



Human Resource Professionals' Role in Maintaining Employee Engagement during Merger; a case of Commercial Bank of Ethiopia and former Construction and Business Bank

A Thesis Submitted to Addis Ababa University School of Commerce in Partial Fulfillment of the requirements for Master of Art Degree in Human Resources Management

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Declaration

I Daniel G/Selassie, declare that this work entitled ‘**the Human Resource Professionals Role in Maintaining Employee Engagement during Merger**’ is outcome of my own effort and that all source of materials used for the study have been duly acknowledged. I have produced it independently except the guidance and suggestion of the Research Advisor. This study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the degree of MA in Human Resource Management.

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Letter of Certification

This is to certify that this research paper titled, '**Human Resource Professionals Role in Maintaining Employee Engagement during Merger**' undertaken by Daniel Gebreselassie and submitted in partial fulfillment to the requirements of master's degree in human resource management at Addis Ababa University School of Commerce, is an original work and not submitted earlier for any degree either at this university or any other university.

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LIST OF ABBREVIATIONS

CBB-	Construction and Business Bank
CBE-	Commercial Bank of Ethiopia
DDI-	Development Dimension International
DV -	Dependent Variable
ETB-	Ethiopian Birr
HR-	Human Resource
IV-	Independent Variable
OCB-	Organizational Citizenship Behavior
SPSS-	Software Package for Social Science Student
UWES -	Utrecht Work Engagement Scale

Abstract

The purpose of this study was to examine the level of HR role and employee engagement and then examining the relationship between the two variables. The study was made based on the interview conducted with some selected employees of the bank and the questionnaires administered to 315 clerical, professional and administrative employees of CBE and former CBB. Descriptive statistics and spearman correlation were used for the data analysis. Change requires active employee engagement that derived by active involvement of HR professionals. Due to a competitive scenarios, the bank need to have HR professionals who know their role and actively involved during such change through which the employees reach to the highest engagement level. The result of the this study revealed that the employee engagement and HR professionals involvement at CBE are low. From the study it was also noted that there exists a statistically significant positive relationship between employee engagement and the role of HR professionals. Hence, to achieve its vision of becoming a world class bank, CBE has to have employees who are highly engaged and actively involved HR professionals that strive to take their bank to the highest level.

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Whether changes are ordered or crises change, it has the ability to negatively affect an employee engagement on employees (Hoare & Cartwright, 1997).

Employee engagement is crucial for a successful execution of strategy and ultimately a successful merger (Bones, 2007). The loss of key talent, which links with the concept of employee engagement, is a significant reason why merger fail (Schuler & Jackson, 2007).

Mergers occur when two companies combine their operations and participate as equal partners in order to achieve strategic and business objectives (Sudarsanam, 2003).

In case of Commercial Bank of Ethiopia and former Construction and Business Bank, what taken place was merger not, an acquisition because no new organization/company is acquired from an external party as the ownership of the banks were belonged to government and the government merged its two owned banks to form a more strong mammoth Commercial Bank.

Given the central role played by banks in the service sector and in the economy in general, this process of financial consolidation begins attracting substantial attention of professionals and policy-makers. Surprisingly, the majority of studies comparing pre- and post-merger performance finds that these potential efficiency gains derived from merger is rarely materialized (Berger, Demsetz and Strahan, 1999) and suggest the improvements in efficiency are expected from banking mergers (Hutchings & De Cieri, 2007). A possible rationale for this puzzle includes factors like employee disengagement.

As engagement is perceived as the underlying factor for success, it should take priority and be tackled and HR professionals should be an involved business partners from the beginning of the planning stages of merger by using good HR practice and management to support the organizational change.

1.2 Background of the Organization

The study was conducted by taking the merging of Commercial Bank of Ethiopia and the former Construction and Business Bank. Hence, in this part, the backgrounds of the two merged banks are discussed.

1.2.1 Background of Commercial Bank of Ethiopia

The history of Commercial Bank of Ethiopia (CBE) dates back to the establishment of the state bank of Ethiopia in 1942. CBE was legally established as a share company in 1963. In 1974, CBE merged with the privately owned Addis Ababa Bank. Since then, it has been playing a significant role in the development of the country (CBE Profile, 2016).

The Commercial Bank of Ethiopia was established to perform the following functions, among others: accepting saving, demand and time deposits, providing short and medium term loans, with a limited ceiling of long term loans, buying and selling foreign exchanges, buying and selling negotiable instruments and securities issued by the government, private organizations or any other person, engaging in other banking activities customarily carried out by commercial banks.

CBE envisions becoming a world class Commercial Bank by 2025. Its mission is read as, “We are committed to best realize stakeholders' needs through enhanced financial intermediation globally and supporting national development priorities, by deploying highly

motivated, skilled and disciplined employees as well as state-of-the-art technology. We strongly believe that winning the public confidence is the basis of our success.” Its core values include integrity, customer satisfaction, employee satisfaction, learning organization, teamwork and collaboration, public trust, value for money, decentralization, and corporate citizenship.

Commercial Bank of Ethiopia is supervised by Board of Directors under Government Financial Supervisory Agency. The Management of the Bank is entrusted to the president. CBE carries on its business through more than 1016 branch networks as of November, 2016 and five subsidiary branches in South Sudan. The nation-wide branches execute their functions under the supervision of more than 10 district offices. CBE-South Sudan Ltd. is a wholly owned subsidiary of CBE operating in the banking industry of South Sudan. The first branch under the subsidiary named “Juba” in the capital city of South Sudan became operational since June 2009.

The branch provides deposit service, money transfer, cash management service, documentary credit and collection, and foreign and local guarantee services. Commercial Nominees PLC is 96% owned subsidiary company of CBE, which is mainly engaged in handling share dealing, pension fund administration, managing employees provident and benefits, trust fund administration, real estate/property administration, acquiring and selling flat and story buildings, money transfer services, deals as insurance agent, tax and bill collection and compensation and other disbursement. As per the information obtained from the company’s profile, Commercial Bank of Ethiopia has reliable and long-standing relationships with more than 800 internationally acclaimed banks throughout the world.

1.2.2. Background of former Construction and Business Bank

Construction and Business Bank was one of the biggest banks in Ethiopia. Its history goes back to 1975 when it was known as the Housing and Savings Bank which was formed

through the merger of two financial institutions; namely, Imperial Saving and Home Ownership Associations and Saving and Mortgage Corporation of Ethiopia which were nationalized at onset of the socialist era of Ethiopia. It covered the whole country through 79 branches.

The range of products that were offered by CBB include import financing, export financing, non-resident accounts, loans, mortgages, savings deposits, time deposits, demand deposits, investments, and money transfer services having the vision to be the best performing bank in Ethiopia by 2020. However, recently prior to the merger, the bank's overall performance was declined. It used to have net income after tax of ETB52,438,000, a Capital of ETB500,000,000 and a human power of 1,977 as of March 31, 2016. Though it were reported that CBB was showing improvement, the financial viability exhibited in the dramatic decline of profit for the past couple of years triggered the authorities to look into the final fate and possible remedies to save the oldest mortgage bank in Ethiopia. One indication of the grave financial condition that bank is in is the ETB21.30 million gross profit which the bank has secured during the six-month operations of the 2015/16 financial year, a disappointing 76 percent lower than the target it set for the period. Furthermore, the figure is also 40.3 percent less compared with the same period in the 2014/15.

In the first six months of 2014/15 fiscal year, CBB has recorded a total income of ETB573.2 million surpassing the ETB511.2 million targets it has set for itself for the period. According to a document obtained by the Reporter, the unexpected revenue the bank generated during the period is attributed to a surge in the other incomes category as a result of high gains accrued to the bank due to foreign currency fluctuation recorded during the period. The bank's total expense during the period in question has also climbed by a whopping 122 percent from the target ETB420 million reaching ETB515.9 million, the document stated. The bank also attributed

this huge increase in expense to the loss it had incurred on foreign currency fluctuation in the same period. The bank also disbursed ETB678.3 million loan including NBE's 27 percent bill showing a decline of 52.7 percent from the planned ETB1.45 billion in the half year operation (Reporter by Mamo Gebrehiwot, January 24, 2015, Government considering commercial, mortgage banks merger Banking, News).

As Director General of Public Financial Enterprises Agency (PFEA) told journalists on December 22, 2015, that the merger decision was made because the two banks are engaged in similar activities and the decision intended at creating a strong bank that help boost Ethiopia's economic growth (Fana Broadcasting Corporate December 24, 2015). The merger was a direct result of recommendations from government sponsored research looking to restructuring the development bank, CBE and the Ethiopian Insurance Corporation under one umbrella. The Construction Bank, established in 1975, had assets worth over ETB7.6 billion and 1,993 permanent staff. The much larger Commercial Bank of Ethiopia had ETB310.9 billion in assets, and over 30,000 workers in 992 branches around the country at the time of the merger (Amanuel -January15, 2016 capitalethiopia.com). Thus, the 170 branches of the merged Construction and Business Bank (CBB) were reopened doors as branches of its new owner, the mammoth Commercial Bank of Ethiopia (CBE) on April 4, 2016. (April, 2016 Business, News Yonas Abiye)

1.3 Statement of the Problem

In an attempt to understand the reasons for success or failure rate of mergers, many researchers have been conducted a study (Brown, 2004, Schuler & Jackson, 2007, Banel-Estanol & Seldeslachts, 2011). Unfortunately, none is conducted in Ethiopia because a Bank merger is a

recent phenomenon. The empirical studies relating to this topic seldom reach consistent conclusions. Most studies do not explicitly link the various employee engagement methods to be pursued in mergers with the degree of HR professionals' role to gain the success that is eventually obtained. Nevertheless, it is clear that human resource issues are generally under-managed, poorly understood, and often discarded at the outset as irrelevant to the strategic planning process (Napier 1989; Buono and Bowditch, 1989). The researcher also believed and noticed that CBE and former CBB's merger are also not free from being affected by people issue under management and minimal HR professionals' involvement in carrying out merger which leads to employee disengagement.

As information is solicited from some former employees of CBB, they stated that their issues are not get much attention and they assigned with a minimal consideration to their scenarios that looks like just filling the gaps and as they indicated their scenarios minimal consideration by the HR of the bank are contributed to their currently lowered engagement level.

They also stated that, implementation of merger with no or minimal participation of the them are also affected their level of engagement because they felt that as they are less competent as a result of which they are assuming their former bank is dissolved and merged to the CBE. They are also indicated as this leads them to engage less when compared to their former initiation and engagement.

Depending on the solicited information the researcher also figured out that mergers within the bank are being poorly managed and that HR is not actively involved at expected level of involvement. The researcher also understood that, the decisions did not involve HR as change initiatives as the merger was mainly focused on short term financial gains. As information is also solicited from some administrative staffs, merger developed following a change rationale, which

are primarily focused on financial considerations that leads to its implementation with minimal communication to employees.

Hence, it is necessary to identify the existing level of employee engagement and HR involvement because if employee disengagement level is high in the Bank, it goes beyond affecting only CBE's productivity; it also affects the country in general. The disengagement from each organizations leads to the loss of significant amount of money at the country level. The minimal involvement of HR leads to disengagement of employee that also goes beyond the failure of merger in a single company. For instance, the US is thought to lose 300 billion annually in lost productivity just due to disengaged workers (Wallace & Tnka, 2009).

The student researcher also believes that, the successes of CBE and former CBBs' merger depends on the active involvement of HR in employee affairs to help enhancement and maintenance of employee engagement; however, striving for success at absence of employee engagement is a mere wish. "The success and failure of any merger hangs on HR activities" (Sengupta, 2011).

To this regard, the researcher has believed that there is a gap in this arena and identifying the existing level of employee engagement and HR involvement is necessary after which possible recommendations can be forwarded to help bridge the gap. The possible gaps of paying less integrative attention to the feature engagement and HR involvement were regarded as potential limiting factors of mergers and overall organizational success future prospect. The worst scenario is that, the chain effect of the gaps may adversely affect the banking system and end up with more adverse repercussions in disrupting primarily the banking industry and the economy as well.

Hence, the focal investigation areas of the research were: existing level of HR role/involvement, existing level of employee engagement, and the HR involvement in maintaining and/or enhancing employee engagement.

Finally, this research was deemed to contribute in bridging the knowledge gap and its outcome helps to address the critical HR role and employee engagement related concerns.

1.4 The Research Question

The researcher raised three basic research questions. They were:

- What is the level of HR professionals' role in maintaining employee engagement?
- What is the level of employee engagement at Commercial Bank of Ethiopia?
- What roles do HR professionals play in to enhance employee engagement?

1.5. The Research Objectives

1.5.1. General Objective

The general objective of the study is to examine HR professionals' role in maintaining employee engagement.

1.5.2. Specific Objectives

The specific objectives of the study are:

- To examine the level of HR professionals' role in maintaining employee engagement.
- To examine the level of employee engagement at CBE.
- To investigate the roles of HR professionals in maintaining employee engagement.

1.6 The Significance of the Study

The focus on employee engagement has a short history. It has been only about two decades since more studies in the area are introduced. The studies made so far are mostly confined to the Western and Far East nations; while the study made in Ethiopia are only handful and/or none exists. As such, the researcher believed that this research have its own role to fill the gap in this particular area. To conduct the study the researcher has used a standard model developed by Schaufeli & Bakker, the Utrecht Work Engagement Scale (UWES-with 9 items) (Schaufeli & Bakker, 2003) to describe the level of employee engagement; whereas, David Ulrich's HR role model question(1997) has used to describe the level of the roles that HR professionals play to maintain employee engagement.

Hence, the instrumental value that generated from using these standardized instruments created an opportunity to address the right variables of employee engagement and role of HR. It also help the bank to see where they are located in this regard. In a way it tries to suggest ways the bank can maintain employee engagement through the active involvement of HR, the Bank may enhance HR involvement to help the maintenance of the engagement. It gives insight to the Bank and other users to work on this issue further. Last but not least it can be a reference for future research for anyone who has interest to work in the area.

1.7 Delimitation or Scope of the Study

The study was delimited from three perspectives:

❖ Geographical Delimitation

The study was delimited to the Commercial Bank of Ethiopia's head office and its selected Addis Ababa Branches.

❖ **Conceptual Delimitation**

The study made an assessment on level of employee engagement and the degree of the Human Resource professionals' involvement in enhancing and maintaining employee engagement. Delimitation was made to the David Ulrich's four HR role model to assess the level of HR professional role. Whereas, to assess the level of employee engagement a model developed by Schaufeli & Bakker, the Utrecht Work Engagement Scale (UWES-with 9 items) (Schaufeli & Bakker, 2003) with three employee engagement dimension (Vigor, Dedication and Absorption) were used.

❖ **Methodological Delimitation**

The study was delimited to describing the variables of study and explaining the relationship between the dependent and independent variable. The scope of the research sample was restricted to randomly selected respondents of CBE head office and Addis Ababa branches administrative, professional and clerical employees. Instrument wise, the study was limited to employing close ended questionnaires and semi structured interview.

The findings of the research is only generalized to employee of CBE that works at head office and Addis Ababa branches who are categorized as Administrative, Professional and Clerical employees.

1.8 Limitation of the Study

As the study is cross sectional by nature, it is limited to one time response of the respondents and did not considers trends like HR professionals and engagement level before and after merger.

The study explore the level of HR professionals only from David Ulrich's four HR role model(strategic partner, administrative expert, employee champion and change agent roles) and the level of employee engagement from Schaufeli & Bakkers' Utrecht Work Engagement Scale 9 items with three employee engagement dimension (Vigor, Dedication and Absorption).

The findings of the study only generalized to administrative, professionals and clerical employees working under the four Addis Ababa area districts and employees working at the head office in different process units.

1.9 Organization of the Study

The study comprised the following five chapters entitled as: Introduction, Review of Related Literatures, Research Methodology, Data Presentation and Analysis, Summary of Findings, Conclusions and Recommendations.

Chapter one dealt with introduction.

Chapter two comprised a review of relevant literatures.

Chapter three dealt with the research methodology part of the study.

Chapter four comprised the data analysis results, interpretation and discussion.

Chapter five comprised of three sections, which include summary of findings, conclusions, and recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

The literature review examine the rationale for engaging employee, the roles that HR professionals play to engage employee and the relation that HR involvement have with employee engagement. It explores how minimal HR involvement leads to employee disengagement and consequently to the failure change processes like merger. It discusses the impact that merger have on employees. This literature also examines the importance of employee engagement for the success of merger. It also discusses the role of HR in order to maintain employee engagement and to ensure the concerned parties are prepared for the change process.

2.1 Employee Engagement Concepts

In many merger deals, success hinges on maintaining high levels of employee engagement and retention through each phase of the transaction - from deal announcement and close all the way through integration planning and implementation (Allan & Cianni, 2011). The concept of employee engagement is attracting a lot of attention in recent times from researchers and HR business leaders in industry. However, lack of a universal definition for employee engagement remains a challenge.

Kahn (1990:694) defines employee engagement as “the harnessing of organization members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances”. The cognitive aspect of employee engagement concerns employees’ beliefs about the organization, its leaders and working conditions. The emotional aspect concerns how employees feel about each of those three factors and whether they have positive or negative attitudes toward the organization and its

leaders. The physical aspect of employee engagement concerns the physical energies exerted by individuals to accomplish their roles. Thus, according to Kahn (1990), engagement means to be psychologically as well as physically present when occupying and performing an organizational role.

Most often employee engagement has been defined as emotional and intellectual commitment to the organization (Baumruk, 2004; Richman, 2006; and Shaw, 2005) or the amount of discretionary effort exhibited by employees in their job (Frank, 2004). Although it is acknowledged and accepted that employee engagement is a multi-faceted construct, as previously suggested by Kahn (1990), Truss, 2006) define employee engagement simply as ‘passion for work’, a psychological state which is seen to encompass the three dimensions of engagement discussed by Kahn (1990), and captures the common theme running through all these definitions.

The existence of different definitions makes the state of knowledge of employee engagement difficult to determine as each study examines employee engagement under a different protocol. In addition, unless employee engagement can be universally defined and measured, it cannot be managed, nor can it be known if efforts to improve it are working (Ferguson, 2007). This highlights the problems of comparability caused by differences in definition. Furthermore, whilst it is acknowledged that employee engagement has been defined in many different ways, it is also argued the definitions often sound similar to other better known and established constructs such as ‘organizational commitment’ and ‘organizational citizenship behavior’ (OCB) (Robinson, 2004). Thus, Robinson, 2004 defined engagement as ‘one step up from commitment’.

To date, there is no single and generally accepted definition for the term employee engagement. This is evident if one looks at the definitions forwarded for the term by three well-known research organizations in human resource area, let alone individual researchers. Below are the definitions.

Perrin's Global Workforce Study (2003) uses the definition "employees' willingness and ability to help their company succeed, largely by providing discretionary effort on a sustainable basis." According to the study, engagement is affected by many factors which involve both emotional and rational factors relating to work and the overall work experience.

Gallup organization defines employee engagement as the involvement with and enthusiasm for work. Gallup as cited by Dernovsek (2008) likens employee engagement to a positive employees' emotional attachment and employees' commitment.

Robinson (2004) defined employee engagement as a positive attitude held by the employee towards the organization and its value. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization.

Furthermore, Fernandez (2007) shows the distinction between job satisfaction, the well-known construct in management, and engagement contending that employee satisfaction is not the same as employee engagement and since managers cannot rely on employee satisfaction to help retain the best and the brightest, employee engagement becomes a critical concept.

Other researchers take job satisfaction as a part of engagement, but it can merely reflect a superficial, transactional relationship that is only as good as the organization's last round of perks and bonuses. Engagement is about passion and commitment-the willingness to invest oneself and expand one's discretionary effort to help the employer succeed, which is beyond

simple satisfaction with the employment arrangement or basic loyalty to the employer (Blessing, 2008; Erickson, 2005; Macey & Schnieder, 2008). Therefore, the full engagement equation is obtained by aligning maximum job satisfaction and maximum job contribution. Perrin, 2003 also distinguishes between job satisfaction and engagement contending that only engagement (not satisfaction) is the strongest predictor of organizational performance.

Recent researches also indicate that employee commitment and organization citizenship behavior are important parts and predictors of employee engagement in that commitment is conceptualized as positive attachment and willingness to exert energy for success of the organization, feeling proud of being a member of that organization and identifying oneself with it. OCB is a behavior observed within the work context that demonstrates itself through taking innovative initiatives proactively seeking opportunities to contribute one's best and going extra mile beyond employment contract (Macey & Schneider, 2008). However, these constructs constitute the bigger construct employee engagement and they cannot independently act as a replacement for engagement (Robinson, 2004).

The bad news for management is that global surveys conducted by survey houses and research organizations indicate that significant size of employees are disengaged being skeptical of any organizational initiative or communication and rather more likely indulging in contagious negativity (Dernovsek, 2008; Perrin, 2003; Ellis and Sorensen, 2007; Blessing, 2008). The problem with these surveys is that they use their own items to measure employee engagement. If looked at the available literatures on measuring employee engagement, one would get surprisingly several measurement items to the extent that it seems different constructs are being measured (Robinson, et al, 2004; Cohen & Higgins, 2007; Perrin, 2003; Ellis and Sorenson, 2007; Dernovsek, 2008). Future researches are expected to come up with clear definition and

dimensions of employee engagement on basis of which the level of engagement can be assessed thereby pointing out to managers the roadmap for fully engaging employees in their job. As one can't measure what he/she can't manage, thus, there is a call for future researches, as suggested by Endres and Mancheno-Smoak (2008).

2.2 Evolution of Employee Engagement

Most references relate employee engagement to survey houses and consultancies. It is less taken as an academic construct. The concept is relatively new for HRM and appeared in the literatures for nearly two decades (Rafferty, Maben, West and Robinson, 2005; Melcrum Publishing, 2005; Ellis and Sorensen, 2007).

The construct, employee engagement emanates from two concepts that have won academic recognition and have been the subjects of empirical research-Commitment and Organizational Citizen Behaviour (OCB) (Robinson, Perryman & Hayday, 2004; Rafferty, 2005). Employee engagement has similarities to and overlaps with the above two concepts. Robinson et al. (2004) state that neither commitment nor OCB reflect sufficiently two aspects of engagement-its two-way nature, and the extent to which engaged employees are expected to have an element of business awareness, even though it appears that engagement overlaps with the two concepts. Rafferty et al (2005) also distinguish employee engagement and the two prior concepts- Commitment and OCB, on the ground that engagement clearly demonstrates that it is a two-way mutual process between the employee and the organization.

2.3 Engagement and Employee Involvement

Whilst some argue that employees are ‘engaged’ if they have a positive attitude towards work, others such as Purcell *et al* (2003) suggest that employee engagement is only meaningful if there is a more genuine sharing of responsibility between management and employees over issues of substance. The CIPD survey conducted by Truss *et al* (2006) suggests that strengthening *employee voice* can make a difference to organizational performance.

Employee voice can be defined as the ability for employees to have an input into decisions that are made in organizations (Lucas *et al* 2006). It has been argued that one of the main drivers of employee engagement is for employees to have the opportunity to feed their view upwards (Truss *et al* 2006). Their survey concluded that currently many organizations are not very successful in doing this and as a result many employees felt they lacked opportunities to express their views and be involved in decisions. On the other hand, researchers at Towers Perrin (2003) found employers are doing well in giving employees the freedom to make decisions relating to their jobs; 62 percent of respondents argued they have an appropriate amount of decision-making authority to do their job well.

Research by Robinson (2006) suggests there is considerable evidence that many employees are greatly under-utilised in the workplace through the lack of involvement in work-based decisions. Employee involvement is seen as a central principle of ‘soft’ HRM, where the focus is upon capturing the ideas of employees and securing their commitment (Beardwell & Claydon, 2007). Hyman and Mason (1995) argue that employee involvement schemes “extend little or no input into corporate or higher level decision making” and generally do not entail any significant sharing of power and authority. Similarly, Blyton and Turnbull (2004:272) argue that

employee involvement is 'soft on power'. However, Purcell *et al's* (2003) study found involvement in decisions affecting the job or work to be an important factor, which was strongly associated with high levels of employee engagement thus demonstrating it is an important driver.

In any work role or situation, employees have a degree of choice and discretion over how they perform their tasks and responsibilities (Robinson 2006). Furthermore, Appelbaum *et al* (2005:25) argue that, "in any formal system of work controls, some effort remains that workers contribute at their discretion". The behaviors required by a work role can be specifically defined and offer little choice in the way the work is done as in the case of an assembly line operative required to routinely and repetitively perform a simple set of tasks. Alternatively, work role behaviors can command the use of a considerable amount of discretion in the way the job is performed as in the case of senior managers (Robinson, 2006).

Robinson *et al* (2004) identified key behaviors, which were found to be associated with employee engagement. The behaviors included belief in the organization, desire to work to make things better, understanding of the business context and the 'bigger picture', being respectful of and helpful to colleagues, willingness to 'go the extra mile' and keeping up to date with developments in the field. High involvement workplaces use "a system of management practices giving their employees skills, information, motivation, and latitude and resulting in a workforce that is a source of competitive advantage" (Guthrie 2001:181).

According to Lawler and Worley (2006) for a high-involvement work practice to be effective and for it to have a positive impact on employee engagement, employees must be given *power*. They argue this will lead to employees having the ability to make decisions that are important to their performance and to the quality of their working lives, thus engaging them in their work. Furthermore, Lawler and Worley (2006) contend that power can mean a relatively

low level of influence, as in providing input into decisions made by others or it can mean having final authority and accountability for decisions and their outcomes. Involvement is maximized when the highest possible level of power is pushed down to the employees that have to carry out the decision, resulting in gaining the maximum level of engagement possible from employees.

Purcell *et al's* (2003) study found a number of factors to be strongly associated with high levels of employee engagement. The one thing all of these factors had in common was that they were connected with an employee's involvement in a practice related to their work. Furthermore, employees having involvement in decisions' affecting their job or work was also associated with high levels of engagement.

Clearly employee engagement also depends on the manager or supervisor. Cufaude (2004) argues that when managers employ a philosophy of 'servant-leadership', whereby a manager's primary role is in supporting and serving those around them, the environment becomes 'highly engaged'. Soltis (2004) argues in order to create a highly engaged environment managers must be engaged; "if managers aren't engaged it's unlikely employees will respond to any efforts to engage them" (p2). Research has demonstrated that employee engagement tends to be based on factors such as the relationship they have with their managers (Blizzard 2003). Yet other theorists claim that employee engagement depends on offering empowerment and that jobs should fit employees' interests (Lloyd 2004 and MacDonald 2002).

Most of the above literatures surrounding employee involvement suggest that the root of employee disengagement is poor management, whereby employees do not have good working relationships with their managers and are denied the opportunity to communicate and have some power in decision-making, let alone receive information from their managers.

2.4 Dimensions of Employee Engagement

Many scholars have tried to identify dimension of employee engagement and developed models to draw implications. Their diagnosis aims to determine the dimensions that well explain employee engagement. Among them: Robinson (2004) and Penna (2007) dimensions of employee engagement are some. However, they are mostly limited to survey house studies and broader in nature. Thus, for this study, the student researcher was decided to use the Utrecht Work Engagement Scale (UWES) with three employee engagement dimensions (Vigor, Dedication and Absorption), (Schaufeli & Bakker, 2003). The researcher opted to use these dimension as it is believed to be valid and reliable. Its reliability, stability, internal consistency was tested throughout different countries by different language and become valid and was shortened to this nine items from the first twenty seven items in which each dimension were contained nine items Wilmar Schaufeli and Arnold Bakker, UWES, 2003 p.7.

Schaufeli & Bakker, 2003 defined the three dimensions as: **Vigor**: refers to high level of energy and mental resilience while working, the willingness to invest effort in one's work, and persistence in the face of difficulties. **Dedication** refers to being involved in one's work, finding meaning in one's work, being challenged, and experiencing sense of enthusiasm, inspiration and pride. **Absorption** refers to being fully concentrated and engrossed in one's work, whereby time passes quickly and one has difficulties detaching oneself from work.

2.5 Employee Engagement and Organizational Performance

Studies have found positive relationship between employee engagement and organizational performance outcomes such as employee retention, productivity, profitability, customer loyalty and safety. Researches also indicate that the more engaged employees are, the

more likely their employer is to exceed the industry average in its revenue growth. Employee engagement is found to be higher in double-digit growth companies (Coffman, 2000; Ellis and Sorensen, 2007; Towers Perrin Talent Report, 2003; Hewitt Associates, 2004; Heintzman and Marson, 2005; Coffman and Gonzalez-Molina, 2002).

Baumruk and Gorman (2006) identified the three general behaviors that engaged employee consistently demonstrates which improve organizational performance. These are the employees that: *Say*-the employee advocates for the organization to co-workers, and refers potential employees and customers, *Stay*-the employee has an intense desire to be a member of the organization despite opportunities to work elsewhere, *Strive*-the employee exerts extra time, effort and initiative to contribute to the success of the business

What will happen to an organization if its employees are disengaged? Employees who are not engaged are likely to be spinning (wasting their effort and talent on tasks that may not matter much), settling (certainly do not show full commitment, not dissatisfied enough to make a break) and splitting (they are not sticking around for things to change in their organization), have far more misgivings about their organization in terms of performance measures such as customer satisfaction (BlessingWhite, 2006; Perrin Report, 2003). Meere (2005) based on the survey conducted by ISR on 360000 employees from 41 companies in the world's 10 economically strong countries finds that both operating margin and net profit margins reduced over a three year period in companies with low engagement, while these measures increased over the specified period in companies with high levels of engagement.

Financial News, March 2001, as cited by Accord Management Systems (2004), reveals that disengaged employees are more likely to cost their organization. According to the report,

employees who are disengaged miss an average of 3.5 more days per year, are less productive, and cost the US economy \$292 to \$355 billion per year.

2.6 The Role of HR in Enhancing Employee Engagement

There is growing body of evidence linking employee satisfaction, productivity, retention, profitability, performance and customer service to employee engagement taking HR as catalysis to that. “There is a strong case to be made for involving HR expertise at the most senior levels of organizational change” (Brown, 2004:2). It is believed that many changes within organizations are being poorly managed and that HR is not always actively involved though, people issues are one of the biggest concerns during merger and on which the relative success or failure depends (Rankin, 2008). Therefore organizational changes, like merger, are impacting negatively on staff engagement levels and retention of staff which results in decreased profits and customer service. Consequently, HR should be given more opportunities to actively participate and lead in such changes processes to increase the likelihood of success and to ultimately help maintain engagement levels during merger (Rankin, 2008).

As engagement is perceived as the underlying factor for success, it should take priority. HR should be an involved business partner from the beginning of the planning stages of merger’s by using good HR practice and management to support the organization during change (Rankin, 2008). In reality, the common approach is that decisions do not involve HR as change initiatives are mainly focused on short term financial gains. As a result, Senior Executives develop change rationale, which are primarily focused on financial considerations and then implement them without communicating effectively to managers or employees (Brown, 2004). Generally the HR role begins after the financial team decides to proceed and then HR is left to pick to the pieces.

According to Roth (2010), HR needs to be highly involved from the beginning of the planning stages of mergers to ensure that all issues are addressed and to maintain employee engagement effectively. This is a critical factor that correlates with successful reorganizations (Brown, 2004). Their involvement and perspective regarding the human factors of mergers is critical for success (Shook & Roth, 2010). HR needs to reposition their role within the organization so they are seen as indispensable and highly valuable for strategic decision making of this kind.

The challenge for HR professionals is keeping surviving employees engaged during an uncertain time in an organization (Shook & Roth, 2010). HR also needs to consider what employees are thinking and feeling and how can they build a sense of purpose and support between the two organizations (Brown, 2004). Organizations must conduct a very extensive process of employee engagement and communication to avoid failure employees should be allowed influence the shape and direction of changes by being involved. In order to build capacity to manage a merger companies need to pay greater attention to people issues and employee commitment and engagement in order to reach desired financial returns (Brown, 2004).

In order to achieve high employee engagement, it is required that the two organizations understand each other's cultures (Baynham, 2011). Focused HR professionals and leadership teams are required to create a new culture. Top executives often underestimate culture in change initiatives and sometimes even believe it will take care of itself. Culture is the essence of an organization. It involves problem solving techniques, attitudes, behaviors, values, policies and procedures. When two firms combine they enter a process of culture transformation (Shook & Roth, 2010). How well two organizations fit together in relation to culture, leadership style,

strategic priorities and workforce and workplace process and practices are possible factors or reasons as to why a merger deal may not meet objectives (Towers Watson, 2011). Completing the merger from a HR perspective does not confirm the change process is over Culture transitions are difficult to manage and needs the focus and support of HR professionals due to possible human resistance. Effective communication and leadership is essential to avoid problems such as low morale, disengagement and reduced productivity in the workforce (Shook & Roth, 2010). The effective involvement of HR professionals in the four HR role model that was identified by David Ulrich, 1997 are also important to identify the level of the role of HR professionals. The model is summarized as shown below.

Table 2.1. The four roles of HR professionals

Strategic Partner	Change Agent
<ul style="list-style-type: none"> • Develop and align strategies • Assist Line Managers in solving organization, people and change related issues. • Contributes to management’s strategic decision. • Strategically manage workforce development. 	<ul style="list-style-type: none"> • Understands organizational culture. • Institutionalize change capability in organization. • Assist line manager to lead and facilitate change. • Act as consultant in organizational effectiveness. • Enhance management development.
Administrative Expert	Employee Champion
<ul style="list-style-type: none"> • Create and deliver effective and efficient HR process and services tailored to unique business needs. • Manage people and HR related cost. • Enhance internal and external customer focus. • Apply IT to rapidly deliver quality HR product and service. 	<ul style="list-style-type: none"> • Develop strategies and implement actions that enhance human capital contributions. • Helps building employee commitment. • Ensure fair, ethical and equitable people processes and practices. • Verification of employee.

In line with these four HR role model, David Ulrich(1997) also developed 40 Human Resource Role Assessment Survey using a 5-point likert scale and these 40 survey questionnaires were used by the researcher to examine the level of HR involvement/role.

HR professionals have to allocate organizational resources, developing processes and systems to integrate HR framework with the business strategy (Deepak 2012). David Ulrich (1997) also developed a model survey question to identify the level of HR role by which the result obtained from the questionnaires are considered as a perception of high level of role is played by HR or if the result is low can be considered as a perception of low level of role is played by HR. Hence, the student researcher employed this model to examine the level of the role of HR professionals.

2.7 HR Role and Employee Engagement Contributions to Merger

The primary cause of failure for most restructuring can be directly linked to people related factors such as a lack of clear strategy, lack of attention to implementation, poor project management, loss of key talent, high levels of internal conflict, duplicate roles and over ambitious senior executives trying to meet aggressive targets (Brown, 2004).

A merger success or failure has massive implications for lenders and shareholders as companies invest billions in making mergers happen. They may fail due to unrealistic expectations, poor planning and strategy, unskilled execution, inability to unify behind the message, talent miss-managed and lost, power and politics, requiring an unrealistic degree of synergy, culture clashes, underestimating people issues, transition costs underestimated or management is distracted from the core business (Schuler & Jackson, 2007).

High speed deals that move too fast through due diligence often fail also. Fast paced mergers can be described as “changing the tyre whilst driving down the road” (Dixon, 2002:3). It is essential for companies to give attention, prior to signing the agreement, to due diligence. Organizations should be careful, calculated, negotiate and be absolutely thorough with due diligence when considering a merger deal (Sharp, 2009). However, it is common that large numbers of merger fail to deliver the results they intended to for many reasons (Personnel Today, October, 2007). Their success is not assured as many fall short of their goals and objectives. Failure can be as a result of market or financial factors. However, despite the consistency of merger activity, 43% of them over the last 15 years (1996-2011) have failed as they have experienced lower profits than before the merger.

Organizations need to address a variety of HR issues in order to ensure success in their merger (Hutchings & De Cieri, 2007). Even if a deal succeeds financially it can be disastrous if the organization has not considered the integration of people and cultures with sensitivity. The main reason merger fail is due to poor communication and when the cultural issues, attitudes, mission and values of both companies are not taken into consideration or, assumptions are made that they match and then they turn out to be incompatible (IRS, June, 2000). This occurs because management does not understand the cultural implications and focuses on the operational and business synergy aspects instead.

Organizations can also forget to address communication with their employees and instead concentrate on short-term financial aspects, which can have a negative impact on productivity, morale and engagement (Balmer & Dinnie, 1999). A lack of honesty and transparency when the announcement is made can cause it to fail because trust is broken between management and employees. This can create low morale and uncertainty (Dixon, 2002). Mergers are very stressful

processes with big impacts on employees from job losses, restructuring, adapting to new culture and identity and the widespread feelings of resentment and uncertainty in the workforce.

A demoralized workforce, according to research, can cause the productivity of an organization going through large scale change to decrease by 25-50% (Tetenbaum, 1999). According to research 50% of executives leave in the first year of a merger. This loss of key talent, which links with the concept of employee engagement, is also a significant reason why merger fail (Schuler & Jackson, 2007). There are many reasons for failure but the human factor is the most common reason. In order to avoid an uncertain and stressed work environment change needs to be implemented with great sensitivity towards employees and considerations taken regarding culture in order to avoid a demoralized and disengaged workforce (Tetenbaum, 1999).

Managing the human side of the deal by the retention of key talent and managers also providing strong communication and integrating corporate cultures successfully will maximize the value and success of the deal. Therefore, “Putting people issues to one side in preference to sorting out processes and structures is a fatal mistake” (IRS, June, 2000:1).

The problem with merger is that commitment disintegrates during the process and a bond is unlikely to form immediately with and for a new organization (Bones, 2007). In order to re-establish commitment it is paramount to communicate well, create a stable work environment and create a feeling of certainty about the future (Bones, 2007). The building blocks for maintaining employee engagement during mergers are two way communications, good quality line management, involving employees in decision making, career development, commitment to the wellbeing of employees, internal cooperation and focused objectives (Simeon, 2011).

The responsibility is intensified during mergers by HR's make sure of managers receive the appropriate training and briefing in order to deal with their employees who will experience uncertainty during this time. Preparing line managers prior to change announcements will contribute to maintaining employee engagement and therefore prevent a loss in productivity. If one can achieve this, then one can begin to drive engagement through the line managers as they build the effective relationships that are required to drive engagement. This is particularly vital during uncertain times (Bones, 2007).

It is important that HR professionals have metrics to bring to the table so they can be perceived as a valuable business partner to the organization as they have a critical role to play in merger.

2.8 Empirical Literature Review

2.8.1 Empirical Literature Review-General

The point at which HR is brought into many merger processes to undertake the people management issues can vary and can ultimately contribute to the success or failure of the merger. Research shows only 35% of senior HR professionals are involved in merger's activities from the beginning of the planning stages (Hutchings & De Cieri, 2007). "The success and failure of an merger hinges on HR activities" (Sengupta, 2011).

When HR professionals are involved from the beginning of the planning stages of merger, they can help develop a goal and belief support system for employees (Shook & Roth, 2010). HR also has an increasingly vital role during the due diligence of merger to assess the cultural fit of the organizations (Sengupta, 2011). HR is responsible for ensuring that the organization maximizes employee performance and achieves their strategy objectives. They also

play a vital role in the aftermath of a merger HR's role is to develop exit policies and procedures for redundancies, communication plans as well as training and development interventions (Shook & Roth, 2010). Pressure to complete deals as quickly as possible can lead to cultural and people issues being neglected. Overlooking these elements can lead to decreased employee engagement and productivity and can have a negative impact on the success of these change initiatives (Towers, 2011). HR needs to develop a stronger strategic presence during these change initiatives

It is worth considering how employee engagement levels vary across occupations, industries and country. Much of the available international evidence comes from Gallup, which has conducted Employee Engagement Index surveys in many countries. The cross-national comparisons of levels of employee engagement should be treated with some caution due to cultural and definitional differences. However, it is interesting to explore some of the findings of Gallup's surveys.

In 2005, a survey conducted in Thailand revealed only 12 percent of Thailand's employee population are 'engaged', 82 percent are 'actively disengaged' and 6 percent disengaged. Similar Gallup studies have found the levels of engagement in Australia, China, Japan, New Zealand and Singapore to be 18 percent, 12 percent, 9 percent, 17 percent and 9 percent respectively (Gallup 2004). The study of employee engagement at a global level is worthwhile given the increasing number of multi-national organizations and use of outsourcing. It is important to consider whether or not the same engagement techniques work for employees in countries with different economies and cultures.

Across industries, engagement is substantially higher in the non-profit sector than in every other sector looked at by Towers Perrin (2003). This would appear logical, given that people tend to be drawn to this sector through a sense of mission, rather than from any prospect of high pay or wealth accumulation. This finding is also consistent with the numerous definitions and views surrounding engagement, which identifies a ‘passion for work’ as being a key component factor (Truss et al 2006, Brim 2002 and Holbeche and Springett 2003).

Robertson-Smith and Markwick (2009) also explained employee engagement and remained the challenge that exist to identify the variables and the difficulties that exist to set a universal way of approaching engagement. Simpson (2009) discussed that the current state of knowledge about engagement at work through a review of the literature. Susi and Jawaharrani (2011) examined some of the literature on employee engagement; explore work-place culture and work-life balance policies and practices followed in industries in order to promote employee engagement. Ram and Gantasala (2011) investigated the antecedents and consequences of employee engagement. Bhatla (2011) focused on the need for engaged employees and how their presence can improve the progress and work efficiency.

Kular, 2008 explored five key areas: What does ‘employee engagement’ mean? How can engagement be managed? What are the consequences of engagement for organizations? How does engagement relate to other individual characteristics? How is engagement related to employee voice and representation?

Shashi (2011) emphasized on enhancing communication to augment employee engagement. Bijaya (2011) emphasized on drivers of employee engagement and strategies that the company employ to make the employees engaged.

Siddhanta and Roy (2012) explored implications for theory, further research and practices by synthesizing modern 'Employee Engagement' activities being practiced by the corporate with the review of findings from previous researches / surveys. Singh & Shukla (2012) tried to find out what variables are significant to create an engaged workforce.

Rankin, (2008) stated that, although people issues are one of the biggest concerns during merger and on which the relative success or failure depends, it is believed that many changes within organizations are being poorly managed and that HR is not always actively involved. In reality, the common approach is that decisions do not involve HR as change initiatives are mainly focused on short term financial gains. As a result, senior executives develop change rationale, which are primarily focused on financial considerations and then implement them without communicating effectively to managers or employees (Brown, 2004).

The researchers also affirm that minimal involvement of HR leads to disengagement of employee that also goes beyond the failure of merger in a single company but even the country in general. The US is thought to lose 300 billion annually in lost productivity just due to disengaged workers (Wallace & Tnka, 2009; MacLeod & Clarke Report, 2008). The Towers Penn –ISR Engagement Report in 2007 showed that companies with highly engaged employees on average increased profit margins by 2.06% and operating margins by 3.74%. Whilst companies with disengaged staff declined by 1.38% in profit margins and 2% in operating margins (Furness, 2008).

In organizational changes, like merger, that negatively impacting staff engagement levels and retention of staff which results in decreased profits and customer service, HR should be given more opportunities to actively participate and lead in such changes processes to increase

the likelihood of success and to ultimately help maintain engagement levels during merger (Rankin, 2008).

Generally the HR role begins after the financial team decides to proceed and then HR is left to pick the pieces. The point at which HR is brought into many merger processes to undertake the people management issues can vary and can ultimately contribute to the success or failure of the merger. Research shows only 35% of senior HR professionals are involved in merger's activities from the beginning of the planning stages (Hutchings & De Cieri, 2007). The student researcher also believes that, the successes of CBE and former CBBs' merger depends on the active involvement of HR in employee affairs to help enhancement and maintenance of employee engagement; however, striving for success at absence of employee engagement is a mere wish. "The success and failure of any merger hangs on HR activities" (Sengupta, 2011).

2.8.2 Empirical Literature Review-Ethiopian Context

In our countries context there is no/seldom research conducted in relating the role of HR, employee engagement and merger. After scrutinizing through lots of studies conducted and available literatures, the student researcher came across a research conducted by Jemaneh B. (2008) on merger that carried out between United Insurance and Shama plc in 2000.

The research was conducted on evaluating the financial performance of the two merged companies before and after merger. The researcher found out that as the merger was not achieved its purpose as intended. As a reason of this failure, the researcher stated the minimal involvement of HR and minimal attention given to HR issues as a main factor.

Accordingly, the researcher strived to shed a light in relating HR role, employee engagement and merger in our country's context taking the merger of CBE and former CBB as a stepping stone towards paving a way for the future researches.

2.9 Conceptual Framework of the Study

The study adopted the dimensions of employee engagement from related literatures. The dependent variable in this study is the employee engagement whereas; the independent variable is the role of HR professionals. The dependent variable was assessed from three dimensions. These were vigor, dedication and absorption. The independent variable was assessed from four dimensions. These four dimensions were: HR professionals Strategic Partner Role, Administrative Expert Role, Employee Champion Role and Change Agent Role. The variables are illustrated in the following conceptual framework diagram.

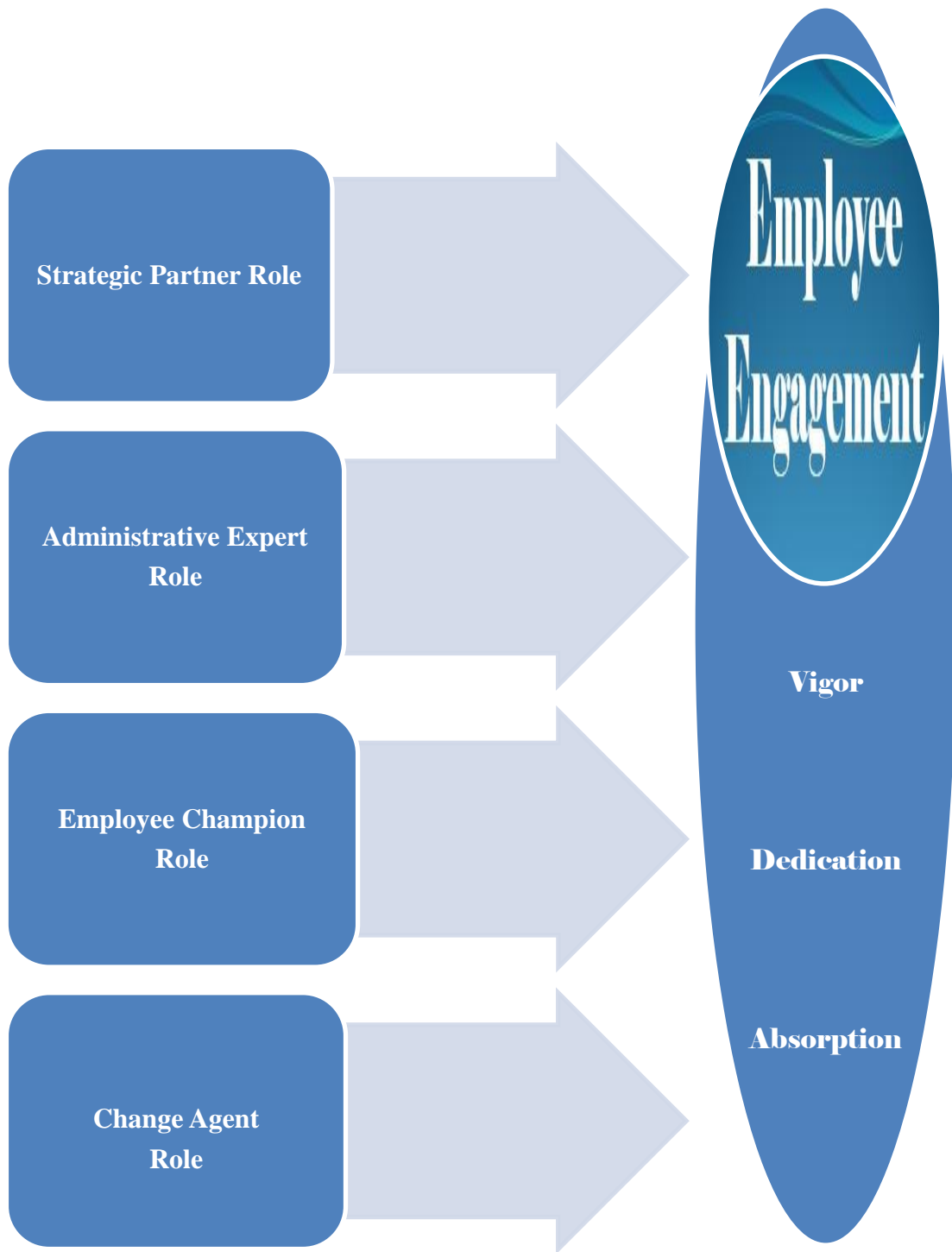


Figure2.1. conceptual framework

Source: compiled by the student researcher from literatures (2017).

CHAPTER THREE

RESEARCH METHODOLOGY

This section presents the methodology followed in the study. The research approaches, designs, sampling technique, data sources, and data analysis that were used are discussed as follows.

3.1 Research Approach

In this study, mixed approach was followed to triangulate quantitative and qualitative data to provide a comprehensive analysis of the research problem. Moreover, researcher has collected both forms of data at the same time during the study and integrated the information in the interpretation of the overall results. In this approach, inquirers draw substantially from both quantitative and qualitative assumptions.

3.2 Research Design

The researcher employed explanatory research design that bases itself on the described level of HR role and employee engagement to determine the nature of the relationship between the role of HR professionals and employee engagement based on the result.

As the type of data that the researcher used were an ordinal data for analysis purpose. A measure of Spearman correlation coefficient was employed to show the relationship that exists between independent and dependent variables.

3.3 Target Population and Sample

The target population of the study is the employees of Commercial Bank of Ethiopia and employees of former Construction and Business Bank that found at Addis Ababa Branches and Head Office Level.

The employees of CBE are categorized in to five categories namely: Administrative, professional, clerical, transport & production and service workers. The first three categories include those employees who work on clerical activities while those included in the last two (transport & production and service workers) perform non clerical activities. The target population for the study consists of only the administrative, professional and clerical worker of the bank working under the four Addis Ababa area districts and employees working at the head office under different process units.

The non-clerical employees are excluded assuming their knowhow of the topic is minimal and to curb the problems that might encountered on filling the questionnaires. Head Office and Addis Ababa Branches' clerical, professional and administrative employees were used as a target population of the study. Clerical employees are employees that are work on clerical activities, but job grade wise they are less than the professional employees that have higher position, and the professional employees' grade is less than that of administrative employees (managerial employees). The employees that work in these three employee category were assumed to have better knowhow on the topics and targeted for data collection.

The data were collected from among these target populations by taking the sample from the population due to expensiveness and excessive time and energy requirement of census method.

3.1.1. Sampling Methods

Due to time and resource constraints it is difficult to study all the population of the study and selecting a sample is necessary. Sekeran, (2001) defines a sample as a portion of the population that has attributes as the entire population.

Hence, the researcher employed stratified random sampling technique to select the respondents from the population. Stratified random sampling was used because it helps to ensuring that all parts of the population are represented in the sample in order to increase the efficiency and to decrease the error in the estimation. The branches from which the sample respondents were selected based on the convenience of the branches location.

Sample Size Determination

The sample size for the study was determined by the sample size determination formula developed by Taro Yamane (1967) which is the most popular from late 1960s. Yamane (1967:886) provides a simplified formula and the sample size is determined at 95% confidence level with acceptable sampling error of 5%.

$$n = \frac{N}{1 + N(e^2)}$$

Where: n = Sample size N = Population size e = Level of precision or acceptable sampling error (5%)

Accordingly, the total sample size for the above targeted CBE and former CBBs' employees was calculated as follows.

The total number of professional and administrative staffs at Head Office and Addis Ababa Branches are 11,686 and they are taken as population (N). Hence, depending on the above formula and using a 95% confidence level and $P = 0.05$, sample is calculated as follows.

As per the above indicated formula the sample size(n) is 387, and depending on the calculated sample size, the researcher calculated the proportionate sample for each targeted areas. Based on the proportionate sample size, the data were collected from the respondents using stratified random sampling technique by selecting ten branches from each district depending on the accessibility convenience the branches have.

Table 3.1. Population of employees in the targeted work place and proportionate sample size

No.	Work Place	Total number of employees in the stated work place and employee category			Proportionate sample taken
		Administrative	Professional	Clerical	
1	Head Office	29	29	30	88
2	Fifteen Branches from East Addis Ababa District	24	25	25	74
3	Fifteen Branches from North Addis Ababa District	27	27	28	82
4	Fifteen Branches from South Addis Ababa District	24	24	25	73
5	Fifteen Branches from West Addis Ababa District	23	23	24	70
Total					387
Total					

Source: CBE, Human Resource Management, Sep.30, 2016 and calculated sample proportion.

3.4 Data Source and Type

The sources of data comprised both primary and secondary sources. The primary data was gathered from employees of CBE and former employees of CBB as indicated above. The

secondary data was collected from related literature, internet, documents found in the bank and other relevant sources.

The data type that obtained from primary sources is considered as primary data. It is the source from which data is gathered by the researcher himself for the first time. The sources of such information were the employees of CBE and former CBB that were included in the sample and the incidence around them. These data were obtained by means of questionnaires and interview method.

The secondary data that were used include, but not limited to public documents such as published articles from reputable journals, books, manuscripts, records, census reports of survey by private and public institution, and various information published in newspapers and magazines.

3.5 Data Collection Procedures

Both primary and secondary data collection tools were used for successful completion of the research. The primary data were collected with the help of questionnaires and interview.

To collect the data from the primary sources, the researcher has used a standard model developed by Schaufeli & Bakker, the Utrecht Work Engagement Scale (UWES-with 9 items) (Schaufeli & Bakker, 2003) to describe the level of employee engagement; whereas, David Ulrich's HR role model question(1997) has used to describe the level of the roles that HR professionals play to maintain employee engagement in a way it fits to the Studies' scenario.

The nine items employee engagement measuring questions are designed to measure the level of engagement from employees' vigor, dedication and absorption to their work. The questions used the five likert scale category to classify employee as: actively engaged, engaged,

neither engaged nor disengaged, disengaged and actively disengaged based on the result obtained from the above three engagement dimensions.

David Ulrich's HR role model questions are composed of forty questions categorized in to ten and in each category four questions from the four HR role model (Strategic Partner Role, Change Agent Role, Employee Champions Role and Administrative Expert Role) are included and each role are assessed by five likert scale ranging from high to low.

In addition, the researcher used interview to collect data from HR professionals and merger facilitator in addition to other professional and administrative employees that were addressed. The researcher made interview with the respondents face to face to make intensive investigation. Semi-structured personal interview was used. This allowed the researcher to ask the necessary supplementary questions to collect the necessary supplementary data which gives the researcher greater value in interpreting the result.

3.5 Ethical Consideration

The respondents were informed what the purpose of the study is, the way they included in the study, the confidentiality of their response, and most importantly their willingness to participate in the study is sought before distributing the questionnaire. Participants will be provided with feedback on the research results as a form of gratitude for their contribution in the study. Research participants were and will not be subjected to harm in any ways whatsoever. Respects for the dignity of research participants were prioritized. Anonymity of individuals and organizations participating in the research was ensured. Moreover, acknowledgement of works of other authors used in any part of the dissertation with the use of Harvard referencing system is made.

3.6 Data Analysis

After the primary and secondary data gathering procedures was completed, the collected data was checked throughout the different phases (editing, coding, data entry and data analysis). Quantitative and qualitative data analysis techniques employed. SPSS version 20 is used to analyze the data gathered using the questionnaires quantitatively. The study used descriptive statistics to describe the variables of the study and Spearman's correlation statistical technique to explain the interdependency of the variables (HR roles (Strategic Partner Role, Change Agent Role, Employee Champions Role and Administrative Expert Role) and employee engagement). Spearman correlation assumes that the variables under consideration in assessed on at least an ordinal (rank order) scale (Siegel & Castellan, 1988). The report is presented using table, bar graphs, pie charts and a detailed explanation is given on the findings based on the result obtained from the quantitative and qualitative data and the presentation of the findings from the instruments is presented together for better clarity.

3.7 Reliability and Validity

According to Hair, et al., (2006), if α is greater than 0.7, it means that it has high reliability and if α is smaller than 0.7, then it implies that there is low reliability. In testing the reliability of the questions, the questions in each dimension in both independent and dependent variables were separately examined and their cronbach alpha results are shown as follows.

Table 3.2 Reliability test result

S/No	Variables of the study	No. Items	Source	Alpha Value
1	Strategic Partner Role	10	David U. (1997)	.855

2	Administrative Expert Role	10	David U. (1997)	.767
3	Employee Champion Role	10	David U. (1997)	.813
4	Change Agent Role	10	David U. (1997)	.865
5	Vigor	3	Schaufeli, W.B. and Bakker, A.B.(2003)	.851
6	Dedication	3	Schaufeli, W.B. and Bakker, A.B.(2003)	.876
7	Absorption	3	Schaufeli, W.B. and Bakker, A.B.(2003)	.813
All variables of the study together		49	David U. (1997)& Schaufeli, W.B. and Bakker, A.B.(2003)	.945

Source, Computation from own survey (2017)

As it can be seen above, α is greater than 0.7 for all tests which implies that there is high reliability and high internal consistency among the questions grouped in the questionnaire.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1. Response Rate of the Respondents

The data that were gathered from primary sources and secondary sources are analyzed, presented, and interpreted. A total of 387 questionnaires were distributed out of which 315 (81.34%) were returned, while 72(18.66%) questionnaires were not returned from respondents. Therefore, 315 questionnaires served as a source of data for analysis, findings presentation and drawing conclusions.

4.2. Demographic Characteristics of Respondents

Demographics are the study of general and particular population factors such as gender, age, marital status, education, occupation and etc. It is the quantification of statistics for a given population and is used for identifying the studies quantifiable subsets in the populations.

Different researches conducted in different places and situations seldom reach conclusion that each demographic character of respondents have impact on engagement and the result drawn from this different researches in different conditions can't fit to all scenarios (Velintin K., Dejan M., Jesmina P., 2016). In this study, the researcher was basically incorporated the demographic background of the respondents to separately show the engagement level in each category.

Table 4.1. Demographic Characteristics of Respondents

Age of respondents	Frequency	Percentage
Less than 25	97	30.8
Between 25 and 35	166	52.7
Between 35 and 45	38	12.1

Above 45	13	4.1
Missing	1	.3
Total	315	100.0
Gender	Frequency	Percent
Male	188	59.7
Female	127	40.3
Total	315	100.0
Marital Status	Frequency	Percent
Single	180	57.1
Married	132	41.9
Divorced	2	.6
Missing	1	.3
Total	315	100.0
Education Level	Frequency	Percent
MA and above	75	23.8
BA/BSc	235	74.9
Diploma	5	1.3
Total	315	100
Total Banking Service	Frequency	Percent
less than 1 year	57	18.1
1-5 years	172	54.6
6-10years	59	18.7
more than 10years	26	8.3
Missing	1	.3
Total	315	100.0
Did you work in CBB	Frequency	Percent
Yes	71	22.54
No	240	76.19
Missing	2	1.27
Total	315	100.0

Source: own survey (2017)

As it can be observed from the table 4.1 above, the majority of respondents' age i.e. 166 (52.7%) were between 25 and 35; while only 13(4.1%) of respondents were more than 45years. From this it is possible to expect that the majority are in a productive age and are expected to be highly engaged. Most members of the work force are within the productive age. This encourages effective performance and can contribute to the achievement of company objectives through engaging them by increasing the involvement of HR professionals.

The respondents' gender profile indicated the majority of the respondents that accounts 188 (59.7%) of the sampled respondents are male whereas female respondents account for 127(40.3%) of the sampled respondents. From this it was understood that the bank has to work on gender mainstreaming in the sampled area to balance the number of employee among the two genders.

The respondents' marital status profile indicates, the majority of the respondents are single which accounts 180 (57.1%) of the sample respondents followed by married respondents that accounts 132 (41.9%).

As it is stated above, different researches conducted in different places and situations seldom reach conclusion that engagement depends on marital status (Velintin K., Jesmina P., Dejan M., 2016).

The respondents' education level profile indicates, the majority of the respondents that accounts 236(74.9%) hold BA/BSC Degree followed by respondents that hold MA and above that accounts 75(23.8%) and with only 49(1.3%) Diploma holders.

The higher education levels are particularly significant as earlier research indicates that high levels of education enhance the engagement of employees by initiating them to do more and

make them strive to process more complex and challenging works (Polatoglu and Ekin, 2001:159).

Education wise, the number of respondents are mostly confined to BA and MA degree holders and there were few diploma holders in the respondents; this is because for clerical, professional and administrative employees the minimum requirement of the bank is BA and diploma holders have rare chance to be hired on these categories. From the level of their education it is also possible to imply that, the respondents are literate enough to understand and answer the research instruments correctly.

The respondents' profile indicates, the majority of the respondents that accounts 172(54.6%) served in a banking industry for one to five years followed by 59(18.7%) respondents that served for six to ten years. Different researches conducted in different places and situations seldom reach conclusion that engagement depends on the year of experience (Velintin K., Dejan M., Jesmina P., 2016). This research also confirms this; as engagement is neither higher for those who have long experience nor for those who have less years of experience and the highly engaged respondents are those who served from 1-5years in this case.

The respondents' profile indicates, among the total respondents only 71(22.54%) were served in CBB while the others are serving in CBE. Having 22.54% respondents from former CBB that merged with the CBE in the study population was good for the finding of the studies as it helped the researcher to incorporate the views and perception of both merged banks' employees and somehow balanced the responses of the respondents.

The respondents' profile indicates, among the 71(22.54%) of the total respondents, 30(42%) were served in CBB for 1-5 years followed by 19(26%) that were served in CBB for

less than a year. Getting 26% respondents among former employee of former CBB was helped the researcher to get the presumptions of both banks' employee.

4.3. Employee Engagement

A) Overall Engagement Level of Respondents

The presumption of employee on their level of engagement was assessed depending on the UWES (Utrecht Work Engagement Scale) nine questions categorized under three dimensions (Vigor, Dedication and Absorption).

Table 4.2. Dimension of Employee Engagement

S/N	Question	Never	Rarely	Sometimes	Usually	Often
Vigor						
1	<i>At my work, I feel bursting with energy</i>					
2	<i>At my job, I feel strong and vigorous</i>					
3	<i>When I get up in the morning, I feel like going to work</i>					
Dedication						
4	<i>I am proud of the work that I do</i>					
5	<i>My job inspires me</i>					
6	<i>I am enthusiastic about my job</i>					
Absorption						
7	<i>I feel happy when I am working intensely</i>					
8	<i>I am immersed in my job</i>					
9	<i>I get carried away when I am working</i>					

As per the UWES (Schaufeli & Bakker, 2003), never, rarely, sometimes, usually, and often represents highly disengaged, disengaged, neither engaged nor disengaged, engaged and highly engaged employees respectively.

Depending on their representation and the answers of the respondents, the majority of the respondents that accounts 111(35.2%) were neither engaged nor disengaged, 83(26.3%) were engaged, 74(23.5%) were disengaged, 31(9.8%) were highly disengaged, 16(5.1%) were highly engaged respondents.

Schaufeli & Bakker, 2003 also categorizes the five Likert scale in to three by taking sometimes (neither engaged nor disengaged) as a dissecting point. Those who fall in never and rarely category are treated as disengaged employee and those who fall in to usually and often are treated as engaged employee while those who fall in sometimes category are treated as neither engaged and nor disengaged.

Taking this in to account, the majority of respondents 111(35.24%) are neither engaged nor disengaged, 105 (33.33%) are disengaged and only 99 (31.43%) are an engaged employees. For clarity, these are illustrated by the following table.

Table 4.3. Overall Engagement Level

Engaged	Neither Engaged Nor Disengaged	Disengaged	Total
99 (31.43%)	111(35.24%)	105 (33.33%)	315(100%)

4.4. The Role of HR Professionals.

As rated by 315 respondents based on the David Ulrich’s four perspective HR professional’s role model with forty questions, the level of HR role/involvement was identified. The independent variable (HR Role) was addressed from four perspectives of HR roles. These were: HR professionals’ strategic roles, administrative expert roles, employee champions’ role, and change agent roles. Under each of the above four roles questions were asked and analysis were made depending on the respondents responses to the questions.

The extent to which HR professionals plays a role as strategic partner was analyzed from the following items depending on the overall rate by the employee.

- ✚ Accomplishing business goals
- ✚ Defining business strategies

- ✚ Existing aligned HR strategies with business strategy
- ✚ Helping strategy to happen
- ✚ Focusing on strategic issues
- ✚ Participating in business planning
- ✚ Aligning HR strategies and business strategy
- ✚ Helping fulfill strategic goals
- ✚ Linking HR strategies to accomplish business strategy

Table 4.4. Strategic Partner Role of HR

Percentage of employees that rated strategic partner role of HR as: low, medium and high				
HR Roles	Low	Medium	High	Total %age
Strategic Partner	32.7%	46.7%	20.6%	100%

The extent to which HR professionals plays a role as administrative expert was analyzed from the following items depending on the overall rate by the employee.

- ✚ Improving operating efficiency
- ✚ Delivering HR process
- ✚ Administering HR processes efficiently
- ✚ Efficiently delivering HR processes
- ✚ Participating in operational issues
- ✚ Designing and delivering HR processes
- ✚ Monitoring administrative processes
- ✚ Efficiently processing documents and transactions
- ✚ Increasing productivity

Table 4.5. Administrative Expert Role of HR

Percentage of employees that rated administrative expert role of HR as: low, medium and high				
HR Roles	Low	Medium	High	Total %age
Administrative Expert	23.8%	54.9%	21.3%	100%

The extent to which HR professionals plays a role as employee champion was analyzed from the following items depending on the overall rate by the employee.

- ✚ Taking care of employee’s personal needs
- ✚ Improving employee commitment
- ✚ Producing HR policies and programs that respond to the personal needs of employees
- ✚ Helping employees meet personal needs
- ✚ Listening and responding to employees
- ✚ Offering assistant to help employees meet family and personal needs
- ✚ Taking care of employee personal needs

Table 4.6. Employee Champion Role of HR

Number of employees that rated the employee champions role of HR as: low, medium and high				
HR Roles	Low	Medium	High	Total %age
Employee Champion	40.3%	43.2%	16.5%	100%

The extent to which HR professionals plays a role as change agent was analyzed from the following items depending on the overall rate by the employee.

- ✚ Adapting to change
- ✚ Shaping culture change for renewal and transformation

- ✚ Accomplish HR processes and programs to increase the organization’s ability to change
- ✚ Help an organization anticipate and adapt to future issues
- ✚ Supporting new behaviors for keeping the firm competitive
- ✚ Renewing, changing, or transforming organization
- ✚ Reshaping behavior for organizational change
- ✚ Helping the organization transform itself
- ✚ Making change happen were assessed and the result obtained from the respondents are summarized and shown below.

Table 4.7. The Change Agent role of HR professionals

Number of employees that rated the Change Agent role of HR as: low, medium and high				
HR Roles	Low	Medium	High	Total %age
Change Agent	33.9%	46.6%	19.5%	100%

As it can be seen from the above table, in each of the four roles the HR professionals role is more rated as medium; while HR professional rated low on employee champion by 40.3% followed by change agent role which rated as low by 33.9% respondents. The above table result implies that the overall roles of HR professionals are at its medium level. Hence, to take the medium level of HR involvement to higher level the bank has to work on especially the roles that rated as lowest by respondents. For instance, among the four roles of HR professionals, employee champion roles are rated as lowest by 40.3%. Hence the bank has to work on developing strategies and implement actions that enhance human capital contributions ensuring fair, ethical and equitable people processes and practices and the like.

The study used descriptive statistics to describe the variables of the study and Spearman's correlation statistical test technique to explain the interdependency of the variables (HR roles and employee engagement). Spearman correlation assumes that the variables under consideration assessed on an ordinal (rank order) scale (Siegel & Castellan, 1988).

As shown in the table 4.8 below, the relationship between all variables have positive spearman correlation coefficient result and statistically significant at ($p < 0.01$). Hence, the role of HR professionals and employee engagement are related.

4.5. Correlation Analysis

Table 4.8. Independent and dependent variables Spearman Correlations result

		Vigor (DV)	Dedication (DV)	Absorption (DV)	Business Partner (IV)	Administrative Expert(IV)	Employee Champion(IV)	Change Agent(IV)	
Spearman's rho	Vigor	Correlation Coefficient	1.000						
		Sig. (2-tailed)	.						
		N	315						
	Dedication	Correlation Coefficient	.612**	1.000					
		Sig. (2-tailed)	.000	.					
		N	315	315					
	Absorption	Correlation Coefficient	.659**	.671**	1.000				
		Sig. (2-tailed)	.000	.000	.				
		N	315	315	315				
	Business Partner	Correlation Coefficient	.390**	.379**	.380**	1.000			
		Sig. (2-tailed)	.000	.000	.000	.			
		N	315	315	315	315			
	Administrative Expert	Correlation Coefficient	.306**	.344**	.353**	.762**	1.000		
		Sig. (2-tailed)	.000	.000	.000	.000	.		
		N	315	315	315	315	315		
	Employee Champion	Correlation Coefficient	.150**	.174**	.208**	.476**	.654**	1.000	
		Sig. (2-tailed)	.008	.002	.000	.000	.000	.	
		N	315	315	315	315	315	315	
	Change Agent	Correlation Coefficient	.323**	.269**	.336**	.700**	.749**	.691**	1.000
		Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.
		N	315	315	315	315	315	315	315

** . Correlation is significant at the 0.01 level (2-tailed).

The empirical research also shows that, there is positive and significant relationship between HR role and employee engagement (Rankin, 2008).

Mean and Standard Deviation of the Variables

Table 4.9 Mean and Standard Deviation

		Vigor	Dedication	Absorption	Business Partner Role	Administrative Expert Role	Employee Champion Role	Change Agent Role
N	Valid	315	315	315	315	315	315	315
	Missing	0	0	0	0	0	0	0
Mean		3.06	2.82	2.93	2.78	2.87	2.59	2.74
Median		3.00	3.00	3.00	3.00	3.00	3.00	3.00
Mode		4	3	3	3	3	3	3
Std. Deviation		1.149	1.081	1.035	.822	.784	.879	.846

As shown in the table 4.10 above the descriptive statistics median is three for all variables.

Except for vigor, the mean is less than three for all variables which indicate that there is less employee engagement and HR professionals’ involvement. Again except for vigor, all other variable have a mode of three which is medium in this case as per the likert scale.

However the standard deviation statistics indicate there is significant deviation from the mean on both sides.

Besides, based on the empirical evidence from researcher like (Brown, 2004, Rankin, 2008, Shook & Roth, 2010) indicates if HR role is high then it will have positive effect on the employee engagement.

4.6. Regression Analysis

Table 4.10 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.462 ^a	.214	.203	.81372

a. Predictors: (Constant), Change agent, Employee champion, Administrative expert, Strategic partner roles

This table provides the R and R^2 values. The R value represents the simple correlation and is 0.462 (the "R" Column), which indicates a degree of correlation. The R^2 value (the "R Square" column) indicates how much of the total variation in the dependent variable, Employee Engagement, can be explained by the independent variable, HR role. In this case, 21.4% can be explained, which is not very large.

The next table is the ANOVA table, which reports how well the regression equation fits the data (i.e., predicts the dependent variable) and is shown below:

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	55.749	4	13.937	21.049	.000 ^b
	Residual	205.261	310	.662		
	Total	261.010	314			
a. Dependent Variable: Vigor, Dedication, Absorption						
b. Predictors: (Constant), Change Agent, Employee Champion, Administrative Expert, Strategic Partner						

As seen from the above table 4.11 the overall regression model is a good fit for the data. Table 4.11 indicates that the regression model predicts the dependent variable significantly well. Looking at the "Regression" row, the "Sig." column indicates the statistical significance of the regression model that was run. Here, $p < 0.0005$, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data).

The following table 4.12 coefficients table provides the necessary information to predict employee engagement from HR role, as well as determine whether HR role contributes statistically significantly to the model (by looking at the "Sig." column). The value in the "B" column under the "Un standardized Coefficients" column was used as shown below:

Model		Un standardized Coefficients		Standardized Coefficients	t	Sig.
		β	Std. Error	Beta		
1	(Constant)	1.242	.201		6.190	.000
	STRATEGIC PARTNER	.446	.144	.341	3.088	.002

	ADMINISTRATIVE EXPERT	.133	.139	.103	.953	.041
	EMPLOYEE CHAMPION	.117	.093	.104	1.265	.007
	CHANGE AGENT	.138	.148	.109	.930	.032
a. Dependent Variable: Employee Engagement						

From the above table 4.12, we can easily compare the relative contribution of each of the different variables by taking the beta value under the un standardized coefficients. The higher the beta value, the strongest its contribution becomes. Accordingly, strategic partner role (Beta=.446) makes the strongest contribution to explaining the dependent variable in which the results revealed that, a one percent increase in "strategic partner role of HR professionals" would lead to a 44.6% increase to the level of employee engagement and followed by change agent role ($\beta = .138$), then administrative expert role ($\beta = .133$). On the other hand, employee champion role are contributor to explaining the dependent variable with beta values of 0.117.

When we see the statistical significance of each variable from the above coefficients table 4.12, Strategic partner role (Sig. = .002), Administrative expert role (Sig. = .041), Employee Champion role (Sig. = .007), and Change Agent Role (Sig. = .032) have a statistically significant contribution (Sig<.05) for the prediction of the dependent variable.

4.7. Regression Mathematical Model

The equation of multiple regressions on this study is generally built on around two sets of variables, namely dependent variables (employee engagement) and independent variables(HR professional roles(strategic partner role, administrative expert role, employee champion role, and change agent role).

Employee Engagement(EE) = f(strategic partner role(STR), administrative expert role(AER), employee champion role(ECR), and change agent role(CAR))

$$\text{Mathematically, } Y_i = \beta + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4$$

Where Y is the dependent variable- employee engagement; X1, X2, X3, and X4 are the independent variables; β_1 is the intercept term- it gives the mean or average effect on Y, its mechanical interpretation is the average value of Y when the stated independent variables are set equal to zero. β_1 , β_2 , β_3 , and β_4 refer to the coefficient of their respective independent variable which measures the change in the mean value of Y, per a change in their respective independent variables. Hence,

$$EE = \beta + \beta_1*SPR + \beta_2*AER + \beta_3*ECR + \beta_4*CAR \text{ (Adopted from David U. 1997)}$$

Thus, in this case, the regression equation is:

$$EE = \beta + .446*SPR + .133*AER + .117*ECR + .138*CAR \dots \text{ (Table 4.12)}$$

CHAPTER FIVE

SUMMARY OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter provides concluding statements on the role of HR professional in maintaining/enhancing employee engagement. The conclusions are supported by a summary of the results from the analysis of HR role and employee engagement in CBE in relation to merging of the banks, and critical reflections from the literature review. The general conclusions that are related to the objective of the study are provided and followed by recommendation based on the conclusion made which helps the stakeholders to find the way on how to enhance employee engagement through active involvement of HR professionals.

5.1 Summary of Findings

The summary of the findings are presented below in bullets:

- As per the study, 33.33% of the employees were disengaged, while only 31.43% of them were engaged and the rest 35.24% were neither engaged nor disengaged.
- Concerning the role of HR professionals, the majority of the respondents that accounts 51.80% rated the role that HR professional play in relation to strategy, administration, employee and change as a medium whereas 26.3% rated as having less involved HR professionals.

- The findings of the qualitative data also showed HR involvement during the merger especially in engaging employees were minimal that resulted by high employee disengagement.
- The result of the correlation test conducted to see the relationship between the role of HR professionals during merger and employee engagement variables revealed a positive relationship having a positive correlation coefficient result with statistically significant relationship at ($p < 0.01$).
- Though all independent variables contribute to the enhancement of employee engagement, strategic partner role makes the strongest contribution to explaining the dependent variable in which the results revealed that, a one percent increase in "strategic partner role of HR professionals" would lead to a 44.6% increase to the level of employee engagement.

5.2 Conclusion

- This research has examined the role of HR professionals in maintaining employee engagement by examining the level of employee engagement and HR involvement and exploring the relationship between the employee engagement and the role of HR.
- Commercial Bank of Ethiopia envisions being a world class bank. However, the research finding shows around 31.43% of its employees are engaged. The Bank might be challenged in realizing this vision having about 70% employees categorized in disengaged and neither engaged nor disengaged category.
- The merger intended to bring greater success by generating the greater result from the diversity of the merged banks' employee and upholding learning organization culture

among the employees. However, the research finding shows that, there is still a minimal employee engagement.

- Commercial Bank of Ethiopia invested huge capital for upholding the effective and efficient HR professionals' involvement in the overall banks issue. However, the finding of the study shows that, the level of HR role is still minimal as only 21.9% rated the HR role as good while the rest 78.1% respondents rated as low and medium. The result of the previous researches are also not resemble from this fact. For instance, research conducted by Hutchings & De Cieri, 2007 shows only 35% of senior HR professionals are actively involved in merger.
- Again researches previously conducted, indicate that there is relationship between the role of HR professionals and employee engagement (Brown, 2004, Rankin, 2008, Shook & Roth, 2010). The result from this finding also confirms that there is positive and significant relationship between the role of HR professionals and employee engagements.
- The study also revealed that the independent variables have a positive contribute on the enhancement of employee engagement.

5.3 Recommendation

The actual findings of the research have been discussed above. Based on the result of the finding, the researcher forwarded the following recommendations.

- Commercial Bank of Ethiopia should develop mechanisms of engaging its employees so that to keep its customers satisfied and realize its vision. Some of the ways in which it can keep

employees engaged can be taking care of them as a person, listening to their concerns, helping them to integrate easily.

- HR professionals should pave a way for employees to voice their concerns and issues as this will contribute to maintaining their engagement.
- HR and line management must work in partnership in order to successfully maintain employee engagement.
- CBE has to arrange training for employees and line management before implementing change and restructuring as changes has their own impact on employee engagement.
- HR should train line managers on how they can nurture the engagement of employees through time and especially at a time of change like merger.
- As strategic partner, HR professionals should identify areas that are affecting employee engagement and then business performance, create value by shaping that organization around business needs, identify the core areas that need attention in terms of people and technology, provide input and take action to increase organizational and individual capabilities. The HR professionals should develop systems to motivate employees for their long term commitment and stay and improve business and individual performance. The focus should have to given for this role as it has more impact on employee engagement compared to the other independent variables.
- HR professionals in the role as administrative experts need to define and work on HR systems, structure, culture, processes, and procedures that need to be developed to move from present state to future state.
- As a change agent, HR professionals should contribute to managing organizational transformation by diagnosing the existing state of the organization and smoothening for the

success of the future on business issues in a way it balances the current organizational culture with the changing culture. HR professionals should powerfully persuade to convince each employee to accept the change and become capable of adapting himself to it at the same or more engagement level.

- As employee champion the HR professionals should ensure fair, ethical and equitable people processes and practices to maintain and enhance employee engagement and HR professionals should develop systems to motivate employees for their long term engagement and stay and improve business and individual performance.
- The skill of HR professional staffs has to be enhanced through different training and development programs especially to help them withstand the challenges during such changes.
- HR professional should first develop consistent trust and confidence with the leadership over time. Then, HR professionals can work with executives on the business direction and performance expectations and actively contribute to deciding what tactics are required for managing talent to achieve those goals through active employee engagement.
- The bank has to ensure that there are common systems that provide honest and valuable feedback to all levels of the organization.
- Change management processes have to be developed in line with the HR strategies and organization strategies in general.

Finally the researcher recommends that, the level of employee engagement and the role of HR professionals should be timely assessed and immediate measures have to be made based on the assessment result.

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	<i>to work</i>					
Dedication						
4	<i>I am proud of the work that I do</i>					
5	<i>My job inspires me</i>					
6	<i>I am enthusiastic about my job</i>					
Absorption						
7	<i>I feel happy when I am working intensely</i>					
8	<i>I am immersed in my job</i>					
9	<i>I get carried away when I am working</i>					

B. The Role of HR Professionals

This survey explores different roles that the HR may play within your Bank. Considering the HR professionals in your Bank (for example, corporate HR if you are at corporate, business level HR if you are in a business and/or functional level HR if you are at functional level), please rate the current quality of each of the following HR activities, using a 5-point i.e. 1 is for very low, 2 for low, 3 for medium, 4 for high and 5 for very high.

Please put the check mark(✓) under the letter of your choice as shown below in the ‘current quality’ column.

Human Resource Roles	Quality of HR activity(role) (1 is for very low, 2 for low, 3 for medium, 4 for high and 5 for very high)				
	1 Very Low	2 Low	3 Medium	4 High	5 Very High
<i>HR helps the Bank...</i>					
1. <i>accomplish business goals</i>					
2. <i>improve operating efficiency</i>					
3. <i>take care of employee’s personal needs</i>					
4. <i>adapt to change</i>					
<i>HR participates in...</i>					
5. <i>the process of defining business strategies</i>					
6. <i>delivering HR process</i>					
7. <i>improving employee commitment</i>					
8. <i>shaping culture change for renewal and transformation</i>					
<i>HR makes sure that...</i>					
9. <i>HR strategies are aligned with business strategy</i>					
10. <i>HR processes are efficiently administered</i>					
11. <i>HR policies and programs respond to the personal needs of employees</i>					

12. HR processes and programs increase the organization's ability to change					
HR effectiveness is measured by its ability to...					
13. help make strategy happen					
14. efficiently deliver HR processes					
15. help employees meet personal needs					
16. help and organization anticipate and adapt to future issues					
HR is seen as...					
17. a business partner					
18. an administrative expert					
19. a champion for employees					
20. a change agent					
HR spends time on...					
21. strategic issues					
22. operational issues					
23. listening and responding to employees					
24. supporting new behaviors for keeping the firm competitive					
HR is an active participant in...					
25. business planning					
26. designing and delivering HR processes					
27. listening and responding to employees					
28. organizational renewal, change, or transformation					
HR works to...					
29. Align HR strategies and business strategy					
30. monitor administrative processes					
31. Offer assistance to help employees meet family and personal needs					
32. reshape behavior for organizational change					
HR develops processes and programs to...					
33. link HR strategies to accomplish business strategy					
34. efficiently process documents and transactions					
35. take care of employee personal needs					
36. help the organization transform itself					
HR's credibility comes from...					
37. helping fulfill strategic goals					
38. increasing productivity					
39. helping employees meet their personal needs					
40. making change happen					

Interview questions for HR Department's professional staffs, other Departments Administrative staffs and some selected professionals.

This research interview is prepared to gather data on the role of HR professionals in maintain employee engagement.

The Role of HR professionals

- 1 What was the motive behind the merger?
- 2 Were HR professionals involved at the beginning of the strategic planning stages of the merger?
 - (a) If so, to what extent did their involvement contribute to the success of the merger?
 - (b) If not, do you believe their involvement could have increased success
3. Did HR help drive the change within the organization? What was their role?
4. Do you feel that HR was valued during the transition and integration phases of the merger?
5. How can you describe the role of HR professionals' involvement in merger of CBE and former CBB?

Employee Engagement

1. What do you think is the level of employee engagement at your bank after implementation of merger?
2. Does the bank have a planned program towards maintaining employee engagement?
3. How did your organization consider the impact of employee engagement during merger?
4. How did you manage the employee's terms and conditions effectively to maintain employee engagement and avoid feelings of uncertainty amongst transferring staff?
5. How did you manage the employee's terms of redundancy effectively to maintain employee engagement and avoid feelings of uncertainty amongst redundant staff?
6. Did you implement any training and development strategies either at employee or management level to help ease the transition and implementation of the change process?
7. Was trust between management and the employees broken at any stage during the change process?
8. Looking back at your experience of the merger, can you mention some factors you believe have the biggest impact on maintaining employee engagement?
9. What were the biggest challenges you came up against during the merger?
10. Is there anything you would have liked to say that I have not given you a chance to express?