Factors affecting employee engagement in a South African bank

Bongani Thabethe

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, March 2016

ABSTRACT

Employee engagement has been a popular topic amongst researchers as an instrument to improve employee performance and productivity. However, although banks within South Africa have been using performance management tools to improve employee performance and productivity – this has proved to be ineffective. Banks in South Africa have been mired in bad opinions of their underperformance and uncompetitiveness due to ineffective performance management and lack of applying the employee engagement process effectively.

Given this context, the main purpose of this study was to identify and examine the factors affecting employee engagement. A mixed-method was used for this study, both the quantitative and qualitative methods were adopted whereby data in the form of a questionnaire type survey was collected from a sample size of 65 from the banking employees and also two focus groups were conducted with the managerial employees, including an HR representative, as the target audience. Results were analysed and correlation was done to the propositions and the literature.

Overall, both the factors hindering EE and factors fostering EE were identified and later a relationship (correlation) between those factors and performance were analysed. The findings identified factors hindering and fostering employee engagement and also acknowledged the positive relationship between employee engagement and performance.

DECLARATION

I, Bongani Goodman Thabethe, 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.

BONGANI GOODMAN THABETHE

Signed at ………………………………………………………

On the 20 day of March 2016

DEDICATION

This research report is dedicated to my beautiful family who have supported me throughout this great adventure. Without your support, this adventure would have been impossible. I specifically dedicate this research report to my wife Gugulethu, my sons – Siyabonga, Samukelo and Simphiwe and finally, my mother, Sibongile. You were all willing to listen and encourage me every step of the way.

You are all an inspiration – Stay Blessed!

ACKNOWLEDGEMENTS

I acknowledge with sincere thanks and the greatest appreciation the following people, who have supported and inspired me throughout the journey of MBA and the completion of this research report:

- Umvelinqange and Shembe - Unyazi Lwezulu who has always guided me and given me the strength to overcome every problem I've faced.
- Prof. Dr. Rasoava Rijamampianina, my supervisor, for his guidance, time and support in the compilation of my research report.
- Professor Terri Carmichael and Ms Jennifer Croll (Research panel) for believing in me and guiding me in exploring my research topic further.
- Timothy Simon Whati for believing in me and award me the opportunity to embark on this privileged adventure, I will be forever grateful.
- My beautiful wife, Gugulethu, thank you, not just for your support and encouragement, but for your active participation with the kids throughout my MBA. This journey would not have been possible without you. Thank you for your time and diligence in screening the data and proof reading all my assignments, including the research report.
- My three sons, Siyabonga, Samukelo and Simphiwe for inspiring me to be the best. Daddy love you all!
- Family, friends and colleagues (including direct reports – branch managers) for the support, encouragement and motivation throughout.
- Lastly I would like to thank all the respondents for their time, they've helped me to understand this engaging topic in so much detail, and I truly appreciate it.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF ACRONYMS

EE	Employee Engagement
PM	Performance Management

CHAPTER 1. INTRODUCTION

1.1 Purpose of the study

The purpose of this research is to identify the factors affecting employee engagement (EE) in a South African Bank. The study focuses on the retail branch network department in a bank within the Gauteng province.

1.2 Context of the study

The global financial industry is facing one of the most challenging periods in modern history. The collapse of major international banks worldwide is well documented, as is the impact of these on the global economy (2012-13 Global Competitiveness report). As is to be expected, there are parts of the world where the global economic crisis has been more damaging than others. Current challenges have steered numerous organisations, especially banks to refocus attention on the staff engagement and explore behaviours that will help to develop and increase staff performance (Buchner 2007).

According to Mone and London (2010), empirical studies conducted reflect that fostering the employee engagement leads to an improvement in productivity and performance. Globally, companies and banks too, are starting to recognise that by concentrating on employee engagement, which is part of the performance management process, they can generate added efficient and productive employees (Gupta et al., 2006).

Gebauer and Lowman (2009) conducted a study with regard to closing the employee engagement (EE) gap, and stated that in their research discoveries, only 20 percent of employees nationally are currently being fully engaged.

EE is finally becoming popular amongst companies (public and private) and academic researchers. According to Bakker and Schaufeli (2008) and Fleck and Inceoglu (2010) most of these academics are studying the EE concept along with the causes and consequences only. Macey et al., (2009) and Gebauer and Lowman (2009) stated that EE needs to be explored further to assess any colouration on the employee performance and productivity. The EE definitions, EE measurement, and how EE is driven are found in professional journals (Macey and Schneider, 2008).

1.3 Nedbank Company Introduction

Nedbank Ltd is a holding company, operating as one of the four biggest banks in SA. Its major banking affiliates are Nedbank Ltd and Imperial Bank Ltd, where Nedbank hold 50,1% of its shares. The Nedbank Ltd was listed on JSE Ltd in 1969 when ordinary shares were issued. The company had three core commercial clusters: Nedbank Corporate; Nedbank Capital; and Nedbank Retail (Nedbank Group 2014 Annual Report).

The company’s main focus is on the Southern Africa market with the vision of being recognised as a bank for all – from the retail, corporate and wholesale financial transactions standpoint. The primary facilities rendered by Nedbank include retail and corporate banking, private banking, investment banking, securities trading, property finance and foreign exchange. The company also produces revenue from services like asset management, credit card acquiring and dispensation of credit card from usage, trust administration, private equity, collective investments, bancassurance and custodial services (Nedbank Group 2014 Annual Report).

Nedbank affiliate, Imperial Bank's main business is on financing motor vehicles using their Motor Finance Corporation (MFC) brand to market and promote their business. Nedbank Group's head office is based in Sandton, Gauteng, with substantial operational centres in Cape Town and Kwa-Zulu Natal. They also have regional offices in all nine provinces in South Africa, supplemented by a widespread of branches and distribution infrastructure like ATM's all over of South Africa. They also have offices and branches in Swaziland, Lesotho, Zimbabwe, Namibia, Malawi and London to fulfil the international banking requirements of their South African based offshore clients. Nedbank Group was also voted the best provider of client service in 2008 and 2013 by Ask Africa Service Index (2008 & 2013).

Nedbank Group has traditionally been well respected for the CSI work and environmental positioning it has built up over the years, and is also known as the "Green & Caring Bank" as per Nedbank 2014 Sustainability report. From a transformation perspective, good progress has been made to move Nedbank from fourth place in terms of Financial Sector Charter criteria, to a top two position by the Financial Sector Charter Council 2013 Annual Report.

The focus of this report however, is on the Retail Banking Division of Nedbank Group. Almost 60% of Nedbank Group employees are under the Retail banking division, and for Nedbank Group to succeed it needs to make sure that their employees are trained and coached accordingly so that they are knowledgeable in their fields and improve their performance.

The theory and / or literature states that the more effective EE is, the better the staff performs, and the more revenue is generated by the organisation, as highlighted by Talloo (2007). According to Cardy (2004) employee's performance is fundamental to the success of any organisation, especially when EE is effective. This is because EE encourages positive behaviour that drives progressive business results; hence it must be of uppermost importance for managers as Lawler (2008) stated.

Thus, in order to gain a deeper understanding of EE and its impact, this study specifically focuses on the factors affecting EE as the problem statement.

1.4 Problem statement

1.4.1 *Main problem*

To identify the factors affecting EE in a South African retail bank (branch network).

This problem is further divided into two sub-problems.

1.4.2 *Sub-problems*

Sub-problem 1: The first sub-problem is to identify the factors hindering EE

Sub-problem 2: The second sub-problem is to identify the factors fostering EE

1.5 Significance of the study

This research provides additional knowledge and guidance on the EE concept by identifying the factors and sub-factors that affect EE in a South African retail bank.

The study offers direction on the factors affecting EE in the banking industry. According to Kondrasuk (2011), employees are the main source (and in most cases, the only source) of the success of the organisation, therefore, the company builds value through investing in its people (employees).

The factors of EE need to be managed, based on their impact and virtual influence of the staff performance as a result of EE according to Macey and Schneider (2008). More focus is put on the drivers that have a bigger influence on EE. This study identifies areas that need additional theoretical development and survey on EE within a South African retail bank.

1.6 Delimitations of the study

- The study only addressed one aspect of the performance management processes, namely EE, the below mentioned processes of performance management are excluded from the study:
    - Performance Agreement
    - Performance Appraisals
    - Balanced Score Card
    - Performance Management Cycle and Process
    - Performance Review Process
    - Development Plans

- The scope focused on the employees in managerial roles only as they will be honest and objective with their feedback

- The research only focused on the banking industry and specific to a South African bank known as Nedbank Group, the remaining South African major banks are excluded, namely, Standard Bank, First National Bank, ABSA and Capitec

- The study was narrowed down to one division of the bank, known as branch network (retail) and was only in the Gauteng Province in the Gauteng South and East Region. The following departments within retail are out of scope: Corporate, Business Banking, Nedbank Capital and Nedbank Africa

- The data collection method was done using the surveys and interviews, a combination of both quantitative and qualitative research data analysis approach was adopted, known as the mixed method.

1.7 Definition of terms

Employee Engagement: is the emotional commitment that we have to our organisation and the organisation's goals, it is about giving discretionary effort (Kruse, 2012).

Multiple Regression: A method of analysis when the research problem involves a single metric dependent variable presumed to be related to two or more metric independent variables (Hair et al., 2010).

Multivariate Analysis: refers to statistical techniques that simultaneously analyse multiple measurements on individuals or objects under investigation (Hair et al., 2010).

Non Managerial Employees: Employees anticipated to be a dynamic team member and frequently responsible only for their own work. The workload is task oriented and they also qualify for overtime pay, where applicable (White, n.d.).

Performance Management: A process which contributes to the effective management of individuals and teams in order to achieve high levels of organisational performance (Armstrong, 2001).

Retail Banking: Banking offered to individual customer's through the use of local branches of the bank. Sales and services offered include opening accounts (check, transaction and saving), Home Loans, Assets finance (Vehicle and Overdraft), credit cards, personal loans, and so forth. It aspires to be the one-stop bank for individual customers (Croxford, Abramson & Jablonowski, 2006).

1.8 Assumptions

The following assumptions were made with regards to this research:

- It was assumed that the interviewees would understand EE and how it works
- It was assumed that the interviewees were aware of EE and benefits
- Interviewees provided information objectively and honestly

- Interviewees had substantial experience and provided normal viewpoints

1.9 Summary

This chapter provided the purpose and the context to the study, problem statement of the study including its significance, delimitations of the study, definition of terms, acronyms and finally the assumptions made for this study.

The next chapter provides a relevant literature review, which forms the basis of the study.

CHAPTER 2. LITERATURE REVIEW

This chapter is about a literature review of EE. The literature review examines the factors that could lead to EE being a success and also studies the facts that could results in EE failure.

Two main areas are addressed in this literature review; the first area reviews the theory and the definition of EE, exploring the general characteristics of EE. The second area reviews the factors affecting EE.

Obenzinger (2002) recommended that we also review the empirical literature with the aim of providing a sense of relevance where previous researches have been conducted on the subject and how their results support the present study, hence the adoption of literature review for this study.

2.1 Introduction

Within the last decade, there has been a huge interest and attention on EE and performance in the workplace. Lockwood (2007) stated that EE has emerged as an important factor for success of the business in the competitive marketplace. Further, EE has the potential to improve employee performance (productivity), resulting in employee retention. According to Iyer and Israel (2012), there is a strong coloration between EE and profitability because of higher productivity and employee retention that was discovered by the researchers.

According to Linley et al., (2009), EE denotes a claim of positive approach; hence, attention and focus on how EE supports performance. Richman (2006), Baumruk (2004) and Bates (2004) stated that EE forecasts the employee performance outcome.

According to Pulakos (2009), one of the main objectives of EE is to enable employees to receive performance-related feedback on a regular basis so as to align, guide and maximise employees' potential and contributions to teams, business units and ultimately the company as a whole, this notion was initially made by Borman and Motowildo (1993).

However, according to Engen (2008) there are some people who deem EE as a fluffy and expensive program that is not practical and also a waste of time. Endres and Mancheno-Smoak (2008) stated EE as a fad and Little and Little (2006) labelled EE as old wine in the new bottles. This means to them EE is not a new thing, it has been around for a long time, however more focus is currently been placed on EE as being "the thing".

EE is one of the levers under PM; Mone and London (2010) proposed that crafting the PM process to foster EE, results in a performance improvement of individuals and the company. Hence they made a statement that says PM process will be improved by concentrating on EE as an important factor. According to Cardy (2004), PM is a process that ensures employees are given appropriate resources, support and guidance to distinguish them as talent and is an important feature of the company's effectiveness by which work is accomplished.

Figure 1, shows where EE fits within the continuous PM model, and also names the activities under each segment of the PM model.

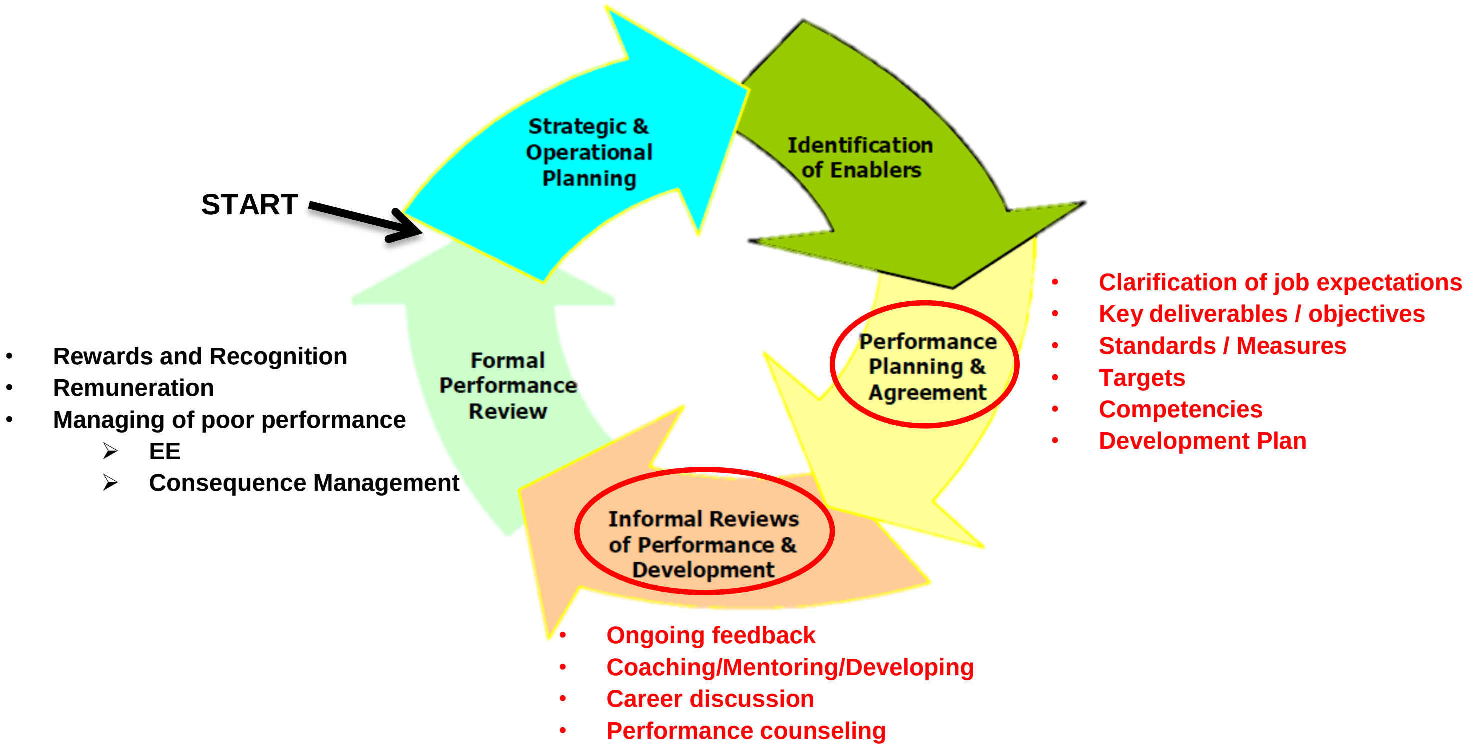


Figure 1: Performance Management Model

Source: Cardy, R. L. (2004). *Performance management: Concepts, skills, and exercises*. Armonk, NY: M. E. Sharpe.

The circle part on figure 1 shows where EE fits within the PM model and also highlights the activities required when conducting the EE. The figure shows that EE is not only on one part of the PM model but it is on numerous stages of the PM model – supporting the notion that EE support PM. Franklin and Pagan (2006) believe that the purpose of this process is to grow the employees to be effective workers and also hold them accountable where necessary as the line manager.

The subsequent literature review covers the theory of the EE; included is the definition of EE, EE models, factors hindering and fostering EE, benefits of EE, challenges with EE and thereafter, examines the research questions for this study.

2.2 The theory of employee engagement

This research restricts its boundaries to cover only the basic concepts on EE founded on the early 2000 literature. Rafferty et al., (2005) and Ellis and Sorensen (2007) noted that the concept is relatively new in the performance management space and only started to be covered in the literature a decade ago. The concept of EE originates from two notions, Commitment and Organisational Citizen Behaviour (OCB) according to Robinson et al., (2012) and Rafferty et al., (2005). EE intersects with commitment and OCB.

According to Robinson et al., (2004) neither commitment nor OCB reveal adequately the dual facets of engagement and the level to which engaged employees are anticipated to have corporate awareness, nevertheless it seems like engagement intersects with the two notions. Rafferty et al., (2005) differentiated EE and the two notions of Commitment and OCB, based on the fact that engagement evidently proves that it is a two-way joint process between the employee and the company.

EE originates from the original research done by Kahn (1990) in his work of conceptualisation of engagement, the word, engagement is defined as the emotional, physical and cognitive attachment of employees to their work. Academically, Kahn started investigating the research of Goffman (1961) who suggested that, “people’s attachment and detachment to their role varies” (Kahn 1990, p. 694).

For more understanding of different levels of engagement, academics Townsend, Wilkinson, and Burgess (2013), Yalabik et al., (2013) and Rees et al., (2013) explored the theory of engagement in the workplace while academics Shantz et al., (2013), Alfes et al., (2013), Bakker and Xanthopoulou, (2013) and Juhdi et al., (2013) tested the theory of engagement in the workplace. Academics including Menguc et al., (2013), Wang et al., (2013) and Freeney and Fellenz (2013) discovered engagement as an extremely contextual concept.

Furthermore, an evaluation and analysis of the current literature on the relationship between engagement and performance by Shuck and Rocco (2013) stated that an engaged employee is a better performer, hence more focus and attention is required in the employee engagement field as referred by Christian et al., (2011).

2.2.1 *Definition of EE*

Currently, there is no particular definition or commonly recognised or acknowledged definition of EE, to date, there is an existing argument with regards to the definition of EE according to Gebauer and Lowman (2009). The biggest obstacle obtained from the literature was the absence of a worldwide and common definition or meaning of EE; Macey and Schneider (2008) acknowledged that there are several definitions of the EE concept from the practice and research driven literature. But then again, they all agree that EE is necessary, and it has both emotional and behavioural sides that include energy, interest, and dedicated determination.

A number of definitions of EE have been provided in the academic literature. Truss et al., (2010) clarified EE as an engagement that creates opportunities for employees to connect with their colleagues, managers and wider organisation. It is also about creating an environment where employees are motivated to want to connect with their work and really care about doing a good job. While Cook (2008) defines EE as the term that is “personified by the passion and energy employee have to give of their best to the organization to serve the customer”, Galpin et al., (2008) defined EE as “a positive feeling about the job as well as being ready to put more effort to make sure that the given job is accomplished to the best of the employee’s ability”. Sanchez (2007) defines EE as “an outcome of how employees perceive their work, leadership of their organizations, the recognition and rewards they receive, and the communication ethos of the organization”.

Furthermore, Stairs et al., (2006) defined EE as an “the extent to which the employees thrive at work, are committed to their employer, and are motivated to do their best, for the benefit of themselves and their organization”. Wellins and Concelman (2005) defined EE as “a passion, extra effort, commitment, the illusive force that motivates employees to higher levels of performance”. While Dvir et al., (2002) define EE as a “high level of activity, initiative and responsibility”.

It is important to note that some of the author's definitions took into consideration engagement as the opposite limit of burnout and the common thing about all these different definitions is that EE is a two-way activity between the employer and employee, and that a mutual relationship on both sides needs to exist. Whan (2011) established that EE is the level in which employees have faith in the company's mission statement, the company's purpose, and the values. "Employees show the commitment by their behaviour and attitudes about their company and its clients" (Whan (2011, p. 32).

In summary, it can be concluded that EE is a necessary intervention that signifies dedication, desire, interest, participation, motivated energy, drive and determination - this encompasses the attitudinal and behavioural facets.

Endres and Mancheno-Smoak (2008) have asked that forthcoming researches have a uniform definition of EE to eliminate different interpretations and meanings for readers. It is important to note that the uncertainty linked with the concept of engagement put at risk the achieving of a competitive advantage and consequently the company's performance as articulated in the corporate results.

2.2.2 *Existing models of EE*

Murphy and DeNisi (2008) and Pulakos (2009) stated that EE has numerous models, most of which focus on relationship between employee's performance goals and EE. According to Macey and Schneider (2008), EE is relatively a new concept, and the engagement features are different from traditional employee outcomes such as job satisfaction and organisational commitment, this was also supported in Macey et al., (2009).

2.2.2.1 Model 1: J.A. Gruman and A.M. Saks Model

EE method is shown in Figure 2, where the main focus is on nurturing engagement as a pioneer to excellent performance. The engagement model starts with a performance agreement that summarises what is required from the staff to undertake his task at work as per Gruman and Saks (2011). A distinctive piece of this model is that employer is required to engage with the employee on the constraints of a job, its goals and the performance indicators.

The next element of the model is engagement facilitation; the emphasis here is on the line manager engagement with the staff in terms of leadership relationship, coaching and mentoring, supervision and observation and training to enable the growth of engagement, as reflected by Sweetman and Luthans (2010).

Next, performance and engagement appraisal and feedback concentrate on the views and opinions of honesty, integrity and trust as the drivers of engagement. Buchner (2007) noted that the motivational underpinnings of performance management models and processes are rarely made explicit.

The forth element covers the EE which is the crucial portion of this model, leading to three psychological conditions, (Kahn,1990), making engagement relevant to the job demands and resources needed. The model claims that EE must offer resources to employees' three psychological conditions that are related with the advanced levels of engagement (Kahn,1990). Finally, the improved performance element is based on the four elements effectively executed.

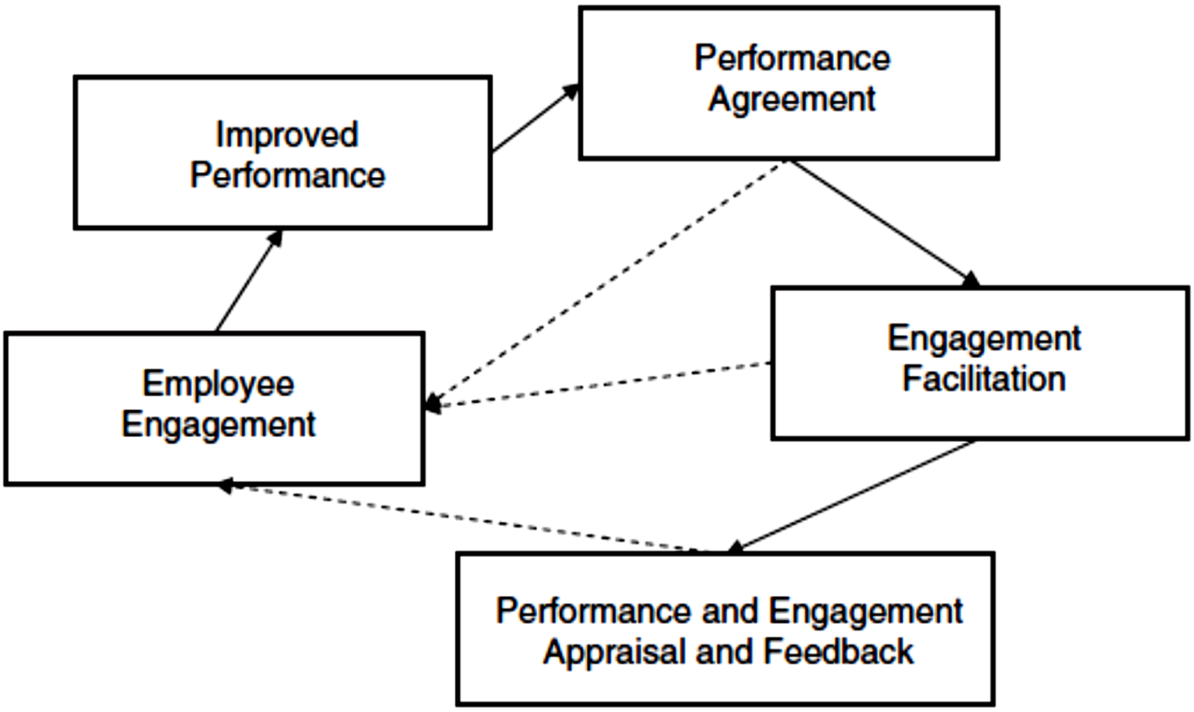


Figure 2: Employee engagement method

Source: J.A. Gruman, & A.M. Saks, performance management and employee engagement, *Human Resource Management Review* 21 (2011)

To conclude, even though the model shows a sequence of steps, it is crucial to remember that the process is on-going and continuous; performance agreement and engagement facilitation feed into EE.

2.2.2.2 Model 2: W.H. Macey and B. Schneider Model

The second model, figure 3, is more detailed and does not leave room for interpretation by line managers; the overall purpose of the model is to know that there are several elements that the engagement paradigm incorporates. The model, Figure 3 displays that engagement as a temperament is considered a preference in experiencing the universe from a specific view and that this trait engagement gets replicated in psychological engagement state.

It also illustrates direct and indirect effects of work on the state and behavioural engagement. The landscape of work (e.g., challenges) and the landscape of leadership (specifically transformational leadership) are the factors that are considered most. Based on the model, they show that work has direct effects on state engagement e.g., Hackman and Oldham (1980) and indirect effects of the relationship between trait and state engagement.

It is crucial that the valuation of an employee is accurate, as Robins et al., (1999) has stated that a valuation of the employee might be distorted when problems arise into the process.

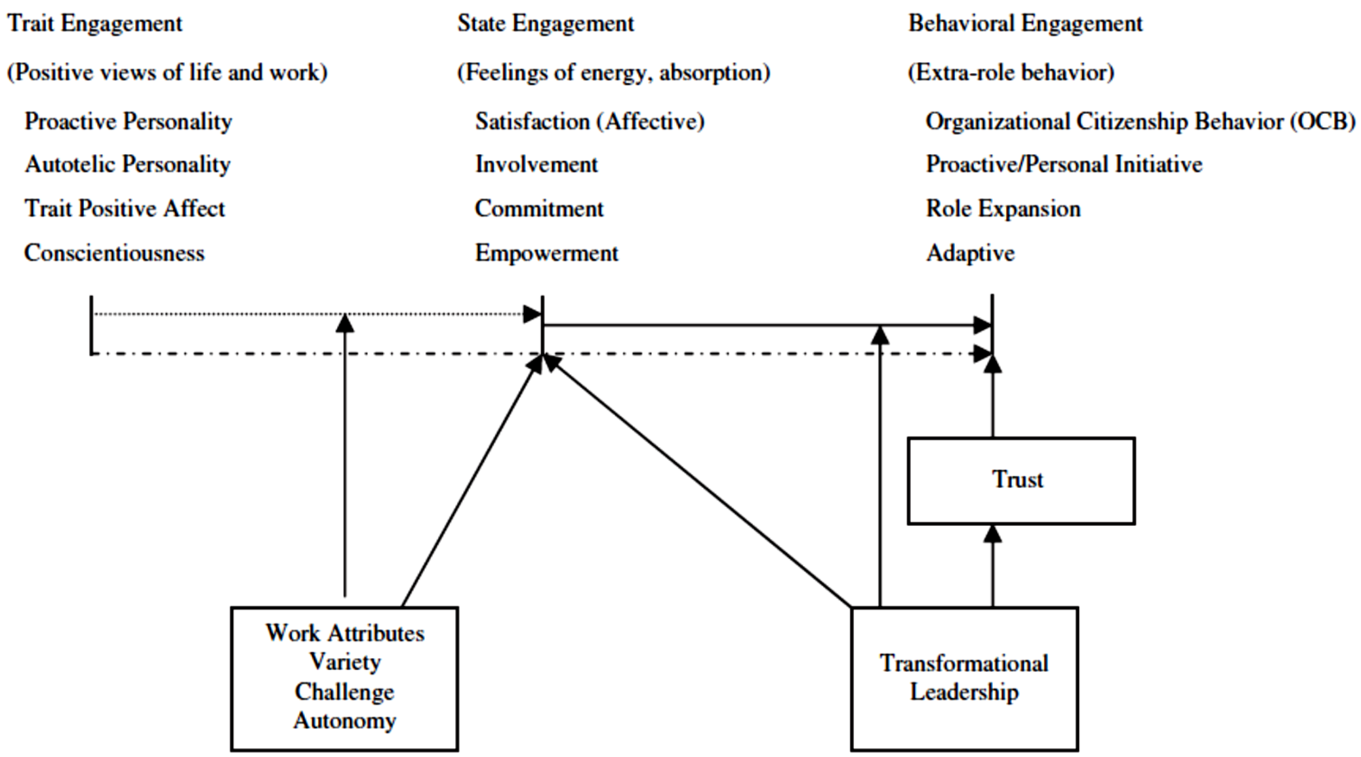


Figure 3: Element of employee engagement model

Source: Macey, W. H., & Schneider, B. (2008). The meaning of employee engagement. *Industrial and Organizational Psychology*

2.2.3 *Drivers of Employee Engagement*

According to Wellins et al., (2006), at all times the EE drivers encourage and promote the establishment of an engaged team resulting in a positive influence on the behaviours and attitudes of employees.

2.2.3.1 Factors hindering EE

Pulakos and O'Leary (2010) cited that on numerous occasions, evidence has been discovered of EE being unsuccessful, employees want to be coached and guided, however they do not want anything to be documented as the portfolio of evidence for the fear of being held accountable.

2.2.3.1.1 Insufficient buy-in from employee

Gallup (2004) stated three types of employees, namely:

1. Engaged employees – they are referred to as the "builders" who regularly attempt to stretch themselves and offer excellence in their roles
2. Not engaged employees – they concentrate on the tasks given to them; only do what they are told and are not interested in the goals of the company.
3. Actively disengaged employees – they are the non-performers and deemed to be dangerous as they tend to demotivate their peers and affect the company's performance negatively which leads to productivity declining.

Disengaged employees resulting in insufficient buy-in have been identified as the number one factor hindering the EE to be successful Gallup (2004). If the employee is disengaged, placing them on the EE and offering all the help they need by coaching is not going to help.

2.2.3.1.2 Managers not effective with EE

A lot has been written about the lack of empowerment of line management when conducting the EE, claimed Armstrong (2000) and Gratton et al., (1999). The managers lack skills to initiate and conduct the EE's most appropriate activities, especially in providing on-going monitoring and feedback and are the second factor hindering the EE. The authors cite numerous reasons that the managers lack such as, lack of training, time constraints and/ or lack of knowledge (Lennon et al., 1998).

Figure 4 shows the stages where managers struggle with the EE starting from assessment, all the way to corrective action plan. This talks to the managers lacking the required skills

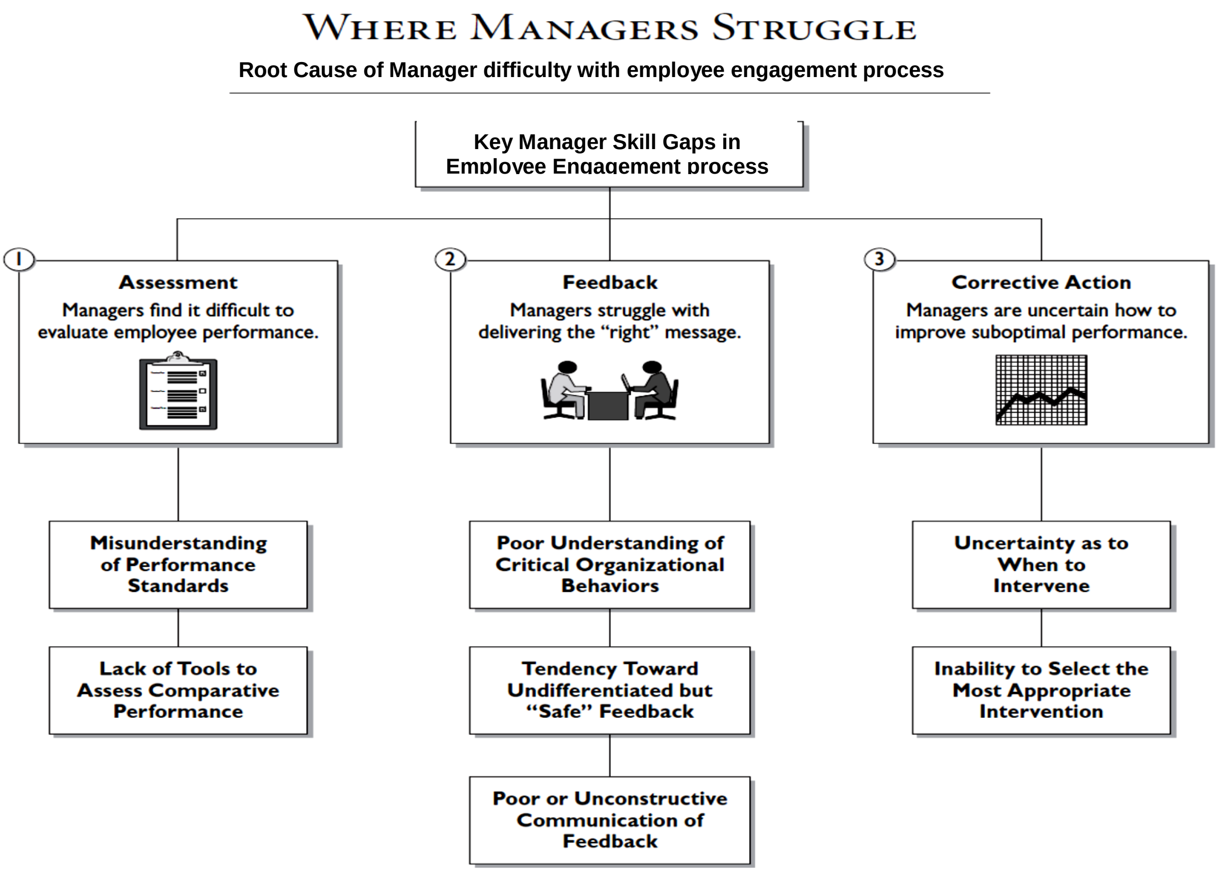


Figure 4: Root Cause of difficulty with EE

Source: Corporate Leadership Council research.

2.2.3.1.3 HR team still own the EE

Most managers still delegate the EE duties to their second in charge, citing the lack of time (Hodges & Pantony 2003) and this results in EE not done properly as the employee needs to be observed and coached with the daily tracking of their performance. According to Heil, et al., (2000), non-involvement of the line manager and tasks delegated to others results in employees not sure of the company's objectives and their performance in reaching those objectives.

Table 1 shows the summarised version of factors hindering EE.

Table 1: Factors hindering EE

No	Factors	Authors
1	Insufficient buy-in from employee (Actively disengaged employees)	Gallup, 2004
2	Lack of empowerment of line management in having an effective EE discussion	Armstrong, 2000 Gratton, et al., 1999
3	HR is still perceived to own the process, and not line management, as best practice advocates	Hodges & Pantony, 2003
4	The purpose of the EE discussion are sometimes found to be questionable in terms of consistency of application	Decenzo & Robbins, 2002 Spector, 2003
5	Line Managers tend to focused on historical performance data rather than directing future behaviour with the EE discussion.	de Waal, 2002 Williams, 2002)

In summary, factors mentioned above, hindering EE reflect a link between the employee and the line manager. It is critical that both parties are aligned and collaborating to be able to achieve the company's goals and objectives.

2.2.3.2 Factors fostering employee engagement

Several authors have identified factors fostering EE and formulated models that identify inferences for managers. The analysis intention is to define the factors fostering EE. Macey and Schneider (2008) stated that the Penna research report (2007) reflected that on the job EE has the prospective of bringing line managers and their staff to work together to help both of them to benefit and discover meaning to work.

A research by White (2006) established that two thirds of the staff measured sought new prospects advancing ahead to be content and pleased in their company. A robust EE where a line manager and the staff have a close relationship is a critical element in staff retention and performance improvement.

Stated below are the five factors / activities that a line manager must ensure in creating an extremely involved staffing (Development Dimensions International (DDI), 2005).

2.2.3.2.1 Employee understanding of performance standards

Employee's unique knowledge, skills, experience and personal style are essential to achieving the objectives of the company (Hope-Hailey, Stiles & Truss, 2001; Kotze, 2002; Truss, 1999).

2.2.3.2.2 Alignment of company's strategy and goals to EE

A study by Gupta (2005), cited in Li, Guohui and Eppler (2008), revealed that an aligned company's structures display an excellent performance of a company, which placed it at a competitive advantage. Meijaard, et al., (2005) further supported this study when analysing the influence of structure on the performance of small Dutch companies. Armstrong (2000) believes that HR systems and process supporting the company's strategy play a crucial role in EE

2.2.3.2.3 Employee empowerment and continuous feedback

Spangenberg and Theron (2001) and Williams (2002) believe that empowerment and participation of employees at work is important for employee health and welfare and also for encouraging employees to commit to the goals of the company. Empowerment of employee results in them excelling in their duties as they know that their line manager has faith in them even if they were a poor performer before (UCSD, 2004). This process talks about focusing on development (Armstrong, 2000), continuous improvement and on-going feedback (Decenzo & Robbins, 2002).

2.2.3.2.4 Line Manager's knowledge and skills

A skilled line manager who does not put his / her employees down when talking to them about EE, plays a crucial role in making sure that the EE is successful. According to Heil et al., (2000) cited in Hodges and Pantony (2003), line managers should be able to separate the performance evaluation and the EE corrective feedback discussion.

Table 2: Factors fostering employee engagement

Factors fostering Employee Engagement		
1	Align efforts with company strategy	Li, Guohui and Eppler (2008)
2	Employee empowerment and continuous feedback	Decenzo & Robbins, (2002)
3	Line Manager's knowledge and skills to be able to provide support and recognition where appropriate	Heil, et al., (2000)
4	Employee understanding of performance standards and helping them to grow and develop	Hope-Hailey, et al., (2001)
5	Provide support and recognition where appropriate	Macey and Schneider (2008)

2.2.4 EE Benefits

If it is done correctly –

- According to Griffith and Orgera (1997); Hodges and Pantony (2003) and Corporate Leadership Corporation (2004), employee will be productive and their performance will be great, resulting in them being rewarded accordingly in terms of the remuneration, promotion and / or recognition among their peers, consequently, the organisation will have happy employees.

- Manager will have happy and productive employees (Hodges & Pantony 2003)

- Clients complaints are low as they are serviced appropriately by the happy staff

- Staff turnover and attrition rate will drop
- Company become productive and profit is maximized (De Waal, 2002).

2.2.5 EE Challenges

- EE focused on historical performance data rather than directing future behaviour (De Waal, 2002; Williams, 2002).
- EE intervention tend to be evaluative rather than developmental, this was stated by Heil, Bennis and Stephens (2000); Hodges and Pantony (2003); Rademan and Vos (2001); Weiss and Hartle (1997); Williams (2002) and Zwell (2000)
- Struggle to align EE with the strategy and goals of the organization (Hodges & Pantony, 2003; Le Roux, 1995; Rademan & Vos, 2001)

2.3 Research Questions

Two questions are asked and reviewed in this literature:

1. What are the factors hindering employee engagement in the banking industry?
2. What are the factors fostering employee engagement in the banking industry?

2.4 Conclusion of Literature Review

Theoretical and empirical literature on the concepts of EE was reviewed in this chapter. Also reviewed were the benefits and the challenges of EE. Included is the review on factors affecting and hindering EE in the banking industry.

Many scholars referenced in this review emphasised the importance of a logical rationale of EE and the criteria for effectiveness as the necessary ingredient for greater overall company's performance. As this formed the main research question of the study, the findings from the literature review set a strong foundation for further exploration on how these factors align to what the people will say in the focus groups when asked the research questions already stated in chapter one.

CHAPTER 3. SEARCH METHODOLOGY

This chapter highlights and minutes the research methods used, along with the data analysis and statistical techniques used in this study. The method used to hand-pick the research population and respondents is explained, included is the approach explaining how validity and reliability is tackled. This study research questions call for data to be gathered, using the mixed method where both the qualitative and the quantitative methods are applied.

3.1 Research methodology /paradigm

The mixed method research methodology of qualitative and quantitative methods is used in this study. Carrie (2007) stated that academics have used a mixed-method technique on their research for an appreciated understanding and according to Teddlie and Tashakkori (2012) for two decades, a debate has raged with regards to the "incompatibility thesis". The debate was on the discrepancies amongst two leading methods: the positivist - believers and supporters of the quantitative method, and the constructivist – believers and supporters of the qualitative method.

A quantitative method was applied to support the qualitative as the main method, of conducting an open-ended focus groups interview session to validate literature and collect the information to be used for the questionnaire (Carrie, 2007).

More insights and understanding is gained when a mixed method research is applied, that might have been neglected when only one method is applied (Burke, Johnson & Onwuegbuzie, 2004).

3.1.1 Qualitative Research Methodology

The leading research methodology that was used to collect the adequate information / data was the qualitative method; this method assisted in crafting and validating the research questionnaires asked in the survey.

Creswell (2007) defines qualitative research as “an investigation method of comprehension that is gained from utilising specific traditional methods that attempt to describe a shared or individual problem”. The important aspect of qualitative research is that it studies events and considers the experiences of the affected and impacted individuals through their beliefs. Denzin and Lincoln (2011) also agree with the definition of Creswell (2007) defining qualitative research as “approaching the subject matter from an interpretative and natural view, utilising a number of different methods”. It investigates the issue in the recognised environmental location. This method enables the investigator the ability to explore the intricacy, efforts and struggle of the experience and also to develop a depiction of the whole better-quality scenario and future investigation (Thompson & Lee Walker, 1998).

3.1.2 Quantitative Research Methodology

Borrego, Douglas and Amelink (2009) stated that the research of causes and effects relationship amongst variables is appropriate for a quantitative method.

A quantitative method - survey based research using the hypothesis testing, is a logical and rational method to use as it involves analysing the relationships amongst variables and determining fundamental links between these variables (Kalof et al., 2008; Saunders et al., 2009).

Burke et al., (2004), stated that like any other method, quantitative research method has advantages and disadvantages that need to be taken into consideration.

Table 3 depicts the advantages and disadvantages of this method:

Table 3: Quantitative research method: Advantages and Disadvantages

	Advantages	Disadvantages
Quantitative Research Method	○ Testing and validating already constructed theories about how phenomena occur; ○ Testing hypotheses that are constructed before the data are collected. Can generalise research findings when data are based on random sampling of a sufficient size; ○ Can generalize a research finding when it has been replicated on many different populations and subpopulations; ○ Construction of situations that eliminates the confounding influence of many variables, allowing increased credibility to the assessment of *cause-and-effect* relationships; ○ Research results are relatively independent of the researcher.	○ Postulated theories that are used may not reflect respondents' understandings; ○ Phenomena occurring because of the focus on theory or hypothesis testing rather than on theory or hypothesis generation (referred to as confirmation bias), can be unaccounted for; ○ Knowledge produced may be too abstract and general for direct application to specific local situations, contexts and individuals.

Source: Author construct

3.1.3 Mixed Research Methodology

As per Molina-Azorin (2007), the mixed method is deemed to be an unusual method which is appreciated and hard to emulate. Applying a mixed methods in this research might improve the confidence level and increase the validity of the data results – a stronger interpretations can be achieved when both methods complement each other.

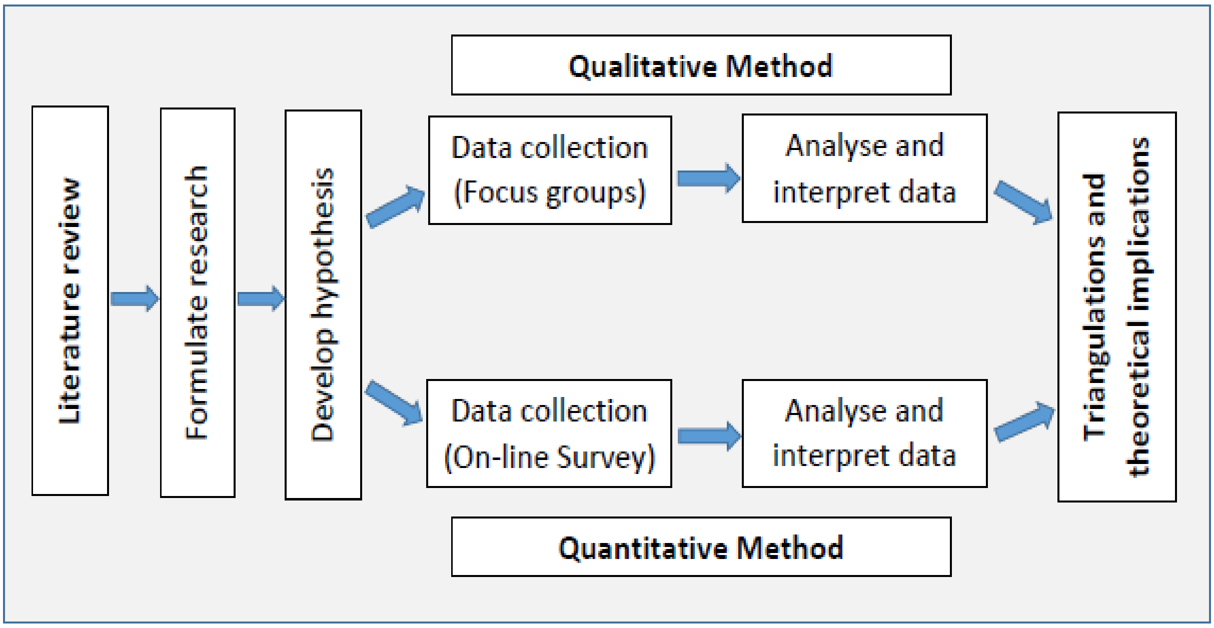
Creswell and Plano-Clark (2011) agree with Johnson and Onwuegbuzie (2004) with regards to mixed methods. They believe that qualitative and quantitative methods combined may deliver an improved reflection of the research problems than one or the other delivers.

3.2 Research Design

3.2.1 Mixed Method Design

The research adopted two small focus groups of eight individuals each for the qualitative method approach. This approach of focus groups allowed the interviewer to gain more insight and offer an opportunity to ask relevant questions pertaining to this study eliciting the factors hindering and fostering EE. This gave the investigator an opportunity to analyse the EE concept from the perspective and experience of all the individuals.

Figure 5: Research Design: Mixed Method



Source: Author construct

3.2.2 Qualitative Design

This study adopted two small focus groups of eight individuals per session for the qualitative method approach. This approach of focus groups allowed the interviewer to gain more insight and offer an opportunity to ask relevant questions pertaining to this study eliciting the factors hindering and fostering EE. This gave the investigator an opportunity to analyse the EE concept from the perspective and experience of all the individuals.

The people invited for each focus group included two HR business partners, two Area Managers, two Branch Managers and two L&D partners totalling to eight individuals per session. Two focus group sessions were arranged and each session took two hours with a 20 minutes tea break, as Creswell, (2007) cautioned in his statement around the time constraints. In this case, the challenged experienced was the time constraints as the focus group consisted of Middle Managers within the bank.

Another challenge I experience personally was the time it took to process the information provided by the focus groups and collating all the information in time to prepare for the survey questionnaire.

3.2.3 Quantitative Design

For this research, categorical and numerical data was collected. Information gathered from the online survey was condensed into tables. Graphs were used to review answers based on age and hierarchical levels. The data was used to calculate different statistics such as means, standard deviation and variances (Creswell, 2009).

According to Hair et al., (2010), SEM scrutinizes the “structure of interrelationships”, which is communicated in a sequence of “equations”, comparable to “multiple regression equations”.

3.3 Population and sample

Leedy and Ormrod (2009) stated that the population and the sampling methods should be on a convenience basis for the researcher / investigator.

3.3.1 Population

The population in this research consisted of Nedbank “branch network” employees. According to Kinnie et al., (2006), academics have a habit of measuring “anticipated” HR practices when interviewing the HR business partners and measuring “actual” HR practices when interviewing the employees.

Kanter (1982) was in favour of recognising the increased importance of middle management and recommended that they should be used more often. Nonaka and Takeuchi (1995) researched the roles and influence of the middle managers in the innovative field, while Huy (2002) focused on the strategy implementation field and Currie and Procter (2005) on the strategy making process. All this shows the importance of having middle managers in the study. For the focus groups and the on-line survey, only individuals in the middle management roles were interviewed.

The population for this research is made up of the Nedbank employees in the middle management role within the Gauteng South and East region. In total, the region have approximately 91 employees in the middle management role. Gravetter and Forzano (2003) highlighted that these participants should be an accessible population. The participants used for this research was taken from this population.

3.3.2 *Sample and sampling method*

According to Saunders et al., (2009), it is difficult to gather the required information and numbers accessible because of limitations to access information, time and / or budget. In this study, a non-probability sampling was used as it offered a variety of additional techniques in choosing samples based on the subjective ruling as mentioned by Blumberg, Cooper and Schindler (2008).

According to Groves et al., (2009), when choosing participants from the distributed population, it is critical to ensure that all divisions are represented in the sample. For this research, the participants included HR business partners, Area Managers, Branch Managers and L&D partners. These individuals were selected so that the population would represent a broad range of roles and responsibilities.

A total of 91 respondents in the middle management roles were scheduled to participate in this research. Table 5 shows the profiles of planned respondents (by position):

Table 4: Profile of respondents (by position or context not name)

Middle Managers - 4 HR business partners, 4 Area Managers, 4 Branch Managers and 4 L&D partners	16	Focus groups
Middle Managers - 6 Operational Managers, 4 Sales Managers, 3 Area Managers, 2 Financial Managers and 60 Branch Managers	75	Questionnaire

3.4 The research instrument

3.4.1 Qualitative Research

A focus group session was applied as the first research instrument for the qualitative research. According to Denzin and Lincoln (2011), this kind of instrument permitted the assessor to probe different kinds of questions and run a widespread series of data and information. Bryman (2008) stated that it is important that the research questions identified from the literature review are utilised to make an interviewees comfortable and flexible with their answers; this was adopted in the study.

3.4.2 Quantitative Research

For the quantitative research, an on-line questionnaire survey was conducted. The questionnaire consisted of questions gathered from the literature review and focus groups. A rating questions format with a Likert style rating scale was applied (Kalof, et al., 2008), appropriate for collection of opinion data (e.g.: do you strongly agree or disagree with this statements).

3.5 Procedure for data collection

The data for this study was gathered using three methods, namely: focus group sessions, literature review and the survey questionnaire. These three methods are used to increase the reliability and validity. Owen and Jones (1994) stated two kinds of data are used as a research instrument, namely: primary data and secondary data.

3.5.1 Qualitative Research

The primary data instrument was applied for this research by having two focus group sessions, (Owen & Jones 1994), with eight respondents per session. Two focus groups consisted of four HR business partners, four Area Managers, four Branch Managers and four L&D partners. The 16 participants were recorded using the audio recorder and the sessions were later transcribed. The duration of the focus group sessions was about 150 minutes because of the in-depth conversation amongst the respondents.

3.5.2 Quantitative Research

In the quantitative research a secondary data format was applied in gathering and collating the on-line questionnaire feedback. 75 participants were identified and encouraged to complete the survey on time. According to Saunders et al., (2009), a pilot for the questionnaire must be conducted first before it can be distributed to all the respondents as it will help with refining of the questionnaire and checking if questions are clear and unambiguous. A sample of five respondents was used to pilot the questionnaire to check if respondents understood the questionnaire without it being explained to them. The feedback and remarks made by the respondents were reviewed to make sure that a final draft of the questionnaire was clear and unambiguous.

3.6 Data analysis and interpretation

This section shows how the collected data from both the focus groups and on-line questionnaire was analysed and interpreted. A "data analysis spiral" by Creswell (2007), was applied following the phases of converting the raw data into the final report. The phases were divided into four, namely: organisation phase, perusal phase, classification phase and synthesis phase (Creswell, 2007; McWilliams et al., (1999).

3.6.1 Qualitative Research

Focus group feedback was transcribed verbatim for content analysis. In order to safeguard that all transcripts were produced systematically, the transcripts contained slang, mispronunciations, non-verbal sounds and grammatical errors (McLellan et al., 2003). The transcribed information was analysed properly by separating the appropriate and inappropriate information regarding the research topic (Creswell, 2007). The feedback was also groups into “meaning units” as per Leedy and Ormrod (2009) and later into an objective experience.

The data for the focus groups was analysed using the following stages:

- The answers were arranged in a rational method as per the proposals that they linked to.
- The answers were bundled into groups using the content analysis.
- The next step was to use the content analysis to differentiate constraints that are linked to the proposals to recognise themes.
- The themes were arranged in the rank ordered scale based on the frequency count conducted to determine the order of the importance of the factors / themes.
- The final list generated was piloted as the on-line survey / questionnaire to check for clarity and understanding of the questions.

3.6.2 Quantitative Research

According to Sekaran (2003), quantitative analysis is the method of generating, presenting and interpreting the quantitative data. For this research, categorical and numerical data was collected. Information gathered from the online survey was condensed into tables. Graphs were used to review answers based on age and hierarchical levels. The data was used to calculate different statistics such as means, standard deviation and variances (Creswell, 2009).

3.7 Limitations of the study

- Results were limited to internal data of Nedbank which is only one bank in South Africa.

- Participant's perceptions and attitudes were an issue to collect and analyse, especially with the junior staff when completing the questionnaire.

- Results from the research will only apply in a South African banking context.

- The scope focused on the retail employees in the managerial and non-managerial positions as they were deemed to be honest and objective with their feedback

3.8 Validity and reliability

Another important stage of the data collection is the testing of the validity and reliability of the data collected. Precise validity and reliability methods applied in this research are defined in this section.

According to Murphy and DeNisi (2008), validity evidence supports and enlightens the inferences and the conclusions regarding the test scores. Validity is more focused on how the data is being measured and not what is being measured. Bhattacherjee (2012) states that validity is a yardstick used for testing and proving if a measure sufficiently replicates the fundamental hypothesis being quantified. It deals with the degree in which the observed measurements correctly signifies the authenticity of the study as mentioned by Hair et al., (2010).

There are two kinds of validity namely: external validity and internal validity. Hall (2008) states that it is important to apply both types of validity to ensure that the results accurately address the research questions. For this research, the validity of the data was analysed as Saunders et al., (2009) proposed.

3.8.1 *External validity*

The external research validity refers to the extent to which research outcomes are applied globally outside of the research. This speak of the capability to generalise the findings to a whole world stated by Neuman (1994).

Research findings can be generalised to all if the degree of external validity is high. However, in this study, external validity is deemed to be low hence the research results cannot be applied globally.

3.8.2 *Internal validity*

The internal research validity refers to the ability of making an appropriate conclusion from the questionnaire possessed and data collected (Kalof, et al., 2008). It also depend more on the trustworthiness responses of the participants, hence the assumption made is that the participants will be authentic, honest and truthful in their feedback.

3.8.3 *Reliability*

Reliability shows how consistent or dependable a measure is (Bhattacherjee, 2012). It focuses on consistency, by looking at whether the data provided by the research instrument does not differ because of the features of the instrument (Neuman, 1994; Kalof et al., 2008).

As per Robinson et al., (2012), the questionnaire was piloted in order to improve reliability and furthermore to maximise reliability, a similar questionnaire was ran amongst the research sample numerous times using the similar fundamental conditions checking the results for consistency.

3.9 Demographic profile of respondents

Even though the total number of the planned responded was ninety one middle manager's as per table 1 above, the real number of responded dropped to sixty five (12 for focus group + 53 on-line questionnaire). The main contributor to this was because of the vacancies from the branch manager's cadre and also some employees were on leave at the time of the survey. The researcher decided not to substitute the absent individuals currently on leave and vacant positions with junior managers to avoid distorting the stability in hierarchical levels (positions).

3.10 Ethical Consideration

According to Saunders et al., (2009), a range of ethical issues is involved when collecting the data. Table 6 list the ethical considerations that this research will abide to – taken from Saunders et al., (2009).

Table 5: Research ethical consideration (if appropriate)

	RESEARCH ETHICAL CONSIDERATION
1	Ensuring that participants have given formal consent
2	Ensuring no harm comes to the participants
3	Ensuring confidentiality and anonymity of all participants
4	Ensuring that the permission is obtained from the official channels

3.11 Chapter Summary

This chapter provided a blueprint to the administration of the several phases of this study as the research is instigated. What encompasses an important and valuable research was acknowledged and clarified. A comprehensive description of the population, sample size and techniques for this study were provided. The procedure for data collection was provided and each method was discussed. Chapter 4 focuses on the presenting and the interpretation of results.

CHAPTER 4. PRESENTATION OF RESULTS

The preceding chapter explained the statistical methods used for the research, this included the data sample and the assumptions made when applying the research methodology. The objective for this chapter is to present and describe the results, not explaining them.

4.1 Introduction

This chapter presents the summary of results and conclusions obtained from the research relating to the two research questions. The result for each question is presented separately for clarity and structure and a flawless understanding.

In depth facts of the survey feedback are provided including the response rate and sample demographics.

4.2 Qualitative Research Results: Focus groups

Focus group sessions formed the first technique applied to gather data from respondents. Great attention and thoughtfulness was taken into consideration when choosing the focus group target audience to evade confusion and bias as warned by Barbour (2009). This technique consist of a lengthy and in-depth session of an open-ended questions and was selected for the reason that it is the best technique at providing insights into human behaviour and reaction when expressing their views when dealing with a topic adopted from the literature review (Smithson, 2000, in Barbour, 2009).

Silverman (2010) advised that the focus groups have a tendency to generate artificial research atmospheres, hence it is important for the interviewer to really drive the session accordingly.

4.2.1 Demographics

Two focus groups of eight individuals per session were held and each session had the following target audience in the group: two HR business partners, one Area Managers, two Branch Managers and one L&D partners. Each session had six participants, and together a total of twelve candidates were involved in the focus group.

4.2.2 Data Analysis Process

4.2.2.1 Theme Identification

Responses were recorded using an audio recorder and later transcribed in the form of notes. These were collected and captured in a table format using Microsoft Word. In the table, all observers' answers were captured for each question, an inductive grouping was applied to code the data to pick up the themes, patterns and similarities (e.g., ideas, concepts, interactions and behaviours) in observers' answers and also to bring sense into the manuscript. (See table 6)

Table 6: Qualitative Coding

Brief code	Code full description	When, Why and How to use
• Process of EE and its purpose • Setting objectives and targets	Understanding EE and its purpose	To explain participants understanding of EE and its purpose
• Challenges relating to the EE instrumental • Timing for the implementation • No relationship between engagement and performance	Challenges of the implementation of EE	To explore perceptions of the participants about challenges they experience in implementing EE
• Use of EE tool • Lack of feedback by staff about EE • Used mostly for non-performers • No engagement happening	Usefulness of EE	Using the code to determine the benefits of implementing EE
• Training issues • Lack of uniform understanding of EE • Top down introduction of EE • No refresher courses offered	Lack of training among implementers	To investigate the preparedness of implementers
• Perception of managers on their attitudes towards EE • Laughter during the focus group session • Use of negative words in describing experiences	Attitude of implementers towards EE	To find out whether participants had a positive or negative attitude towards EE
• Perceptions on factors hindering the implementation of EE	Factors hindering the implementation of EE	To explore factors that militates against successful implementation of EE

Source: Author construct

4.2.2.2 *Factors describing employee engagement*

The first question posed to the panel of middle managers was: What is EE in your own perception? Figure 6 shows that, from the sample size of 12 candidates, 41.67% (5 candidates) clearly defined EE as the minute an employee is dedicated, enthusiastic and motivated because of the interaction or engagement between the employee and the line manager. Four candidates (33.3%) described EE as an employee involved in decision-making.

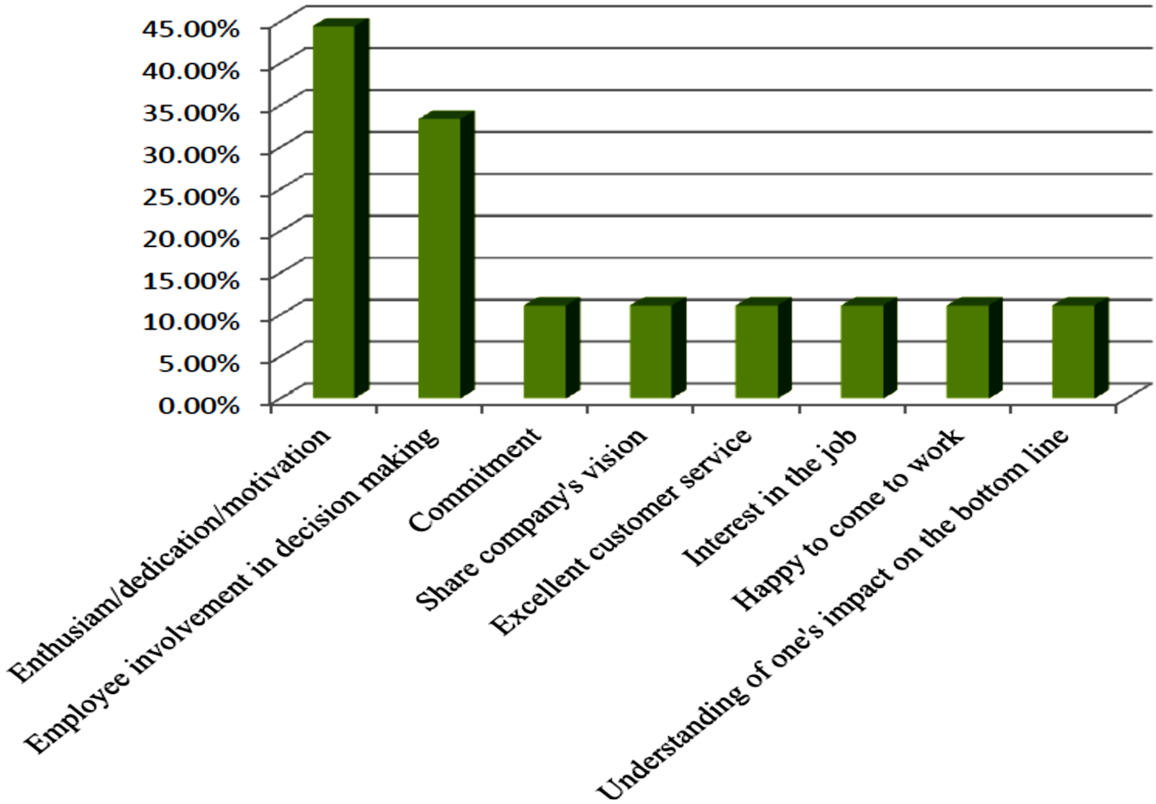


Figure 6: Factors describing EE

4.2.2.3 Factors affecting employee engagement

From the respondents, the building of trust and respect was the major factor chosen as important in EE – eighty eight percent confirmed this statement (see Figure 7).

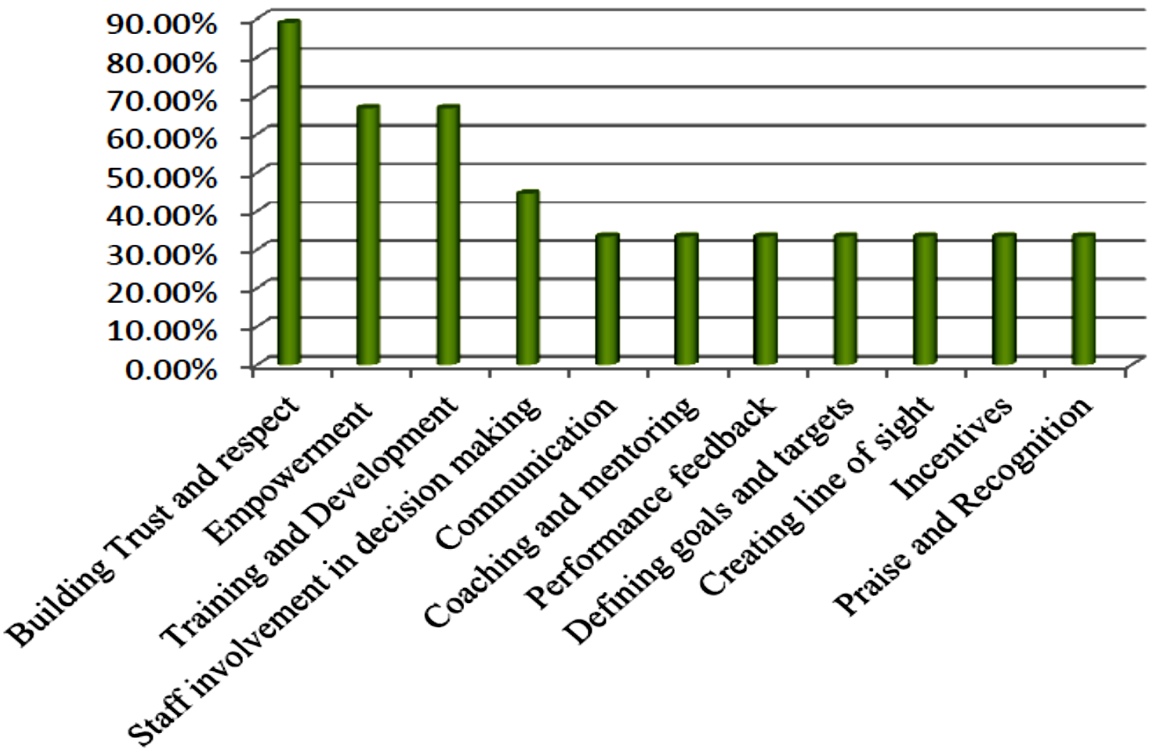


Figure 7: Factors affecting EE

Table 7 is a reflection of responses based on the Likert-type scale – strongly disagree to strongly agree. Inspiration and motivation from line managers had the highest measures of variance.

Table 7: Likert-type scale for focus group

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Inspiration & motivation from line manager	0	0	0	4	8
Accurate and regular engagement feedback	0	0	0	5	7
Received adequate training	0	0	0	6	6
Line Manager competency	0	0	0	5	7

4.3 Quantitative Research Results: Questionnaire

The questionnaire was distributed to seventy five (75) middle managers within a bank and fifty nine (59) respondents replied to the questionnaires. Of the fifty nine (59), six (6) responses were removed for the reason that the variance was zero across all ratings. This was because all questions were rated the same, demonstrating that not sufficient attention was given to the importance of the questionnaire. In total, fifty three (53) questionnaire were adequately completed for analysis. The responses rate of return was seventy nine percent (79%) while the usability rate was seventy one percent (71%). This was anticipated because of the high focus placed on the supervision process of the questionnaires.

4.3.1 Demographics

This segment refers to the sample profile observed according to the demographic attributes (Age, Gender, Years in managerial role and number of direct reports). The sample demographics are demonstrated in a graphs format for each component

4.3.1.1 Age Distribution

From the sample size of fifty three respondents, most of the respondents were between the ages of 25 - 34 years old, accounting for 34% (18) of the respondents and tracked closely by the ages 35 – 44 years old with 32% (17) respondents. The 45 – 54 years old responded accounted for 25% (13) of the entire respondents, while the over 54 years old accounted for 6% (3) and under 25 years old accounted for only 4% (2).

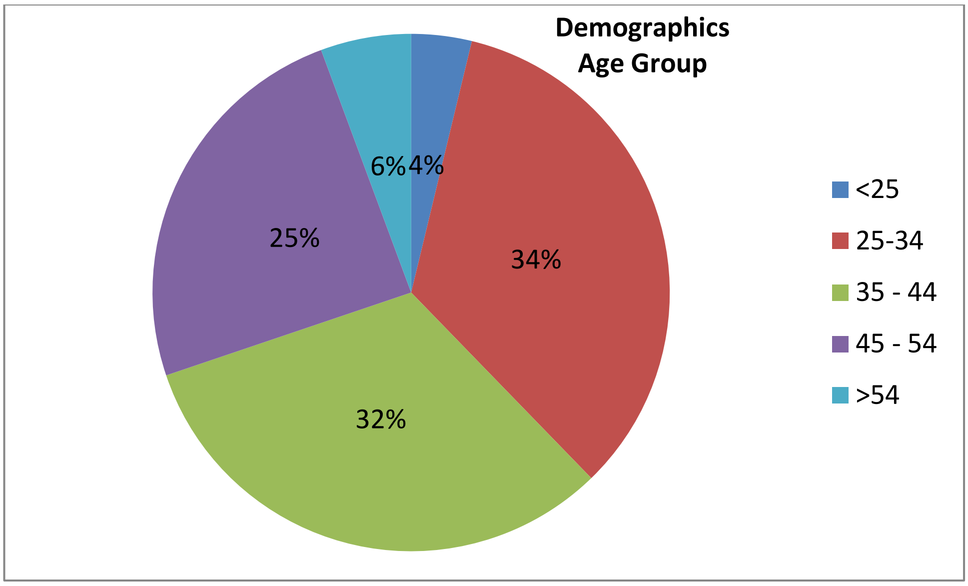


Figure 8: Age Profile

4.3.1.2 Gender Distribution

Figure 9 shows that most respondents were females compare to males. 62.3% (33) females responded to the questionnaire and only 37.7% (20) were males

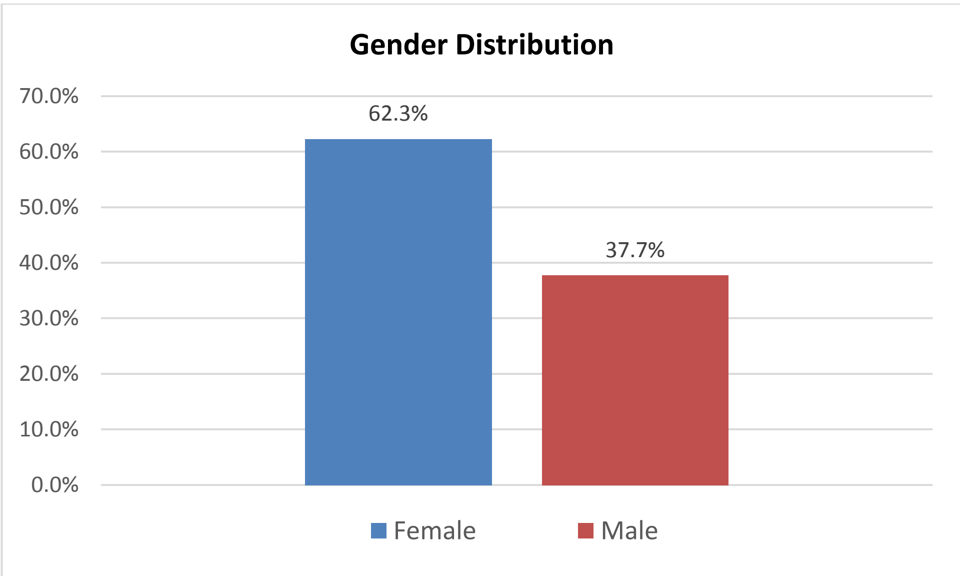


Figure 9: Gender Profile

4.3.1.3 Years in managerial role

i. **Within Nedbank**

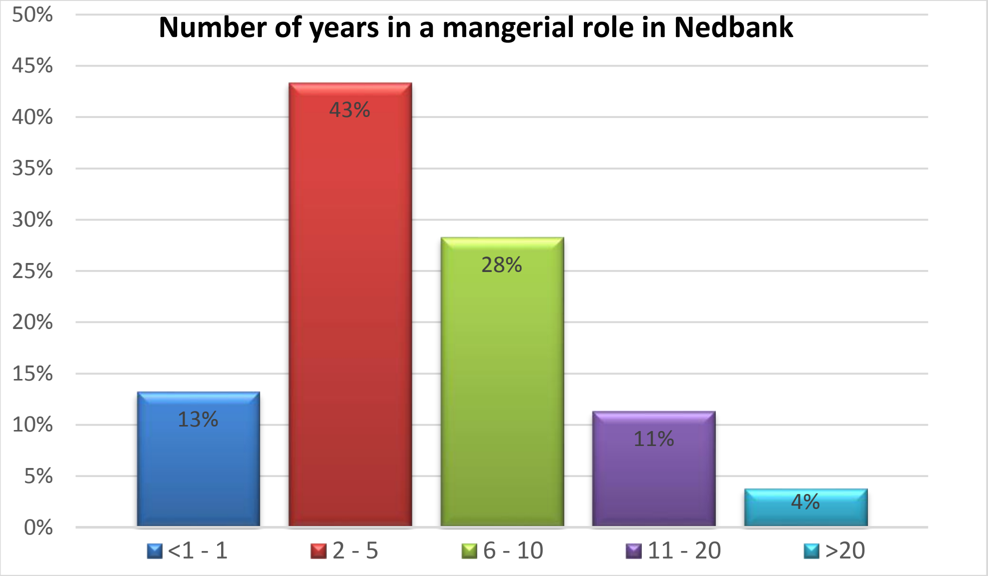


Figure 10: Number of years in the managerial role in Nedbank

ii. **Outside Nedbank**

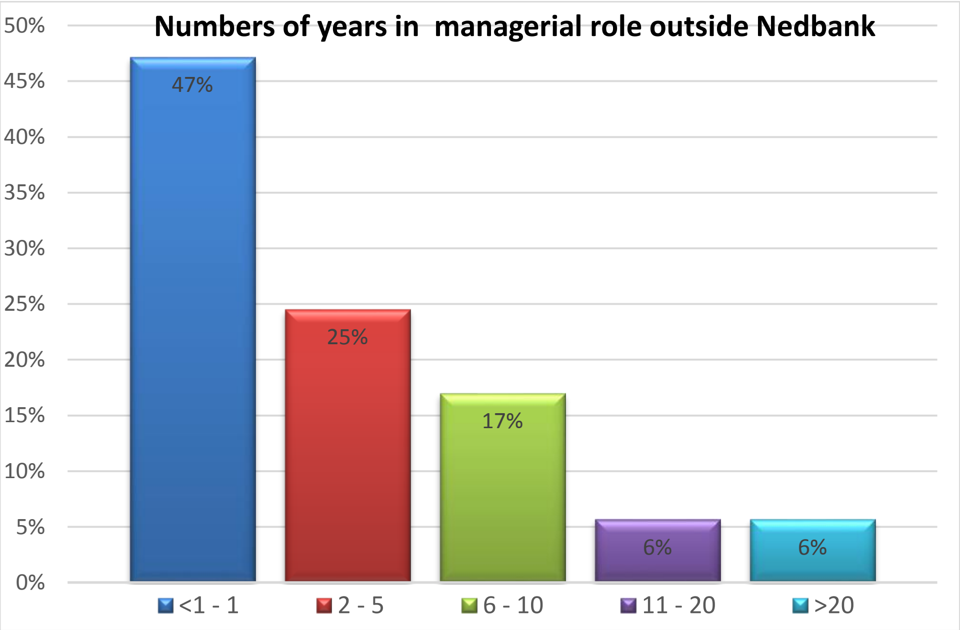


Figure 11: Number of years in the managerial role outside Nedbank

4.3.1.4 Direct report: number of staff

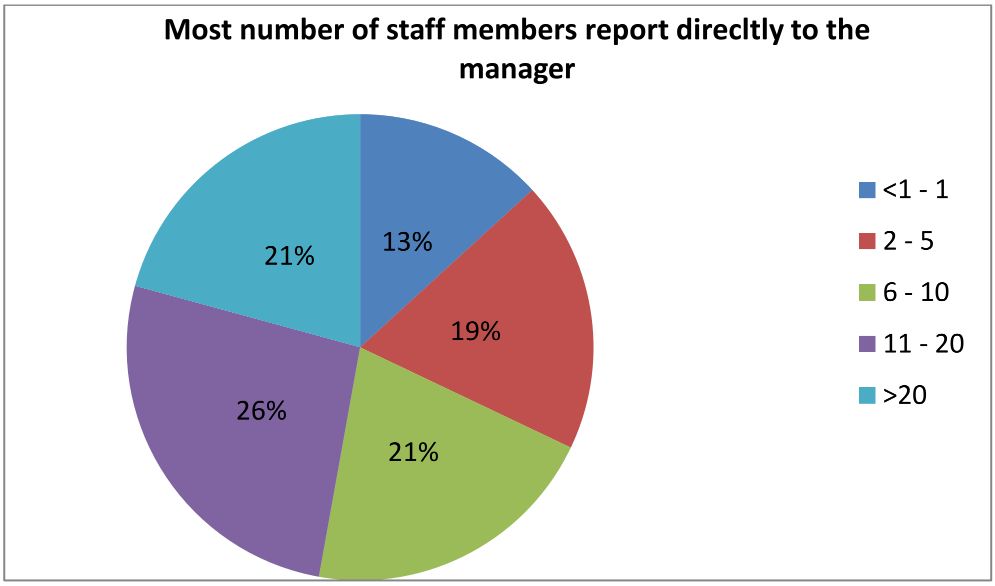


Figure 12: Direct report Profile

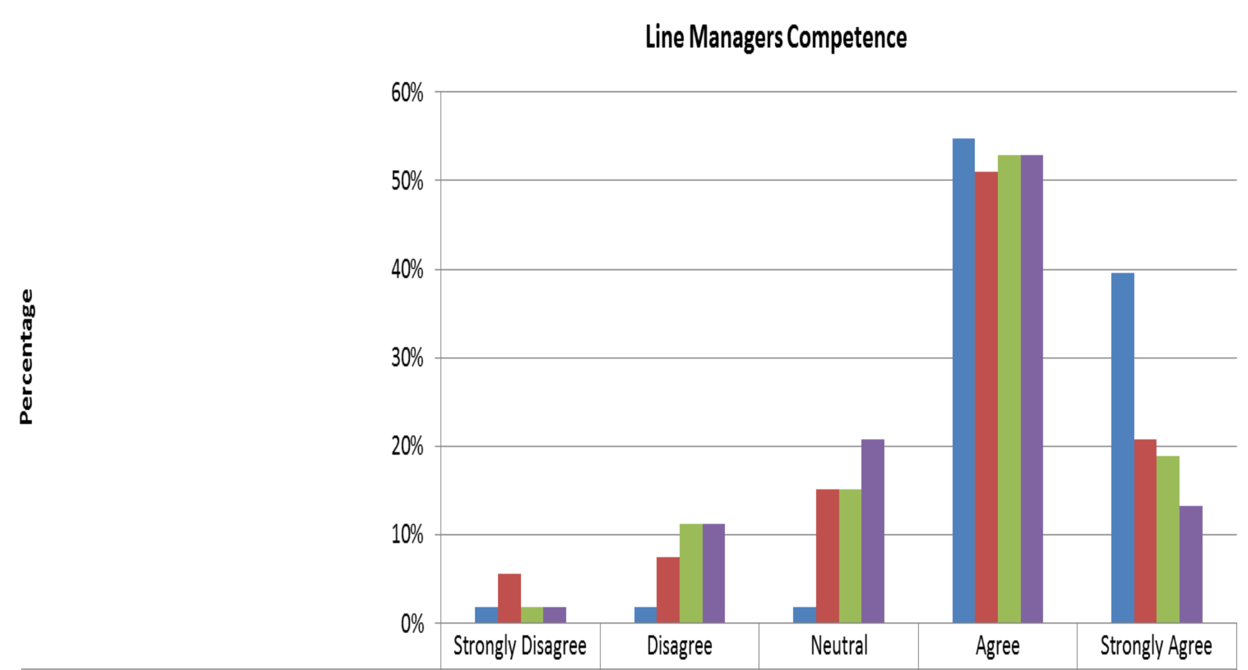
4.3.2 Data Analysis

The data / questionnaire was categorised into four segments, namely:

- Line managers' competence – which has four questions.
- Employee engagement implementation & barriers – has three questions
- Staff members knowledge and understanding of EE – has two questions
- Experience and perception on employee engagement – with five questions

4.3.2.1 Line managers' competency

Focusing on the highest rating for agree and strongly agree from each question, of the fifty three respondents, fifty five percent of the managers clearly understand what is expected from them with regard to employee engagement and forty percent strongly agree with the statement. A total of seventy two percent (51%+21%) of managers are adequately trained and skilled to properly apply the employee engagement tool with the staff members. Seventy two percent (53% + 19%) of the managers are adequately knowledgeable to apply the employee engagement tool when engaging with their staff members. And finally, sixty six percent (53% + 13%) of the managers are contented with the use the employee engagement tool when engaging with staff.

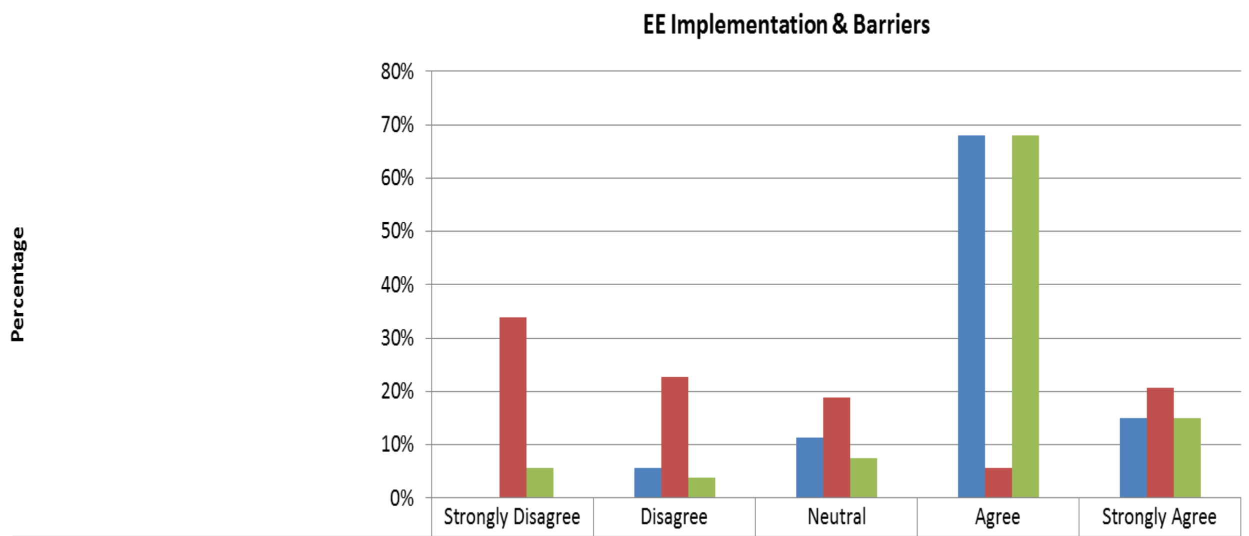


	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I clearly understand what Nedbank expects of me as a Line Manager	2%	2%	2%	55%	40%
I am sufficiently trained/skilled to apply the EE tool	6%	8%	15%	51%	21%
I am sufficiently knowledgeable to use the EE tool	2%	11%	15%	53%	19%
I am comfortable to use the EE tool	2%	11%	21%	53%	13%

Figure 13: Managers competency

4.3.2.2 Employee engagement implementation & barriers

Again, following the same principle of focusing on the highest rating for agree and strongly agree for each question, eighty three percent of managers stated that there is nothing hindering them from applying and using the EE tool effectively with their staff members. Only twenty seven percent of the managers have used the EE tool in the past 1 – 3 months and fifty seven percent of managers have not used the EE tool in the last quarter with nineteen percent of managers neither agreeing nor disagreeing with using the EE tool within the last quarter. Finally, eighty three percent (68% + 15%) of the managers' effective implementation of the EE process has benefits for all.

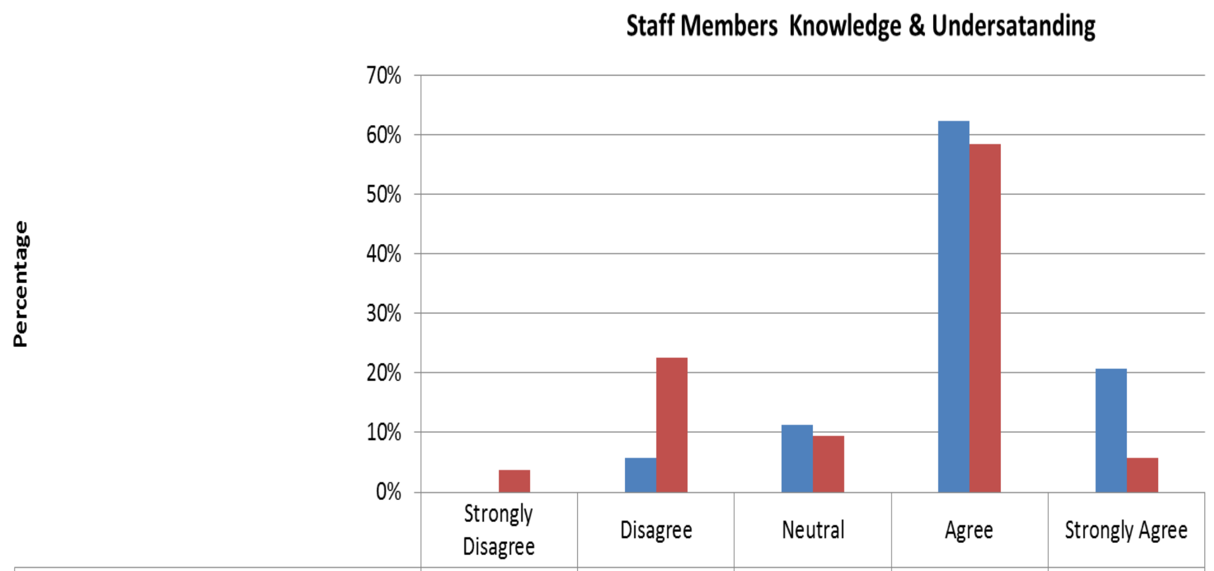


	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
There is nothing preventing me from effectively using the EE tool	0%	6%	11%	68%	15%
In the last 1 – 3 months, I have used the EE tool to help a staff member	34%	23%	19%	6%	21%
Effective implementation of the EE process has benefits for all	6%	4%	8%	68%	15%

Figure 14: EE implementation & barriers

4.3.2.3 Staff knowledge & understanding of EE

Eighty three percent (62% + 21%) of managers believe that their staff members clearly understand what is expected from them when having EE discussions with their line manager. Only sixty four percent (58% + 6%) of the managers have explained the EE tool to their staff members and how it is being used so that staff understand and comply with the process.



	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
My staff members clearly understand what is expected of them when having the EE discussion with thei line manager.	0%	6%	11%	62%	21%
I have explained the EE tool and its us, to all my staff members	4%	23%	9%	58%	6%

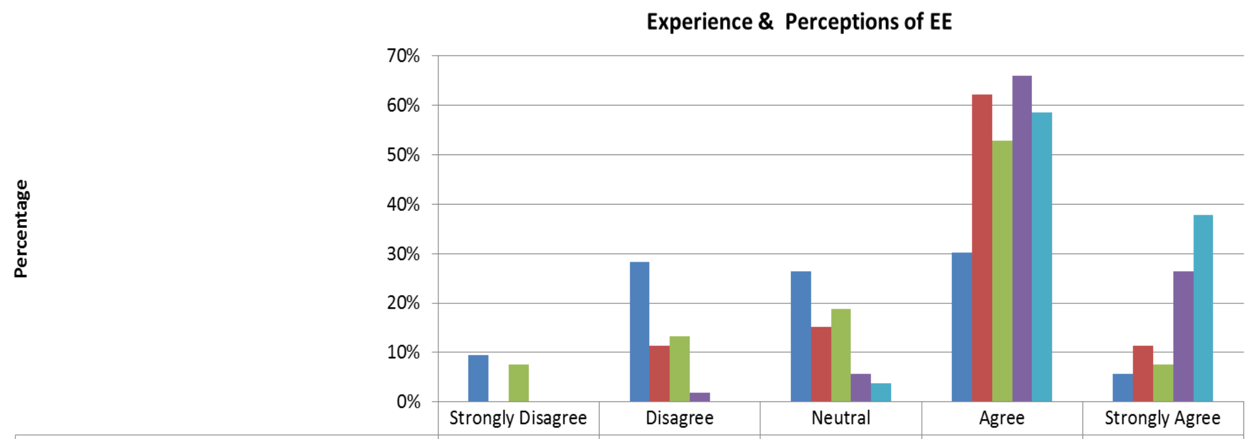
Figure 15: staff knowledge & understanding of EE

4.3.2.4 Experience & perceptions of EE

In this last segment, only thirty six percent (30% + 6%) of the managers stated that their staff believe EE is a fair, open and objective process leaving sixty four percent of staff not agreeing with that statement. Seventy three percent (62% + 11%) of the managers view EE as a fair, open and objective process.

Sixty one percent (53% + 8%) of the managers agree and strongly agree that they have witnessed the effectiveness (positive results) of the EE process. Ninety two percent (66% + 26%) of the managers acknowledge that if they can play an effective part in understanding, explaining and implementing the EE process that would make a massive contribution to Nedbank and their staff.

A total of ninety six percent (58% + 38%) of the managers are in agreement that employee engagement is one of their functions as a Line Manager.



	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
From personal experience and/or perception my staff members view EE as a fair, open and objective process	9%	28%	26%	30%	6%
As a Line Manger, I personally view EE as a fair, open and objective proces	0%	11%	15%	62%	11%
From personal experience and/or perception, I have witnessed the effectiveness (positive results) of the EE process.	8%	13%	19%	53%	8%
As a Line Manager, if I can play my part in understanding, explaining and implementing the EE process, I would have made a huge contribution to Nedbank and the staff members'.	0%	2%	6%	66%	26%
Emnployee engagement is one of the functions of a Line Manager.	0%	0%	4%	58%	38%

Figure 16: Experience & perception of EE

4.4 Conclusion

This chapter presented a summary of the research findings from both the focus groups and on-line questionnaire (theoretical and empirical methods). The following chapter discusses and interprets the above results.

CHAPTER 5. DISCUSSION OF THE RESULTS

The previous chapter presented the research results from both the focus groups and on-line questionnaire, this included the demographics, data analysis process in the graphs format and tables. The objective for this chapter is to discuss and explain the research results as presented.

5.1 Introduction

This chapter discusses and interprets the results presented in the previous chapter. The demographics of the respondents were discussed in the previous chapter in details, hence they will not be discussed again.

The research question one and two are answered under qualitative method that looked at focus groups and the quantitative method that was based on the questionnaire.

5.2 Qualitative Research Results: Focus groups

5.2.1 Factors describing employee engagement

The first question posed to the panel of middle managers was: What is EE in your own perception? Figure 6 shows that, from the sample size of 12 candidates, 41.67% (5 candidates) clearly defined EE as the minute an employee is dedicated, enthusiastic and motivated because of the interaction or engagement between the employee and the line manager. 4 candidates (33.3%) described EE as an employee involved in decision-making.

From the literature review, Crim and Seijts (2006) established that an EE is about an employee who is totally involved in their task and is passionate about it. Whan (2011) describe EE as when workers' discussions and decisions highlight passion and eagerness for co-workers and the company. Hsieh (2011) identified EE as the degree in which workers are inspired and motivated to support the company to be successful.

The first question posed to the focus group session with middle managers of the bank around their understanding and definition of EE, the findings revealed that the observed candidates defined EE as when a worker is devoted and dedicated to the company through their behaviour and performance. According to Sharma and Anupama (2010), the EE is the uppermost practice of commitment and guarantee from workers wanting to perform at their best for the benefit of their company. This statement was also supported by Marciano (2010), who described EE as a commitment between two or more parties. Federman (2009) explains EE as the degree an employee commits to the company and the effects that commitment has on the performance and supported by the tenure in the same company. However Robinson and Hayday (2005) stated that the benefits of workers' commitment are more visible to client's satisfaction rather than employee satisfaction.

The focus group findings are in agreement with the literature review, which validates that EE is about an employee who is committed, dedicated, enthusiastic, motivated and involved in the decision making of their daily routine, sharing the vision and strategy of the company and knowing how their influence and involvement impacts the bottom line.

5.2.2 Factors affecting employee engagement

From the respondents, the building of trust and respect was the major factor chosen as important in EE – eighty eight percent confirmed this statement (see Figure 7).

The focus group findings showed numerous factors affecting EE as: building trust and respect, Training and Development, Empowerment, decision making by staff, coaching and mentoring, communication, Recognition, performance feedback, Incentives, clear goals and targets and finally, creating line of sight.

Most of these factors are supported by the literature review, Kruse (2012) recognised and acknowledged that recognition is one of the effects that makes a worker feel engaged. The second factor supported by the literature review was the relationship between line manager and the employee, especially on trust and respect aspects. Kruse (2012) further noted that for an employee to feel engaged, it is typically grounded on the relationship with their line manager. Before Kruse's statement, MacLeod et al., (2009) stated that research has on a regular basis discovered that the relationship between workers and their line manager is crucial in EE. The world-wide research directed by Gebauer and Lowman (2009) acknowledged a worker's relationship with their line managers, also the chance of a worker to have a say in day to day decision making were part of the top 10 factors affecting EE. Training and learning was also one of the factors identified to affect EE. Clarke (2012) believe that the engaged workers are inclined to learn more by continuously improving themselves.

MacLeod et al., (2009) acknowledged that companies that are engaged have robust, resilient and authentic values which have respect and integrity as one of their values.

In relation to the literature, Iyer and Israel (2012) stated that poorly communicated messages or lack of these will result in dissatisfaction of employees and high staff attrition. From the Corporate Executive Board (2004) research, it was found that the connection between a worker and the company strategy is one of the most essential drivers.

The purpose of the research was to determine the factors affecting EE and most factors found in the focus groups are viewed as potentially factors hindering or fostering EE.

5.3 Quantitative Research Results: Questionnaire

The interpretation and discussion of results follows the same format as in chapter 4. The main findings of the research were grouped and that is what is discussed.

5.3.1 Line managers' competency

From the on-line questionnaire, it is clearly obvious that the line managers understand what is expected from them with regards to EE and they are sufficiently trained and skilled to apply the EE tool when engaging with the staff members. This was supported by them claiming that they are also comfortable in using the EE tool to engage workers.

Literature support that the notion that learning, training and development plays a crucial role in line managers and employees. Bakker and Leiter (2010) stated that learning, training and development can be viewed as an extrinsic motivator with line managers as it gives them tools to use and apply during their engagement with workers in persuading them to achieve their goals.

5.3.2 Employee engagement implementation & barriers

83% of line managers have agreed that there is nothing preventing them from using and applying the EE tool effectively when engaging with staff. However, 76% of line managers have not use the EE tool in the past three months. This implies that line managers have not effectively engaged their staff in the past three months irrespective of the fact that 83% of line managers confirmed that effective implementation of EE process has benefit for all staff members including the company as a whole.

5.3.3 Staff knowledge & understanding of EE

83% of line managers clearly understand and agree what is expected from them in terms of engaging staff and 65% of them have explained the EE tool and how it is been used and applied with the company so that staff understand and comply with the process. They have confirmed that their staff understand and know what is expected of them when they are being engaged by their line manager.

In literature, Gebauer and Lowman (2009) stated that in the global research conducted, one of the top 10 factors identified was the chance a worker has to improve skills and competences of engagement which will lead to effective communication and a great relationship with the line manager and ultimately result in career advancement opportunities. Kruse (2012) mentioned that growth and development help in making a worker feel engaged

5.3.4 Experience & perceptions of EE

The following academics, Ologbo and Saudah (2011) and Bakker and Demerouti (2007), believe that management style and support contributes to EE as they carry an extra role as being the company's agents, hence they need to be careful about their perception of favourable or unfavourable aspect of the business as this might have a negative implication to the business (Eisenberger et. al., 1986).

5.4 Conclusion

This chapter provided a detailed analysis based on the two research question asked using the qualitative method and the quantitative method. The results from the focus group were unpacked in more detail and discussed. The important conclusion of these focus groups was the validation of the existence of an underlying effect of the company's' structure towards the factors affecting EE. This discovery was in line with the statements generated from the theoretical literature review, with the company's structure deemed to be an influencer of EE.

The analysis was also conducted using the on-line questionnaire. The study confirmed the factors affecting EE that were pointed out by the focus group and the literature review to be aligned to the questionnaire.

Based on the above analyses, a conclusion can be reached that both the research questions posed in Chapter 1 were successfully addressed in this study.

CHAPTER 6. CONCLUSIONS & RECOMMENDATIONS

6.1 Introduction

The conclusions from this research are presented in this chapter, also included are the recommendations for this study. Conclusions made in this study are based on the literature review and the research (face to face and questionnaire) conducted on the research subjects. The outcomes of the research are summarised in response to the main objectives and questions of the study. The objective of the research was to:

- Identify the factors hindering employee engagement (EE) in a South African Bank
- Identify the factors fostering employee engagement (EE) in a South African Bank

6.2 Conclusions of the study

The findings and conclusions made in this research concur with the literature review on the factors affecting (fostering and hindering) employee engagement. Provided below is a summary of the research findings based on the two research questions:

6.2.1 Research question 1

What are the factors hindering employee engagement in the banking industry?

From the literature, focus groups and the on-line questionnaire conducted, there is a consensus around the factors hindering EE. All these factors have to do with behaviour. The top three factors hindering EE were identified as:

- Lack of empowerment of line management in conducting EE
- Insufficient buy-in from employee (Actively disengaged employees)
- Line manager tend to focus on performance instead of employee engagement

6.2.2 Research question 2

What are the factors fostering employee engagement in the banking industry?

A lot of factors fostering EE have been identified and most of the managers agree that it is the line managers' responsibility to make sure that the EE is effectively implemented and discussions are happening more often, not only when the performance is in question.

Below are the top three factors fostering EE:

- Employee involvement in EE – two way conversation. Not a monologue from the line manager. Proper communication
- Trust between line manager and employee
- Employee understanding of EE standards and helping them to grow and develop

6.3 Recommendations

MacLeod et al., (2009) recognised that EE focuses on the way staff are managed as the main factor for the company. Kruse (2012) pointed out that most of the engagement originated from line managers' relationship with staff. He further pointed out that the line manager plays a crucial role as an enabler of employees' dedication and commitment to their jobs, company as a whole and to their colleagues and teams.

MacLeod et al., (2009) alluded to Lord Mandelson's study on EE stating that companies that correctly engage their staff by motivating and supporting them usually produce outstanding performance and employees are productive and innovative.

Mentioned below are the recommendations for the line managers:

- Effective communication — study revealed that a two-way communication between the line manager and their subordinates have a lasting effect on both the line manager, employees and the company's performance. Wood, Wallace, and Zeffane (2001) stated that an ineffective communication tend to distort the company goals and objectives, resulting in conflict because of poor performance.
- Coaching and Mentoring — study confirmed that staff and line manager coaching is the fundamental part of EE and employee satisfaction (Cengia 2012).
- Training — staff including line managers should be granted an opportunity to enhance and grow their skills and abilities. Gebauer and Lowman (2009) highlighted this as one of the important factors affecting EE.

Investigation has established that engagement efforts start with the company's strategy. Gebauer and Lowman (2009) believes that the more and higher engaged staff feel, the more the sense of belonging is, resulting in superior performance where staff are productive, customers are satisfied, there is an increase in company revenue and a reduction of costs, resulting in overall growth of company's profit.

Stated below are the six approaches that a company can adopt and implement in improving the EE mentioned as recommended by Wright (2012).

- Recruit engaged employees
- Enhance their training and development programs to enable line managers to engage employees and also make it compulsory and on-going.
- Develop line managers to obsess about engaging employees.
- Nedbank should devise and implement the strategic engagement process and evaluate how they engage their workforce in landing and understanding the company strategy

6.4 Suggestions for further research

This study primarily focused on factors affecting employee engagement in a South African bank including drivers that would influence possible engagement within the bank. On the other hand, it can be assumed that this research did not look at the impact and the relationship between employee engagement and the employee performance. That important investigation is still essential in understanding employee engagement in its totality. Below are some of the pointers identified for additional research:

- Additional research focusing on the impact of employee engagement on the employee performance and its effectiveness.
- More research on the relationship between the employee engagement and the employee and company's performance.
- More research focusing on all the employees within the banking industry not just the middle managers. An additional research on the views and opinions of all staff within the banking industry may possibly uncover different and additional insights.
- The observed sample size for quantitative research and qualitative research was slightly insignificant. The identical research need to be conducted again with a bigger sample size as this will help in improving reliability of the results.

REFERENCES

Alfes, K., Shantz, A. D., Truss, C., & Soane, E. C. (2013), The link between perceived human resource management practices, engagement and employee behaviour: a moderated mediation model, *International Journal of Human Resource Management*, 24(2), 330-351.

Armstrong, M. (2000). *Performance management*: *Key strategies and practical guidelines.* London, UK: Kogan Page Limited.

Armstrong, M. 2001. *Performance Management*. London: Kogan Page Limited.

Bakker, A. B., & Schaufeli, W. B. (2008), Positive Organizational Behavior: Engaged Employees in Flourishing Organizations, *Journal of Organizational Behavior,* 29 (2), 147-154.

Bakker, A. B., & Xanthopoulou, D. (2013). Creativity and charisma among female leaders: The role of resources and work engagement. *The International Journal of Human Resource Management,* 24(14), 2760-2779.

Bates, S. (2004, February). Getting engaged. *HR Magazine*, 49(2), 44−51.

Baumruk, R. (2004). The missing link: the role of employee engagement in business success, *Workspan*, 47, 48-52.

Bhattacherjee, A. (2012). *Social Science Research: Principles, Methods, and Practices* (Vol. Book 3). www.scholarcommons@usf.edu.: Open Access Textbooks.

Blumberg, B., Cooper, D. R. & Schindler, P. S. (2008). *Business Research Methods,* 2nd European Edition. London: McGraw-Hill.

Borman, W. C., & Motowildo, S. J. (1993). Expanding the criterion domain to include elements of contextual performance. In N. Schmitt & W. C. Borman (Eds.), *Personnel selection in organizations*. San Francisco: Jossey-Bass.

Borrego, M., Douglas, E. P. & Amelink, C. T. (2009). Quantitative, Qualitative, and Mixed Research Methods in Engineering Education. *Journal of Engineering Education*, 98 (1), pp. 53 – 66.

Bryman, A. (2008). *Social Research Methods: Interviewing in Qualitative Research*, 3rd Edition New York: Oxford University Press.

Buchner, T. W. (2007). *Performance management theory*: *A look from the performer's perspective with implications for HRD.* Human Resource Development International 10.

Cardy, R. L. (2004). *Performance management: Concepts, skills, and exercises*. Armonk, NY: M. E. Sharpe.

Cengia, G. (2012). Resource Management: Employee Engagement. *Ceramic Industry, 162* (8), 21-23.

Christian, M. S., Garza, A. S., & Slaughter, J. E. (2011). Work engagement: A quantitative review and test of its relations with and contextual performance. *Personnel Psychology*, 64, 89-136.

Clark, T. (2012). *The Employee Engagement Mindset.* New York: The McGraw Hill.

Corporate Leadership Council. (2004). *Driving employee performance and retention through engagement: A quantitative analysis of the effectiveness of employee engagement strategies,* Washington: Corporate Executive Board.

Creswell, J. (2007) *Qualitative Inquiry And Research Design: Choosing Among Five Traditions,* 2nd ed., Thousand Oaks, CA: Sage.

Creswell, J. W. (2009) *Research Design: Qualitative, quantitative and mixed methods approaches*, 3rd ed., London: Sage.

Crim, D. & Seijts, G. (2006). What Engages Employees the Most or, the Ten C's of Employee Engagement. *Ivey Business Journal,* March/April. Retrieved from http://www.iveybusinessjournal.com

Croxford, H., Abramson, F., & Jablonowski, A., (2006), *The art of better retail banking: supportable predictions on the future of retail banking*. Chichester: John Wiley & sons.

Decenzo, D.A. & Robbins, S.P. (2002). *Human Resource Management.* 7th ed. New York: John Wiley & Sons.

Denzin, N. & Lincoln, Y. (2011) *The Handbook of Qualitative Research*. Thousand Oaks, CA: Sage.

De Waal, A.A. (2002). *Quest for Balance: The Human Element in Performance Management Systems.* New York: John Wiley & Sons.

Dvir, T., Eden, D., Avolio, B. J., & Shamir, B. (2002). Impact of transformational leadership on follower development and performance: A field experiment. *Academy of Management Journal,* 45(4), 735-744.

Endres, G. M., & Mancheno-Smoak, L. (2008). The Human resource Craze: Human Performance Improvement and Employee Engagement. *Organizational Development Journal*, 26(1), 69-78.

Federman, B. (2009). *Employee Engagement.* San Francisco: Jossey-Boss.

Fleck, S., & Inceoglu, I. (2010), 'A Comprehensive Framework for Understanding and Predicting Engagement,' in *Handbook of Employee Engagement: Perspectives, Issues, Research and Practice*, ed. S. L. Albrecht, Cheltenhnam: Edward Elgar Publishing Limited.

Franklin, A., & Pagan, J. (2006). Organization Culture as an Explanation for Employee Discipline Practices. *Review of Public Personnel Administration*, 52-73.

Freeney, Y., & Fellenz, M. R. (2013). Work engagement, job design and the role of the social context at work: Exploring antecedents from a relational perspective. *Human Relations*, 66(11), 1427-1445.

Gallup Organisation (2004) [online] Available at: www.gallup.com. Accessed 05 January 2016.

Gebauer, J., & Lowman, D. (2009). Engagement gap. *Leadership Excellence,*

26(4), 5.

Goffman, E. (1961). *The presentation of self in everyday life*. New York: Anchor-Doubleday.

Gratton, L., Hope-Hailey, V., Stiles, P. & Truss, C. (1999). Emerging themes. In L. Gratton, V. Hope-Hailey, P. Stiles, & C. Truss, *Strategic human resource management.* Oxford: Oxford University Press.

Gravetter, F.J. & Forzano, L.B. (2003) *Research Methods for the Behavioral Sciences,* Belmont: Thomson Wadsworth.

Griffith, L.J. & Orgera, A.C. (1997). Performance management: Mapping out the Process. In P.T. Chingos (Ed.), *Paying for performance: A guide to compensation management.* New York: John Wiley & Sons.

Groves, R. M., Fowler, Jr., F. T., Couper, M. P., Lepkowski, J. M., Singer, E. and Tourangean, R. (2009). *Survey Methodology*. 2nd Ed. New York: John Wiley & Sons.

Gruman J.A. & Saks A.M. (2011). Performance management and employee engagement, *Human Resource Management Review* 21.

Gupta, N, (2005). Alternative conceptualizations of the relationship between voluntary turnover and organizational performance. *Academy of Management Journal,* 48, 50–68.

Gupta, S., Hanssens, D., Hardie, B., Kahn, W., Kumar, V., Lin, N, Ravishanker,N. & Sriran, S. (2006). Modelling Customer Lifetime Value, *Journal of Service Research,* 9(2), pp. 139 – 155.

Hair, J. F., Black, W. C., Babin, B. J. & Anderson, R. E. (2010) *Multivariate Data Analysis, A Global Perspective*, 7th Ed., Upper Saddle River, NJ: Pearson.

Hall, R. (2008). *Applied Social Research: Planning, Designing and Conducting Real-World Research.* Melbourne: Palgrave Macmillan.

Heil, G., Bennis, W. & Stephens, D.C. (2000). *Douglas McGregor, Revisited: Managing the human side of the enterprise.* New York: John Wiley & Sons.

Hodges, K. & Pantony, H. (2003). *Performance Management: A survey of views in current practice.* London: SHL Group.

Hope-Hailey, P. Stiles, & C. Truss. (2001). *Strategic human resource management*. Oxford: Oxford University Press.

Hsieh, T. (2011). *WE—How To Increase Performance and Profits through Engagement.* New Jersey: John Wiley and Sons, Inc.

Iyer, S., & Israel, D. (2012). Structural equation modeling for testing the impact of organization communication satisfaction on employee engagement. *South Asian Journal of Management,* 19(1), 51-81.

Johnson, R. & Onwuegbuzie, A. J. (2004) Mixed Methods Research*:* A research paradigm whose time has come*, Educational Researcher*, 33(7)

Juhdi, N., Pa'wan, F., & Hansaram, R. M. K. (2013). HR practices and turnover intention: The mediating roles of organizational commitment and organizational engagement in a selected region in Malaysia. *The International Journal of Human Resource Management,* 24(15), 3002-3019.

Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, 33(4), 692-724.

Kahn, W. A. (1992). To be fully there: Psychological presence at work. *Human Relations,* 45, 321-349.

Kalof, L., Dan, A. & Dietz, T. (2008) *Essentials of Social Research*, London: McGraw-Hill.

Kruse, K. (2012). *Employee Engagement 2.0*. Richboro, Pennsylvania: The Kruse Group.

Kinnie, N., Hutchinson, S., Purcell, J., Rayton, B. & Swart, J. (2006), Satisfaction with HR practices and commitment to the organisation: why one size does not fit all, *Human Resource Management Journal* 15 (4), 9-29.

Kondrasuk, J.N. (2011). So what would an ideal performance appraisal look like? *Journal of Applied Business and Economics*, 12(1).

Kotze, J. (2002). Sustainable Competitive Advantage. *Accountancy SA*, February, pp.14-15.

Lawler, E. E., (2008). Make human capital a source of competitive advantage. *Organizational Dynamics*, 38, 1−7.

Leedy, P. and Ormrod, J. (2009) *Practical Research: Planning and Design*, 9th ed., Upper Saddle River, NJ: Pearson Education.

Le Roux, D.J. (1995). *The Evaluation of a Performance Management System within South African Organisations*. MBA thesis, Graduate School of Business, University of Stellenbosch, South Africa.

Li, Y., Guohui, S. & Eppler, M. (2008). *Making Strategy Work: A Literature Review on the Factors influencing Strategy* . ICA working paper 2/2008.

Linley, P. A., Joseph, S., Maltby, J., Harrington, S., & Wood, A. M. (2009). Positive psychology applications. In S. J. Lopez & C. R. Snyder (Eds.), *Oxford handbook of positive psychology* (pp. 35−47). Oxford: Oxford University Press.

Little, B., & Little, P. (2006), Employee Engagement: Conceptual Issues, *Journal of Organizational Culture, Communications and Conflict,* 10 (1), 111-120.

Lockwood, N. R. (2007). *Leveraging employee engagement for a competitive advantage.* Alexandria, VA: Society for Human Resource Management.

Macey, W. H., & Schneider, B. (2008). The meaning of employee engagement. *Industrial and Organizational Psychology*.

Macey, W. H., Schneider, B., Barbera, K. M., & Young, S. A. (2009). *Employee engagement: Tools for analysis, practice, and competitive advantage.* Malden, WA: Wiley-Blackwell.

MacLeod, D., Emmott, M., Walsh, I., Robinson, D., Parkes, S., & Pickard, J. (2009). Employee Branding.*People Management, 15* (23), 18-22*.*

Marciano, P. L. (2010). *Carrots and Sticks Don't Work.* New York: The McGraw-Hill Companies.

McWilliams, A., Siegel, D., & Teoh, S. H. (1999). Issues in the use of the event study methodology: a critical analysis of corporate social responsibility studies. *Organizational Research Methods*, 2(4), 340-365.

Meijaard, J., Brand, M. J., & Mosselman, M. 2005. Organizational structure and performance in Dutch small firms. *Small Business Economics*, 25(1): 83-96.

Menguc, B., Auh, S., Fisher, M., & Haddad, A. (2013). To be engaged or not to be engaged: The antecedents and consequences of service employee engagement. *Journal of Business Research*, 66(11), 2163-2170.

Mone, E. M., & London, M. (2010). *Employee engagement through effective performance management: A practical guide for managers*. New York: Routledge.

Murphy, K. R., & DeNisi, A. (2008). A model of the appraisal process. In A. Varma, P. S. Budhwar, & A. DeNisi (Eds*.), Performance management systems: A global perspective* (pp. 131−146). New York: Routledge.

Neuman, W. L. (1994) *Social Research Methods: qualitative and quantitative approaches*, 2nd Ed., Boston: Allyn and Bacon.

Pulakos, E. D. (2009). *Performance management: A new approach for driving business results.* Malden, MA: Wiley-Blackwell.

Pulakos, E. D., & O'Leary, R. S. (2010). Why is Performance Management broken. *Industrial and Organizational Psychology*, 4 .

Rademan, D. J. & Vos, H. D. (2001). Performance appraisals in the public sector: Are they accurate and fair? *Journal of Industrial Psychology*, 27 (1).

Rees, C., Alfes, K., & Gatenby, M. (2013). Employee voice and engagement: connections and consequences. *The International Journal of Human Resource Management,* 24(14), 2780-2798.

Richman, A. (2006). Everyone wants an engaged workforce how can you create it? *Workspan*, 49, 36−39.

Robins, E., Sandler, M., & Durand, F. (1999). Inter-relationships between the January effect, market capitalisation and value investment strategies on the JSE. *Investment Analysts Journal*, 50(4), 53-64.

Robinson, D., Perryman, S., & Hayday, S. (2004). *The Drivers of Employee Engagement.* Brighton: Institute for Employment Studies.

Robinson, R. K., Franklin, G. M., & Novicevic, M. (2012). Post-Tenure Review and Just-Cause Termination in U.S. Public Institutions of Higher Learning: A Legalistic Examination. *Public Personnel Management*, 127-149.

Saunders, M., Lewis, P. & Thornhill, A. (2009) *Research methods for business students*, 5th Ed., London: Pearson.

Sharedata. (2015). *Quick Facts: Nedbank Group*. Retrieved 22 May, 2015, from http://www.sharedata.co.za/Data/000611/main.htm

Shantz, A., Alfes, K., Truss, C., & Soane, E. (2013). The role of employee engagement in the relationship between job design and task performance, citizenship and deviant behaviours. *The International Journal of Human Resource Management,* 24(13), 2608- 2627.

Sharma, B. & Anupama, R. (2010). Determinants of Employee Engagement in the Private Sector Organization. .*Advances in Managerment, 3* (10), 52-59.

Shuck, B., & Rocco, T. (2013), 'HRD and Employee Engagement', in *Employee Engagement in Theory and Practice*, Truss C, K. Alfes, Delbridge R, Shantz A, Soane EC (Eds.), London: Routledge.

Spangenberg, H.H. & Theron, C.C. (2001). Adapting the Systems Model of Performance Management to Major Changes in the External and Internal Organisational Environments. *South African Journal of Business Management*, 32 (1), pp. 35- 47.

Spector, P.E. (2003). *Industrial and Organisational Psychology: Research and Practice* 3rd ed. New York: John Wiley & Sons.

Sweetman, D., & Luthans, F. (2010). The power of positive psychology: Psychological capital and work engagement. In A. B. Bakker & M. P. Leiter (Eds.), *Work engagement: A handbook of essential theory and research* (pp. 54−68). Hove, East Sussex: Psychology Press.

Talloo, T. J. (2007). *Business Organisation and Management*. New Delhi: Tata McGraw-Hill.

Teddlie, C. & Tashakkori, A. (2012). *Mixed Methodology: Combining Qualitative and Quantitative Approaches,* London: Sage.

Townsend K, Wilkinson A, & Burgess J (2013), Routes to Partial Success: Collaborative Employment Relations and Employee Engagement*, International Journal of Human Resource Management*, 25(6), 915-930.

Truss, C. (1999). Soft and hard models of human resource management. In L. Gratton, V. Hope-Hailey, P. Stiles, & C. Truss, *Strategic human resource management.* Oxford: Oxford University Press.

Truss, K., Soane, E., Edwards, C. Y. L., Wisdom, K., Croll, A., and Burnett, J. (2010), *Working Life: Employee Attitudes and Engagement* London: Chartered Institute of Personnel and Development.

UCSD Human Resources Department (2004). *Guide to Performance Management: Overview of Performance Management.* Retrieved 23 September 2004 from the World Wide Web: http://www-hr.ucsd.edu/~staffeducation/guide/overvw.html

Wang, L., Hinrichs, K. T., Prieto, L., & Howell, J. P. (2013). Five dimensions of organizational citizenship behavior: Comparing antecedents and levels of engagement in China and the US. *Asia Pacific Journal of Management*, 30(1), 115-147.

Weiss, T. B. & Hartle, F. (1997). *Reengineering Performance Management: Breakthroughs in achieving strategy through people*. Boca Raton, Fl: St. Lucie Press.

Whan, C. (2011). Leveraging GARP to Ensure Employee Engagement. *Information Management Journal,* 45 (6), 32-35.

Williams, R.S. (2002). *Managing employee performance: Design and implementation in organisations.* London: Thomson Learning.

Wood, J., Wallace, J., & Zeffane, R. (2001). *Organizational Behaviour.* Milton, Australia: John Wiley & Sons.

Wright, D. (2012). Getting Serious about Employee Engagement. *Power Engineering 116* (4), C3.

Yalabik, Z.Y., Popaitoon, P., Chowne, J.A. & Rayton, B.A. (2013), Work engagement as a mediator between employee attitudes and outcomes, *The International Journal of Human Resource Management*, 23(1), 1-25.

Zwell, M. (2000). *Creating a Culture of Competence*. New York: John Wiley & Sons.

http://www.nedbankgroup.co.za/financials/2014Sustainability/about_introduction.asp

http://www.nedbankgroup.co.za/financials/Nedbank_ar14/overview/group_at_a_glance.asp

http://fscharter.co.za/

APPENDIX A

Letter to Respondents

Dear respondent

I'm currently on Nedbank bursary studying MBA at the Wits Business School part-time and this session I'm busy with my MBA research report as part of the course requirement for the MBA qualification. The research topic is "Factors affecting employee engagement in a South African Bank".

I would love to conduct a focus group with you regarding this topic in the context of Nedbank in the branch network division. I would appreciate an opportunity to meet and discuss these factors. The focus group session will consist of 8 individuals and will be approximately two hours.

Please note that, I commit to make sure that no harm will come to you as the participant and confidentiality and anonymity will be abided by. I will also refrain from asking any questions you would like to exclude. Please note that the permission for this research topic has been granted by the senior involved (Timothy Whati – Regional General Manager).

The focus groups session will be scheduled for 2nd week of December, the invitations will be sent out on Monday 20th of November 2015. The questionnaire will be submitted with the invite. The venue will be 6E Nedbank Building, corner Herman and Corobrick road, Meadowdale, Edenvale, Building 2, First Floor, Aston Martin Boardroom and refreshment will be provided for.

Thank you in advance for your assistance.

Kind Regards,

Bongani Thabethe
Student Number: 9714102K
Cell Number: 083 390 5534
Email: bonganith@nedbank.co.za or bonganithabethe.bt2@gmail.com

Research Supervisor: Prof. Dr. Rasoava Rijamampianina

APPENDIX B

Letter to Respondents

Dear respondent

I'm currently on Nedbank bursary studying MBA at the Wits Business School part-time and this session I'm busy with my MBA research report as part of the course requirement for the MBA qualification. The research topic is "Factors affecting employee engagement in a South African Bank".

You've been chosen to participate in this questionnaire. Attached, please find the questionnaire for your review and completion. This questionnaire is very important part of my study. It only takes 15 minute to complete this survey. Please kindly mark from 1 to 5 for your answer and only one for each question.

Please note that, I commit to make sure that no harm will come to you as the participant and confidentiality and anonymity will be abided by. Please note that the permission for this research topic has been granted by the senior involved (Timothy Whati – Regional General Manager).

Thank you in advance for your assistance.

Kind Regards,

Bongani Thabethe
Student Number: 9714102K
Cell Number: 083 390 5534
Email: bonganith@nedbank.co.za or bonganithabethe.bt2@gmail.com
Research Supervisor: Prof. Dr. Rasoava Rijamampianina

APPENDIX C

Focus group questions:

1. What does engagement in the workplace mean to you?

2. In your view, what are the 3 major elements of an engaged manager?

3. What motivates you to come to work everyday?

4. What is it about your job that gets you engaged? (Highlight the ones that apply to you)

The job itself	The people	Sense of achievement	Recognition and reward
Financial benefits	The impact I have on other people		

5. Which parts of your job do you enjoy the least?

6. How are your workplace relationships? How do you relate to your colleagues and subordinates?

Relationships in the workplace:

6. How often do you have social events with your colleagues outside business? If yes, what kind of events do you engage in?

Yes	Most of the time	Sometimes	No

7. Do you feel connected with you colleagues?

Yes	Most of the time	Sometimes	No

8. How do you share with each other about what you are doing in your position and how?

As a manager:

9. Do you know your team's engagement levels? If so, how are these measured?

10. Are you surprised about their engagement levels?

Yes : Higher than expected	Yes: Lower than expected	No

11. What are the traits of an engaged employee?

12. Do your employees have set parameters or are they allowed to express their creativity in their roles? Please explain.

13. How would you describe your own management style?

14. How do you involve your employees in your decision making?

Very often	Often	Sometimes	Not at all

15. Do you have clear objectives for your team? Does your team know what is expected of them, how is this communicated? Brief explanation.

16. Do you often give your employees new challenges in their work or opportunities to be innovative?

Yes	Most of the time	Sometimes	Not at all

17. How do you consider your employees development plan, interest, strength and weakness when you assigning the work to them?

18. What is your involvement in your team's development?

19. How often do you have meetings to review and discuss their progress? How are these meetings handled? (brief explanation)

Once a week	Once a month	Once a quarter	Once a year

20. Are you open to employee feedback? How do you handle it (positive or negative)?

APPENDIX D

Please indicate by placing a tick in the appropriate box.

Section 1 – Personal Information: Personal information is used for research only and will be used confidentially.

1.1. Your age group

18 – 24	25-34	35 - 44	45 - 54	55 – 64

1.2. Current position in Nedbank – occupational level

General / MoS	Team Leader	Branch Manager	HR Manager	MANCO

1.3. Tenure in the bank – current role

Less than 1 year	1–3 years	4–6 years	7–9 years	10 years and more

1.4. Race

African	Asian	Coloured	Indian	White

1.5. Gender

Male	Female

1.6 Education Level

Matric	Certificate	Diploma	Degree	Master or above

Section 2 – FACTORS AFFECTING EMPLOYEE ENGAGEMENT

Please state the extent to which you agree or disagree with the following statements by placing an "X" in the appropriate box. Please choose a level from 1 strongly disagree to 5 strongly agree, only one cross is allowed. The score levels are labelled in following table:

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

		1	2	3	4	5
I.	**Relationship with my direct report / Line Manager**					
1	My line manager treats me fairly.					
2	My line manager is an effective manager.					
3	My line manager treats me with respect.					
4	My line manager ask me for my input to help make a decision					
5	My line manager handles my work related issues satisfactory					
II.	**Career advancement opportunities**					
6	I am satisfied with my opportunities for professional growth.					
7	I am satisfied with the investment my organization makes in training and education.					
8	Promotion goes to those who most deserve it.					
9	I was given enough feedback on my performance.					
10	I am satisfied with the opportunities for training.					
III.	**Employee Development**					
11	I feel that workplace training opportunities encourage me to work better.					
12	I have benefited from work-based training and development in the last twelve months.					
13	I am valued as a hardworking individual within my organization.					
14	I am motivated by the prospect of promotion in the near future within my organization.					
15	The country's economic and social challenges affect my personal development.					

IV.	**Relationship with co-worker / colleague**					
16	My co-workers and I have a good working relationship.					
17	Employees treat each other with respect.					
18	Work is fairly distributed in my work group.					
19	I feel free to talk openly and honestly with members of my work group.					
20	My work group works well together.					
21	I am satisfied with how members of my work group solve problems.					
V.	**Compensation and Benefits**					
22	I am satisfied with the company's employee welfare programs such as rewards, incentives, food coupons, insurance and health care, etc.					
23	I am satisfied with the recreational activities provided by the company, e.g. picnics and annual dinner.					
24	I am compensated fairly relative to my local market.					
25	I am satisfied with my overall compensation.					
VI.	**Employee Empowerment**					
26	I have the authority to correct problems when they occur.					
27	I am encouraged to handle customer problems by myself.					
28	I do not have to get management's approval before I handle problems.					
29	I am allowed to do almost everything to solve problems.					
30	I have control over how I solve problems.					

Section 3 – ENGAGEMENT OF EMPLOYEE

EMPLOYEE ENGAGEMENT		1	2	3	4	5
31	I am very satisfied with my current job.					
32	I am highly committed to this organization.					
33	I would recommend this organization to friends and family.					
34	I feel personally driven to help this organization succeed and will go beyond what's expected of me to ensure that it does.					
35	I am extremely proud					

MANY THANKS FOR YOUR TIME

Please email completed questionnaire to both: bonganith@nedbank.co.za and / or bonganithabethe.bt2@gmail.com