck SA experience influence of engagement on the Six C's in the organisation.

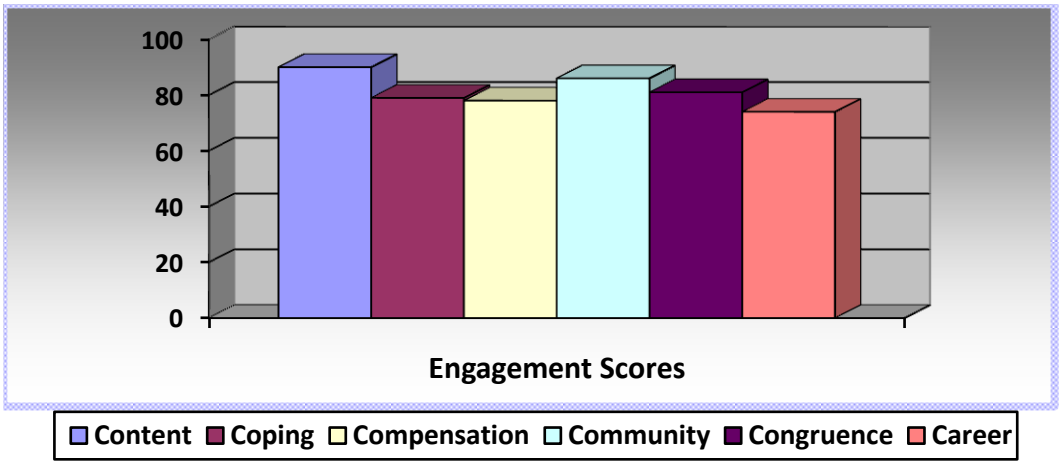

Figure 22: Lundbeck SA Six C's Rankings

The survey results confirmed that employees of Lundbeck SA are highly engaged.

The hierarchy of the Six C's as they exist at Lundbeck SA can be explained as follows:

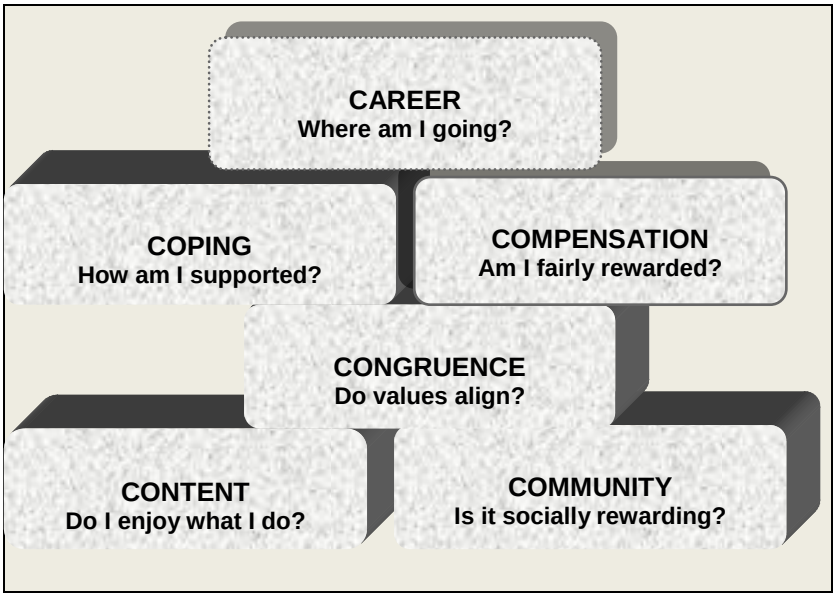

Figure 23: Six C's Hierarchy at Lundbeck SA
(Adapted from Cheese et al 2008)

4.5 Manager's perception on the effects of engagement on performance

Employee engagement, according to Cheese et al. (2008), is the engine of the modern organisation and a prerequisite for high performance.

Lundbeck believes that motivated employees are more likely to be experts in their work, which in turn drives the success of the business. The following philosophy is explicitly posted on the Lundbeck website:

> "Success hinges on competence, and competence hinges on highly qualified and motivated employees" (Lundbeck.com 2010).

Similarly, Manager3 considers that the company owes its success to the employees who are knowledgeable and motivated:

> "I value them for their knowledge. They are the ones who bring the money. Even during these difficult times, they are successful" (Lundbeck Manager3 2010).

A local pharmaceutical company recently brought out a generic of Cipralex, Lundbeck's main drug, before it lost patent and should have been under protection. This practice is illegal in the pharmaceutical industry, as an effective patent allows the manufacturing company to recoup its research and development costs, and a loss of patent can bring about huge financial loss. However, during this difficult period, the MD stated that Lundbeck SA still recognised growth:

> "In fact, we grew 10% this year on last year. When times are tough, we can still rely on our people to make a success of our business" (Ben Christen 2010).

The MD emphasised that he strongly believes that when employees are taken care of by the organisation, they reciprocate by taking the success of the business solemnly:

> “My philosophy is that I look after the people and the business looks after itself” (Ben Christen 2010).

Although Lundbeck SA employees are neither micro-managed nor pushed hard for results, they perform way above expectations. Manager 9 alluded to the fact that people at Lundbeck SA are hard working and always do their best to give a good representation of the company to their customers:

> “It is quite common for us to receive calls from doctors complementing our people on the service they offer. As a manager, you cannot even doubt or question the effect of engagement on performance. We see it all the time at Lundbeck” (Lundbeck Manager9 2010).

Especially in the case of the sales force, Manager 8 attests to the high level of performance and commends their outstanding product knowledge:

> “They are consistent in their professional presentation of the academic material to their doctors. They are more knowledgeable than most of their peers in other companies. This is because we make learning fun” (Lundbeck Manager8 2010).

According to Manager 7, excellent performance in Lundbeck SA does not start and end with the sales force:

> “There is so much support. For instance, when our customers call the office, the phone will not ring unanswered for long. Anyone is willing to take over the reception area and answer calls when the receptionist needs to be relieved. Our reps know that they can request information anytime and the support staff will be on standby to help them. There is love everywhere in this company” (Lundbeck Manager7 2010).

The idea of team performance in Lundbeck SA was echoed by Manager6:

> "When we look at the profits we achieve here, we know it all starts from the entrance of our premises right through to the final sale though the reps; it is a chain reaction; everyone is involved" (Lundbeck Manager6 2010).

4.5.1 Discussion pertaining to perceptions on the effects of engagement on performance at Lundbeck SA

It was evident from the data collected from the management team that they strongly believe that engaged employees contribute hugely to the financial success of the organisation. They attribute their financial growth from year to year to committed employees in the organisation.

Lundbeck SA attributes its outstanding performance, even during the most challenging times, to its highly engaged workforce. The managers' perception is that the company's financial success is primarily driven by its engaged workforce.

As mentioned earlier, Lundbeck SA experienced a few challenges that had the potential to upset their business, but with the help of its employees the company managed to overcome these.

While indicators of corporate performance and other concrete facts are used as important measures for assessing the company's performance, Lundbeck SA managers implied that on a personal level, performance is determined by each individual's commitment in carrying out his or her task efficiently and speedily.

All the managers agree that the performance of employees in the organisation is outstanding, which they attribute to the emotional connection they feel towards the company. The Lundbeck SA managers contended that *it is* through employee wellbeing that the business benefits from higher productivity and achieves better results.

Beyond financial success, customer satisfaction was mentioned by managers as a sign of good performance. They see every person in the organisation as a contributor to the overall performance. Team work is of critical importance at Lundbeck SA.

Their views support previous research done by previous workers (Gallup 2004; Hewitt 2005; Erickson 2005; Saks 2006; Research Works 2009; Soldati 2007 2007; White 2008; ISR 2005; Towers-Perrin 2004; Gallup 2003; Krakoff 2004; Melcrum Publishing 2005; Cameron 2005; Greenberg 2004), who all maintain that employee engagement is crucial to organisational performance.

4.6 Summary of the results

The findings relevant to the research questions dealt with in this chapter were:

- The organisation's definition of employee engagement
- The influence on employee engagement
- The managers' perception of engagement on performance

The literature review provided a range of definitions for employee engagement, how it can be influenced and the potential benefits of engagement on performance.

The definition of employee engagement:

In general, the managers at Lundbeck SA gave an account of engagement as behaviour (physical engagement) that is displayed by employees when performing their daily tasks at work.

The managers acknowledge that within Lundbeck SA, engagement is a result of employees' commitment to the organisation (emotional engagement), mainly driven by the experience that employees have with the company (cognitive engagement).

How Engagement is influenced:

Supporting the view of Cheese et al. (2008) that engagement should be driven by leaders of the organisation, Lundbeck SA managers concur that it is their responsibility to drive engagement in order to build a meaningful workplace.

According to Cheese et al. (2008), both the rational and emotional aspects should be considered when driving engagement within organisations. *Content and Coping and Compensation*, as rational drivers, are said to be the building blocks of engagement and are placed at the bottom of the model, while *Community, Congruence and Career* are what capture the hearts of employees and are placed at the top of the model as indicated in Figure 6.

At Lundbeck SA, the Six C's hierarchy, as determined by the employee survey results, present differently. Engagement is eminently shown to be driven mainly from the emotional aspect, with only one rational driver forming part of the building block.

Interpretation of the survey results concludes that at Lundbeck SA, engagement is driven by the following factors, in order of importance: *Content*, *Community, Congruence*, *Coping, Compensation and Career.*

Effects of Engagement on performance:

According to the managers, the work productivity of Lundbeck SA employees is very high, and they regularly go the extra mile, putting effort into their work beyond what is expected to generate revenue for the company. Employees willingly and enthusiastically focus their inspiration, energy, intelligence, skills and experience, not only for their own success, but also for that of the organisation.

Finally, the study looked at the results of engagement within Lundbeck SA in terms of retaining their employees. Not only has the organisation succeeded with staff retention, but also in staff loyalty, as evidenced by none of the current employees being willing to leave the organisation. Retention, according to The Corporate Leadership Council (2004), is determined by the employees' intent to stay with the organisation, as a result of the employees' emotional commitment towards their organisation. The results of this study suggest that Lundbeck SA employees are emotionally committed to the company and have no intention of seeking opportunities elsewhere.

CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the main findings of the research are discussed and a summary of the case study report and interpretations from the literature is provided. Finally, the chapter proceeds to draw some conclusions from the study and present significant recommendations and suggestions which could facilitate further research.

The research set out to identify the factors that foster employee engagement at Lundbeck SA, and the impacts of engagement on employee performance and firm productivity. This study provided clarity on what engagement is, how it is influenced and maintained at Lundbeck SA, and the potential benefits that can be gained from engaged employees.

The research was conducted through face-to-face semi-structured interviews with Lundbeck SA's management staff, and through a questionnaire survey of Lundbeck SA employees.

The results of the interviews and surveys were compiled and analysed using qualitative methods such as graphs, histograms and charts. Conceptual information from the literature on employee engagement was reviewed and used as part of the analytical framework for the research data collected from Lundbeck SA management and employees. The results of the surveys provided the platform for the conclusions and recommendations of this study.

5.2 Conclusions of the study

The three objectives in this study have been achieved with the study results providing a definition of employee engagement at Lundbeck SA, and information on how engagement is influenced, and the managers' view on how engagement affects organisational performance.

Among all the assessed six drivers (six C's) of employee engagement, content (employees enjoying what they do) is found to be the strongest drivers of employee engagement in the context of Lundbeck SA. Therefore, Lundbeck SA should channel more time and resources in this area as it brings a great impact in enhancing the level of engagement in within the organisation.

The study contends that the influence of employee engagement at Lundbeck SA is exceptional and remarkably successful, making the organisation a unique case with a "best practice" engagement strategy.

The important elements that influence engagement at Lundbeck SA, as represented by the management practices within the company, can be summarised as follows:

- Lundbeck SA exhibits a flat organisational structure.

- The importance of family is often mentioned before work goals, and managers define work-related goals in terms of personal satisfaction and freedom, not the company's financial aspirations.

- Decision making is delegated and employees at all levels have significant autonomy in their job functions.

  Managers often play down their authority, making a point of being able to talk on an equal footing with everybody, regardless of their positions in the organisation.

- Lundbeck SA managers appear more comfortable with the term “responsibility” when describing their decision making authority.

- The management approach is consultative and there is no evidence of any bureaucratic rules within the organisation.

- Although subordinates enjoy free hand to take decisions, they are also expected to accept the risk and consequences of making wrong decisions.

Lundbeck SA’s engagement practices are underscored in the literature, and are thus universally justifiable. For example, Cheese et al. (2008) assert that high performing organisations are invariably sensitive to employees’ concerns about their jobs, and good managers work with their teams to structure work content and assign tasks that give some level of satisfaction.

5.3 Recommendations

The application of this study’s findings in similar organisations has the potential to influence the wellbeing of employees and organisations and to impact on employee loyalty, staff retention and financial benefits for organisations.

Based on the findings of this study, in order for other organisations to enhance employee engagement, which is a requirement for improved organisational performance, the adoption of Lundbeck SA’s engagement practices is highly recommended. The study also noted that the culture that exists within Lundbeck SA plays a critical role in how the leadership and management of the organisation engage its employees.

The reviewed literature (e.g. Lockwood 2004; Frank and Stone 2004; Gallup 2004; Hewitt 2005) suggests that organisations can benefit from employee engagement and achieve significant gains in employee and business performance. Companies have an important opportunity to improve their bottom-line performance by increasing employee engagement. While most companies are aware of the need for action to improve and be more competitive, they often lack important covert operations that make a real difference for customers, employees and the bottom line.

It is thus important for every company to develop its own engagement model in order to assess how they can better accommodate the needs of their employees and in turn be able to retain their talented employees. Various drivers of engagement are revealed by different models discussed earlier in this study; nonetheless, the recommendations provided here are limited to the Six C's Model of Engagement on which this study was based. With recommendations on each of the Six C's based on the literature, reference on how each is influenced at Lundbeck SA is provided.

Cheese et al. (2008) conclude that organisations can achieve engagement through a culture that embraces complex factors such as satisfaction in work content and employee support for effective performance, and more intrinsic factors such as people's sense of identity and belonging, feeling valued, and their emotional and intellectual connection with the organisation.

Content - A large proportion of one's time is spent at work, and ultimately one's work becomes your identity. If you do not enjoy it you seek to change it. Cheese et al. (2008) state that a life-enhancing work context is a primal motivational instinct for engagement, and therefore allocating employees roles whose physical and mental demands they can cope with, is the foundation of engagement.

At Lundbeck SA, the employee selection process allows the company not only to employ people with relevant skills, but also to select the personality that fits each position, ensuring that employees are provided with work that is meaningful. This allows employees to learn more, discover their own abilities, and feel a sense of achievement. This engagement driver was rated the most influenced at Lundbeck SA.

When selecting possible recruitment candidates, organisations are advised to use a skills or competency framework in order to provide a better means of matching people and roles.

Coping -People need physical, intellectual, and emotional resources to engage at work. A favourable workplace environment, supportive managers and colleagues, and working practices and processes as part of the organisational culture, are critical for employee engagement. Obstacles or distractions that drain resources will limit the amount of physical, mental, and emotional energy that an individual can bring to their work role, and therefore reduce engagement.

The necessary knowledge, technology and training give employees the means to cope with the demands of the job and achieve their objectives. In addition, organisations should ensure that the demands of the job do not oppose the work-life balance expectations and hopes of their employees. Providing employees with all the critical resources they need to perform their roles enables engagement at work. More than that, the resources provided to employees should encourage them to grow and develop.

In the case of Lundbeck SA, training is considered critical to help employees cope with their work. The company has employed a practising psychiatrist as head of the training department, to equip the sales force with the most relevant technical skills and professionalism that is expected in the field of psychiatry.

Compensation - Employees expect to make and receive a direct link between their effort and reward. Although there are other non-financial forms and symbols of recognition and compensation, it is important that employees understand how they should be compensated through clear objectives and goals, and how they were actually evaluated so that they feel that the process is fair. Conversely, one moment of neglect may disengage an employee comprehensively and permanently. According to Cheese et al. (2008), compensation should form the basis of engagement, falling within the three most influenced of the Six C's of engagement.

At Lundbeck SA, employees are compensated for the achievement of common goals, rather than individual goals in order to avoid competition, according to some of the managers. It therefore is not surprising that compensation as an engagement driver was rated as one of the least influenced within the organisation, despite the company's commitment to offering attractive salary packages and employee benefits.

For a job to be rewarding, it is not only about financial rewards but rather a much broader source of satisfaction, such as feeling that individual effort makes a difference and is appreciated (Cheese et., al 2008). It is also important for organisations to clarify key performance measures to their staff, and how those areas of performance directly influence their pay and compensation.

Community - Positive social interaction and connection to the organisation that employees feel are important in driving engagement. It is therefore recommended that organisations create a workplace environment that offers an enjoyable experience for employees to have fun and identify with colleagues.

Through a collaborative culture that exists at Lundbeck SA, community as an engagement driver is highly influenced. This is expressed directly in the company's values and employee value propositions.

Employee interaction is not only limited to team work and knowledge sharing, but also extends to families of individuals working for the organisation. In addition to offering employees a chance to be part of a community of people doing meaningful work, the company treats family, leisure, and personal well-being as important parts of employees' lives, creating a work-life balance.

The study recommends that organisations look at Lundbeck SA as an example and consider how they could also provide their employees with inspiring employment and create a compelling community that encourages engagement. The success of this according to Cheese et al. (2008), is dependent on the behaviours and actions of more senior people that facilitate openness and more social networking within organisations.

Congruence - Congruence is crucial for engagement because it represents how the employee sees the cultural and core values expressed in the actions and behaviours of leadership (Cheese et al. 2008). Lundbeck SA as an organisation strongly believes that creating a highly engaged workforce through a strong cultural alignment, where the organisation's leaders from top-down are walking the talk.

It is recommended that organisations make certain that employees understand and identify with organisational goals, linking them to their own objectives and abilities in order to direct their energies to achieving organisational goals. Further, the processes and policies which define the intentions, promises and actions of the organisation should be consistently implemented in order to make the cultural values of the organisation authentic.

Career - According to Cheese et al. (2008), a great source of disengagement is the feeling that bosses do not understand what the employee's career objectives are.

While employees themselves have a significant responsibility to make their aspirations and expectations known to their immediate managers, it is vitally important that leaders also understand the hopes and ambitions of the people who work for them, so that they are able to align opportunities that meet their employees' career goals.

All the line managers indicated that there is no comprehensible career plan for employees at Lundbeck SA. The study therefore recommends that the organisation reassess their career plan policies, and make the necessary changes to create an enabling environment for engagement in this area. Career satisfaction captures individuals' satisfaction with their rates of progress toward achieving career goals, and is based on their accumulated work experiences that span the course of their work life (Cheese et al. 2008).

In closing, the study recommends that as a point of departure, organisations should make use of diagnostic tools such as employee surveys, to assess the engagement levels within the organisation. This is in order to gather factual information on the nature of action to be taken to improve engagement can be based. Once the areas in need of attention have been diagnosed, the organisation can then concentrate on improving the primary drivers of engagement.

5.4 Suggestions for further research

The level of engagement at Lundbeck SA, how it is influenced, and the ultimate results of it on profitability and staff retention is outstanding and outside the norm of South African business culture. While this engagement approach could be recommended for other organisations to learn and adopt, further investigation is recommended to allow for some of the conclusions in this study to be addressed and to explore the possibility of other variable influences.

The study detected that engagement practices and initiatives in Lundbeck SA are driven differently from the distinctive business culture in many South African organisations. In fact the cultural foundations that underlie the management practices at Lundbeck SA defy the dominant cultural rules of accepted management behaviour in the SA context.

In many organisations in South Africa, the dominant style of leadership is less participative, more authoritarian and directive. Generally, this is believed to be more effective in achieving organisational goals. Realistically, therefore, for South African organisations to adopt similar practices as Lundbeck SA is implausible.

As mentioned earlier in the study, Lundbeck SA is of Danish origin. The Danish culture is based on the Jante Law, which simply states that everyone is equal, no one is special and everyone should be treated as such (Strange 1996). This ubiquitous, unwritten social modesty code is deeply entrenched in and around Denmark, and it profoundly influences attitudes and behaviours even in the business environment. The Danish organisational culture embraces “arbejdsglæd”, which means “happiness at work”.

Arbejdsglæd is believed to lower absenteeism, improve the quality of work and reduce stress and burnout, because happy employees actually want to go to work, care about the quality of their work and are less susceptible to stress. All of these attributes are apparent at Lundbeck SA.

Many researchers (Accenture 2004; Branham 2005; Brett and Behfar 2003; Hargreaves 1994; Kaye and Jordan-Evans 2003; Kee 2003; Lockwood 2004 2007; May, Gilson and Harter 2004; Research Works 2009) assert that organisational culture is the cornerstone of employee engagement, and the two are indivisible.

In order to understand the feasibility of South African organisations, which are not influenced by the Danish Culture, to adopt a similar approach in influencing engagement within their workforce, the influence of the Danish culture on the organisational culture of Lundbeck SA should be investigated.

A cross-cultural study between South Africa and Denmark is therefore strongly recommended as part of future research on employee engagement in South African organisations.

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APPENDIX A

Actual Research Instrument

Employee Survey

Lundbeck South Africa

Dear Employee,

All employees are being asked to complete this anonymous survey to assess general satisfaction with the workplace. It consists of approximately 35 multiple-choice questions and four short answer questions. It should take a maximum of 30-45 minutes to complete. An analysis of the results will be conducted in the next few weeks and then the results will be shared. Thank you in advance for your cooperation.

1. **I KNOW WHAT MY JOB EXPECTATIONS ARE**

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

2. **I HAVE THE OPPORTUNITY TO UTILIZE ALL OF MY JOB-RELATED SKILLS**

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

3. **I AM CONSISTENTLY RECOGNISED FOR GOOD WORK**

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

4. **I FEEL I RECEIVE ADEQUATE TRAINING FOR MY POSITION**

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

5. **I FEEL I AM PART OF A TEAM**

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

6. **I AM SATISFIED WITH MY SALARY**

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

7. **I BELIEVE I CAN GET AHEAD HERE IF I WORK HARD**

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

8. **I HAVE ENOUGH FREEDOM TO MAKE SURE I ALWAYS MEET CUSTOMER NEEDS**

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

9. MY COMPANY'S STANDARDS FOR BUSINESS ETHICS ARE HIGH

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

10. MY COMPANY'S POLICIES ARE APPROPRIATE AND FOSTER A POSITIVE WORKING ENVIRONMENT

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

11. MY COMPANY IS WELL ORGANISED

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

12. I FEEL LIKE I PLAY AN IMPORTANT ROLE IN DECISION-MAKING PROCESSES

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

13. I FEEL SAFE TO EXPRESS MY IDEAS IN THE WORKPLACE

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

14. FEEL COMFORTABLE WORKING WITH OTHER EMPLOYEES ON PROJECTS

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

15. MY CO-WORKERS ALWAYS TREAT ME WITH RESPECT

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

16. MY SUPERVISOR ALWAYS TREATS ME WITH RESPECT

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

17. I FEEL COMFORTABLE SPEAKING WITH MY SUPERVISOR ABOUT MOST THINGS

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

18. MY SUPERIOR IS ALWAYS AVAILABLE WHEN I NEED HIM OR HER

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

19. MY SUPERVISOR PROVIDES ME WITH ADEQUATE FEEDBACK OF MY JOB PERFORMANCE

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

20. MY COMPANY IS GOOD AT COMMUNICATING IMPORTANT DECISIONS AFFECTING EMPLOYEES

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

21. THERE IS A CLEAR AND HELPFUL PROCESS TO SOLVE GRIEVANCES

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

22. REWARDS AND PROMOTIONS ARE GIVEN FAIRLY

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

23. POLICIES ARE APPLIED EVENLY TO ALL EMPLOYEES

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

24. EMPLOYEES ARE TREATED EQUALLY AND RECEIVE EQUAL OPPORTUNITIES

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

25. I FEEL AS IF I HAVE JOB SECURITY

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

26. I FEEL COMFORTABLE ASKING FOR TIME OFF FOR PERSONAL NEEDS

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

27. I HAVE A FLEXIBLE WORK SCHEDULE THAT FITS MY LIFE

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

28. I STILL HAVE TIME FOR A PERSONAL LIFE

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

29. I UNDERSTAND MY BENEFITS

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

30. THE INFORMATION I HAVE RECEIVED ABOUT MY BENEFITS IS ADEQUATE

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

31. I RECEIVE SUFFICIENT BENEFITS FROMMY COMPANY

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

32. MY COMPANY PROVIDES BETTER EMPLOYEE BENEFITS THAN MOST OTHER COMPANIES

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

33. I WOULD RECOMMEND WORKING FOR THIS COMPANY TO MY FRIENDS

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

34. I HOPE TO WORK FOR THIS COMPANY FOR MANY YEARS

N/A	Strongly Disagree	Disagree	Neither Disagree/Agree	Agree	Strongly Agree

Short Answer Questions (SAQ's):

1. How satisfied are you with your current employment and why?

2. What is your favourite part about working for this company and why?

3. If you could make any changes to this company to improve the work environment, what would you change and why?

4. Do you have any comments or suggestions you would like to provide?

Interview Questions

- **Definition of Engagement:**
    1. From the definition of engagement as explained to you, would you say engagement exists at Lundbeck SA and why?
    2. How would you describe the work ethic of people at Lundbeck SA?

- **How Engagement is influenced:**

Main Question - What does the organisation do to influence employee engagement?

Supporting Questions:

1. How do you make employees derive fulfilment from their job?
2. What kind of support do they receive?
3. How is good performance rewarded?
4. How would you describe the social interaction amongst the employees?
5. To what extent do you think the employees are affected by the actions and behaviours of management?
6. Are you aware of your peoples' career expectation and aspirations?

- **Perception of engagement on performance:**

Main Question - To what extent would you attribute the performance of the employees and that of the organisation to engagement?