



ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE
MASTER'S OF HUMAN RESOURCE MANAGEMENT

**THE ROLE OF SELECTED HUMAN RESOURCE
PRACTICES ON EMPLOYEE ENGAGEMENT
THE CASE OF COMMERCIAL BANK OF ETHIOPIA**

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APPROVAL
ADDIS ABABA UNIVERSITY
SCHOOL OF COMMERCE
MA PROGRAM

**THE ROLE OF SELECTED HUMAN RESOURCE
PRACTICES ON EMPLOYEE ENGAGEMENT
(THE CASE OF COMMERCIAL BANK OF ETHIOPIA)**

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Yohannes Atena

Declaration

I, Yohannes Atena, hereby declare that the thesis entitled “The role of selected human resource practices on employee engagement: The case of Commercial Bank of Ethiopia” is a presentation of my original research work. And it has not been submitted for post graduate program in this or other universities. Whatever contributions of others are involved, every effort is made to indicate this clearly, with due reference of literature. The work was done under the guidance of Dr. Abdurazak Mohammed, Addis Ababa University, and School of Commerce.

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List of Acronyms

ASTD- American society of training and development

CBE- Commercial bank of Ethiopia

CIPD- Chartered institute of personal development

DDI- Development dimension international

EPS- Earning personal share

FS- Frankfurt School

HR-Human Resource

IES-Institute of engagement survey

SET- Social exchange theory

WIT- Workplace insight tool

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Abstract

Employee engagement is a popular term among HR management professionals and academics alike. Research after research is done to establish why engagement should be on top of every executive's agenda. This study aimed at assessing the Role of Selected Human Resource Practices on Employee Engagement in Commercial Bank of Ethiopia – a company in the banking sector that need engaged employees and the result of having such employees is a known fact. The study was conducted using quantitative method using mean, correlation, chi square tests and linear regression. 287 employee's questionnaire responses were analyzed. Simple Random Sampling was used. The major finding of the study are the overall engagement level of employees of commercial bank of Ethiopia is 69% (mean of 3.45) based on Gallup's model classification of Employees relative with engagement level 50.8% are Engaged, 42.9% are Not-Engaged and 6.3 % Disengaged. Among from the demographic variables Employee Engagement level varies between different; Age, work Experience and Position status groups. Among the selected human resource practices all Communication, Development, Reward and Recognition and Extended Employee Care all have positive linear significant relationship to Employee Engagement and Communication, Development, Reward and Recognition and Extended Employee Care has explained the variance in the dependent variable of Employee Engagement 42.4%, 36.5%, 26.4% and 27.9% respectively i.e. communication the dominant driver and reward and recognition the least one. So that continuous measurement of employee engagement level and HR practices, assessing engagement practices and taking timely action is recommended.

Key words: Employee Engagement, Communication, Development, Reward and recognition, extended employee care.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

It is commonly acknowledged that human resources are the most important asset in any organization. In a turbulent economic environment characterized by high staff turnover and brain drain human resources practitioners' major challenge is to find ways of attracting and retaining creative and dedicated staff committed to the organization and to determine which working conditions stimulate employees to give their best, to be engaged, to go beyond what is expected and persist in the face of difficulties. In modern organizations employees are expected to be proactive and show initiative, collaborate smoothly with others and be committed to high quality performance standards and to be responsible for their own professional development (Bakker and Schaufeli, 2008). Organizations need employees who feel energetic and dedicated, and who are absorbed by their work. In other words, organizations need engaged workers.

The theory of employee engagement was first developed by Kahn (1990) who described engaged employees as workers that are fully emotionally, cognitively and physically connected with their work roles. (Bakker, 2011) echoes this definition when he says that engagement refers to focused energy that is fixed toward organizational goals.

Although, some employee turnover is regarded as normal it is however noted that if an organization truly engages its workforce, the chances of sudden unexpected loss of motivated, experienced and skilled quality workforce are minimized (Kahn 1990; Rich et al., 2010; Christian et al., 2011)

It's now more important than ever to engage employees due to the current economic climate. An increasing number of employers are now introducing employee engagement practices and policies within organizations as it has been found that organizations with an engaged workforce are much more capable in recessionary times than that of organizations with employees who are disengaged (McLeod& Clarke, 2009)

Failure to effectively engage employees can result in wasted resources, suboptimal organizational performance, high labor turnover and deteriorating employee morale. On the other hand, successfully engaging and committing employees can result in higher levels of organizational performance as well as higher levels of job satisfaction, both of which are much needed in today's environment (Mangundjaya, 2012).

Commercial Bank of Ethiopia (CBE) has the vision to be world class commercial bank by the year 2025 by realizing 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. The company believe that winning the public confidence is the basis of its success.

Nowadays, fierce competition among 20 banks is shown in the local labor market of banking industry. This brought challenge in getting skilled, productive and committed workforce. Customers also demanding best service with best technology. Thus, this environment demand highly engaged employees and high customer service practice.

It is against this background that this research was undertaken to assess the Role of Selected Human Resource Practices on Employee engagement in the context of CBE. Therefore the purpose of the paper is to attempt to know the engagement level of employees, the role of human resource practices and how these human resource practices would possibly affect employee engagement.

1.2 Statement of the problem

People and the way they are managed are becoming a more potent part of an organization's competitive advantage (Pfeffer, 1994) and becomes even more interesting as authors (Grönroos, 2009; Heskett, Jonas, Loveman, Sasser&Schlesinger, 1994) stress that most service organizations evolve in a direction where frontline employees constitutes an increasingly important role in the creation of customer value. Authors even claim that managers of these organizations must acknowledge a new paradigm for satisfying customers and creating value, focused on achieving satisfied, loyal and productive employees, which thereby drives profitability (Heskett et al., 1994).

Some authors (e.g. Kruse, 2012) go even further by claiming that employee satisfaction is not enough to build performing organizations, as employees must be engaged. Engaged employees are not just satisfied with their work, they are emotionally committed to their work, their organization and its goals (Kruse, 2012). Studies show that highly engaged employees perform 20 percent better and are 87 percent less likely to leave the organization, which indicates that employee engagement is linked to organizational performance (Lockwood, 2007). Further, organizations that are able to maintain high levels of employee engagement command a source of competitive advantage difficult for competitors to replicate (Aon Hewitt, 2012; Lockwood, 2007). Achieving high levels of employee engagement, however, seems challenging for organizations as studies show that 42 percent of employees globally is considered somewhat or completely disengaged (Aon Hewitt, 2012). This indicates that organizations need support in improving their employee engagement, which makes it an interesting area to investigate further.

It has been a big challenge for managers to lead the business to success in a fierce competition nowadays. Organizations are striving to increase their performance by increasing both efficiency and productivity. Managers would hardly deny that employees make a critical difference in innovation, organization performance, competitiveness, and ultimately lead to the business success (Bakker & Schaufeli, 2008). Driving employees to work proactively and collaborate smoothly with others, take responsibility for their own career development and also to be committed to high quality performance standards becomes one of the priority tasks for organizations (Bakker & Schaufeli, 2008). Employee engagement which was defined as a persistent, positive affective-motivational state of fulfillment in employees that is characterized by vigor, dedication and absorption (Maslach et al., 2001) became a hot topic within organizations as many researchers gave emphasis (Buckingham & Coffman, 1999; Coffman & Gonzalez-Molina, 2002).

Despite employee engagement being an important ingredient to employee and organization performance, there is limited empirical research that has been conducted on the subject matter in relation to commercial bank of Ethiopia. However, there is a survey conducted in CBE in collaboration with FS consulting team on employee engagement and retention in January and February 2013. The survey finding is based on respondents from Head Office and District employees only which is not fully representing CBE and used frequencies tools of analysis. This study is carried in CBE where employee engagement is the key factor for organization success.

Therefore the study focused on the assessment of engagement level of employees and how selected HR practices influenced engagement of employees.

1.3 Research questions

This study addresses the following basic research questions.

1. What is the level of employee engagement in CBE?
2. What are the human resource practices that affect employee engagement?
3. To what extent does the human resource practices affect engagement of employees?

1.4 Objectives of the study

The general objective of the study is to assess employee engagement, human resource practices or drivers of employee engagement and effect of human resource practices on employee engagement level.

The specific objectives are:

1. To examine the level of employee engagement in CBE.
2. To assess human resource practices that affect employee engagement?
3. To determine the extent to which employee engagement factors affect engagement level of employees.

1.5 Hypothesis

The following research hypotheses are formulated for the purpose of the study from the conceptual framework.

H1:- There is a significant relationship between communication and employee engagement.

H2:- There is a significant relationship between development and employee engagement.

H3:- There is a significant relationship between reward and recognition and employee engagement.

H4:- There is a significant relationship between extended employee care and employee engagement.

1.6 Significance of the study

The term employee engagement has gained considerable popularity the last two decades, but the concept remains in the need of more empirical research especially in our country and specifically for CBE.

The findings of the study will also have practical significance in helping CBE in developing best engaged human capital. Thus this study provide direction to the organization to examine HR factors which determine employee engagement, give strategic implication and take actions of affecting employee engagement to get higher output for superior organization performance.

For the researcher, besides acquiring academic qualification, it broaden the understanding of employee engagement issues. It can also serve as an ingredient for other researchers who would do more in the subject of employee engagement in the future.

1.7 Scope of the study

Concerning methodological scope, the study used only quantitative research design. The rationale behind using quantitative approach is the nature of the research questions and the most appropriate method to address the research questions.

Conceptually, the study covers only those four HR practices or engagement drivers although various conceptual models identify various HR practices or drivers of engagement. Therefore, the studies conceptual scope is limited to these HR practices namely communication, development, reward and recognition and extended employee care.

Geographically, the study is concentrated was limited in Addis Ababa Area offices only i.e. Head Office and four Districts. The logic behind this is it's difficult to cover all areas and offices throughout the country and the researcher assumed the chosen sample represent the all population.

1.8 Limitations of the study

The limitations of the study are, first, that there are likely to be others HR factors contributing to Employee Engagement not identified in the study. Second was related to extraneous variables that needed to be controlled that has/have a constraining or facilitating effect on the relationship between independent variables (selected HR practices) and dependent variable (employee engagement). So far, there was not any external factor to the researcher that needed to be controlled. Third the researcher had opted only in closed ended questionnaire or quantitative analysis only. Finally, the analysis excluded those respondents that have below one year experience and those employees who are from Construction and Business Bank after the merge process.

1.9 Organization of the Report

The research report is organized in five chapters. In the first chapter, a brief background is presented, followed by statement of the problem, research questions, objectives of the study, hypothesis, significance, limitations of the study and scope of the study was presented.

In chapter two, the researcher presents review of related literature; empirical review, theoretical concepts and conceptual framework was presented.

Chapter three presents the type and design of the research, participants of the study, source of data, the data collection tools/instruments employed, the procedure of data collection and methods of data analysis used in the study.

Results have been extensively discussed and presented in chapter four concentrating on interpretation of findings.

Finally, in chapter five, summary, conclusions and recommendations are presented based on results discussed under chapter four.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

The purpose of the literature review is to examine key concepts and related research relevant to employee engagement. The following topics are identified as important: defining employee engagement, categories and its importance, its antecedents and consequences as well as instruments used for measuring it. Organizational Outcomes and Variations of Engagement are also reviewed. Each of these topics is reviewed and critiqued relevant to the study.

2.1 Theoretical Literature Review

2.1.1 Definition of Employee Engagement

It became evident from literature that employee engagement is defined differently by various organizations and authors. These definitions are in most cases adapted to what the organizations deem important for them.

Vance (2006:2) explains that there are common themes that emerge. Some of these themes include employees' satisfaction with their work and being proud of their employer. It includes the extent to which people enjoy and believe in what they do. It also relates to the perception that their employer values what they could offer the organization. Stockley (2007) defines engagement as the extent that an employee believes in the mission, purpose, and values of an organization, and demonstrates that commitment through their actions as an employee and their attitude towards the employer and customers. Most often it has been defined as emotional and intellectual commitment to the organization (Baumruk, 2004; Richman, 2006), or the amount of discretionary effort exhibited by employees in their jobs (Frank *et al.*, 2004)

Robinson's definition of engagement (2004) is the employee's positive attitude towards the organization and its value. Employee engagement means working with co-workers and being conscious of the business context to advance performance in the job for the advantage of the organization.

Gibson (2006) defines employee engagement as “a heightened emotional connection that an employee feels for his or her organization, that influences him or her to exert greater discretionary effort to his or her work” (as cited by Khan, 2007). Gallup Consulting (2008) describes employee engagement as “the extent to which employees are psychologically connected to something or someone in the organization”.

Yet another prominent researcher defines personal engagement as “the harnessing of the organization’s members full selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances” (Kahn, 1990:). Personal disengagement refers to “the uncoupling of selves from work roles; in disengagement, people withdraw and defend themselves physically, cognitively, or emotionally during role performances”. Thus, according to Kahn (1990:693), engagement means to be psychologically present when occupying and performing an organizational role.

The Corporate Leadership Council (2004) and Blessing (2005) define employee engagement as emphasize on cognitive connection among employee to work and subsequently behavior’s that the employees express on job satisfaction and their effect on how hard the employee is really want to work.

Rothbard (2001:) also defines engagement as psychological presence, but goes further to state that it involves two critical components: attention and absorption. Attention refers to “cognitive availability and the amount of time one spends thinking about a role”, while absorption means “being engrossed in a role and refers to the intensity of one’s focus on a role.”

On the other hand, Christian et al. (2007) state that engagement constitutes the attitudes or the awareness of the employee regarding specific elements of his/her workplace or welfare. They expound on engagement’s two dimensional descriptions. The authors first define an engaged employee as one who is well aware of what to do at work and then define it as one who has desire for work.

Burnout researchers define engagement as the opposite or positive antithesis of burnout (Maslach *et al.*, 2001). According to Maslach *et al.* (2001), engagement is characterized by energy, involvement, and efficacy, the direct opposite of the three burnout dimensions of exhaustion, cynicism, and inefficacy. Research on burnout and engagement has found that the core dimensions of burnout (exhaustion and cynicism) and engagement (vigor and dedication) are opposites of each other (Gonzalez-Roma *et al.*, 2006). Schaufeli *et al.* (2002) define engagement “as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption.” They further state that engagement is not a momentary and specific state, but rather, it is “a more persistent and pervasive affected cognitive state that is not focused on any particular object, event, individual, or behavior”.

Organizational commitment differs from engagement in that it refers to a person’s attitude and attachment towards their organization. Engagement is not an attitude; it is the degree to which an individual is attentive and absorbed in the performance of their roles (Saks, 2006). And while organizational citizenship behavior involves voluntary and informal behaviors that can help co-workers and the organization, the focus of engagement is one’s formal role performance, rather than extra-role and voluntary behavior.

Engagement also differs from job involvement. According to May *et al.* (2004), job involvement is the result of a cognitive judgment about the need satisfying abilities of the job and is tied to one’s self-image. Engagement has to do with how individuals employ themselves in the performance of their job. Furthermore, engagement involves the active use of emotions and behaviors in addition to cognition. May *et al.* (2004) also suggest that “engagement may be thought of as an antecedent to job involvement in that individuals who experience deep engagement in their roles should come to identify with their jobs.”

In summary, although the definition and meaning of engagement in the practitioner literature often overlaps with other constructs, in the academic literature it has been defined as a distinct and unique construct that consists of cognitive, emotional, and behavioral components that are associated with individual role performance. And also employee engagement is related to rational processes of judgment, reasoning, perception and memory, as well as relating to feeling, emotion, mood and sensibilities. Furthermore, engagement is distinguishable from several related

constructs, most notably organizational commitment, and organizational citizenship behavior and job involvement.

2.1.2 Categories of Employee Engagement

According to Coffman (2002), there are, in terms of engagement, three groups of employees: Engaged, Not engaged and actively disengaged.

Engaged

An engaged employee can be described as one who is desirous of his job, is personally responsible and obligated to his/her work in the company. An engaged employee could go further than their job description and help improve the company's standing in the marketplace. Vazirani (2007) states that an engaged employee is a builder as he is aware of what is expected of him in his job and he is able to achieve it. An engaged employee works consistently every day at a significant committed level using his effort, talent and strength and comes up with innovation to uplift his company's status.

Not Engaged

According to Coffman (2002) the second group of employee is the "Non Engaged Employees" those kind of employee do not have energy during performing their job. "NonEngaged Employees" According to Vazirani (2002) have tendency to concentrate on the task rather than the outcomes that the company try to achieve, they do and finish what they have been told to do. They consider themselves by accomplishing their task they achieve a result.

Actively Dis-engaged

The third group is "Actively Disengaged Employees". Those employees are characterized as openly unhappy with their jobs and they try to convince engaged employees to be disengaged. According to Vazirani (2007), this type of employees can be described as "cave dwellers" as they are constantly against everything and they always try to view everything with negativity influencing those around them. In addition, Vazirani (2007) revealed that employees increasingly

depend on each other in the creation of products and services. So therefore, an actively disengaged employee seeking problems may affect the performance of the whole organization.

2.1.3 Social Exchange Theory

Employee engagement is referred to the level to which the workforce emotionally and intellectually pledges in order to achieve their work according to the mission, and vision of the organization. It can be viewed as akin to ownership whereby every employee is desirous of doing what they can, to satisfy internal and external customers, and to achieve the organization's goals. The meaning behind employee engagement provides a positive inkling that employee engagement can be accomplished, improved or nurtured by the organization. This has been expounded clearly by the Social Exchange.

The Social Exchange Theory provides a theoretical basis of why employees opt to become more engaged or less engaged in their work. According to SET, responsibilities are created through various interactions of parties who are interdependent with each other. SET's basic tenet holds that relationships gradually develop into trusting, loyal, and mutual pledges on the condition that the parties to the pledge follow rules of exchange. Therefore, one way for employees to repay their organization is through their engagement level. In other words, employees' engagement levels depend on the advantages they receive from the organization. Showing dedication to one's work in large amounts of cognitive, emotional, and physical resources is a perceptive way for employees to show their appreciation to their organization's services.

SET states that individuals having strong exchange ideology are more inclined to feel obliged to return the organizational benefits that they receive. Hence, it can be stated that the link between different predictors and engagement may be stronger for individuals possessing a strong exchange ideology.

As we see, employee engagement consist a psychological and emotional connection between employees and their organization which could be turned into negative or positive behavior at work. The organization plays the main role of engagement.

2.1.4 Antecedents and consequences of engagement

In recent years, more studies have begun to look at the antecedents and consequences of employee engagement. It is understandable that organizations wish to increase employee engagement, given that engaged employees are willing to make use of their full potential in their work roles in a positive way (Kahn, 1990), have better well-being (Hallberg&Schaufeli, 2006), are more productive and remain in their jobs for longer (Saks, 2006; Schaufeli& Bakker, 2004).

Many researchers have tried to identify factors leading to employee engagement and developed models to draw implications for managers. Their diagnosis aims to determine the drivers that will increase employee engagement level.

Kahn (1990) proposed three antecedent conditions of psychological meaningfulness, availability and safety which provide opportunities for intervention to increase levels of engagement. Psychological meaningfulness is influenced by work characteristics, such as challenge and autonomy (Bakker &Demerouti, 2007). Psychological availability depends on individuals having sufficient psychological and physical resources, such as self-confidence, to invest in their role performances (Hallberg&Schaufeli, 2006:121). Psychological safety stems from organizational social systems, with consistent and supportive co-worker interactions and organizational norms, allowing for greater engagement (Bakker &Xanthopoulou, 2009). This third antecedent condition, psychological safety, offers the most potential for leadership to influence engagement. Specifically, leadership that provides a supportive, trusting environment allows employees to fully invest their energies into their work roles. Kahn (1990) established theoretical and initial empirical evidence for a link between supportive leadership and employee engagement.

According to the Penna research report (2007), “meaning” at work has the potential to be a valuable way of bringing employers and employees closer together, to the benefit of both, where employees experience a sense of community, the space to be themselves and the opportunity to make a contribution. . Employees want to work in the organizations in which they find meaning in what they do. Penna (2007) researchers have also come up with a new model they called “Hierarchy of engagement” which resembles Maslow’s “Hierarchy of needs” model.

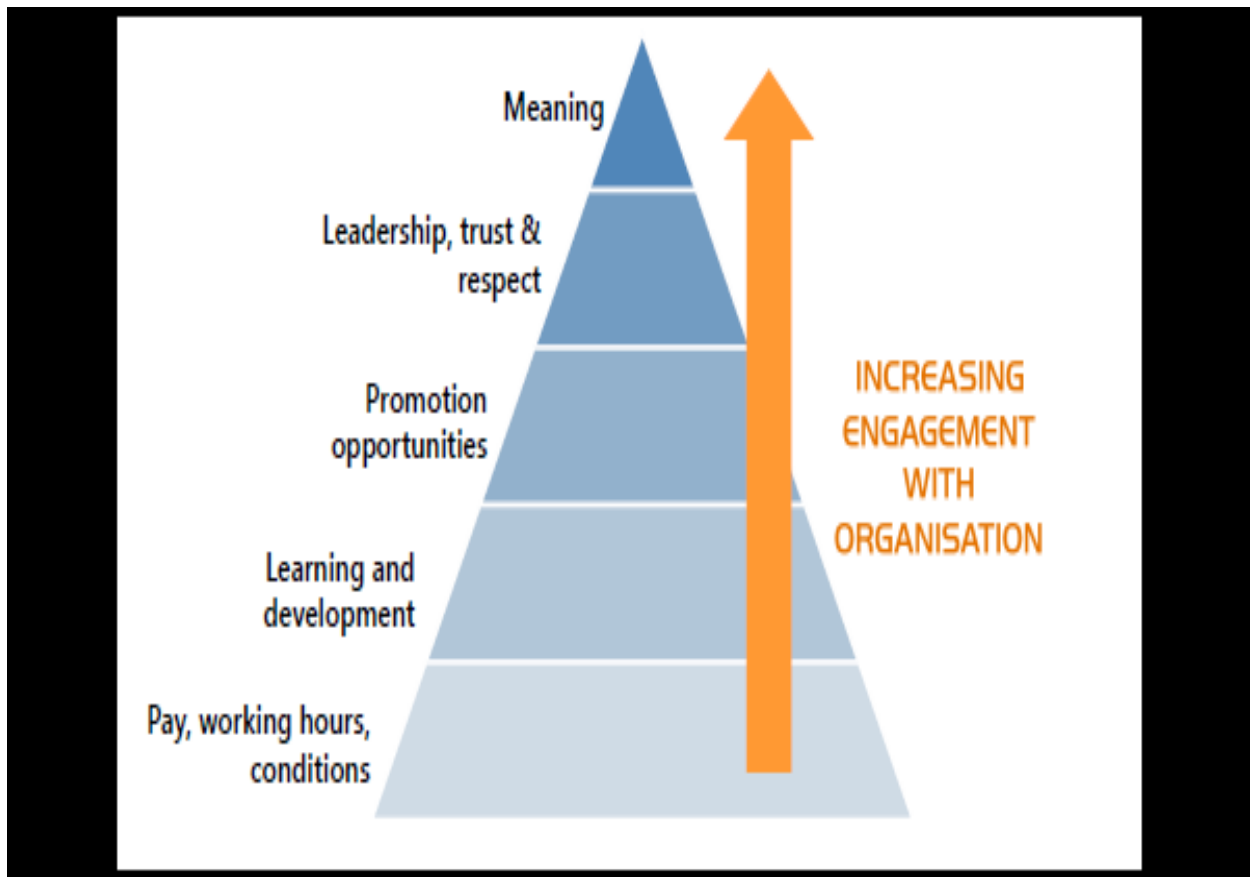


Figure 2.1: Penna's Hierarchy of Engagement (2007)

In the bottom line there are basic needs of pay and benefits. Once these needs of the employee are satisfied, then the employee looks to development opportunities, the possibility for promotion and then leadership style will be introduced into the mix in the model. Finally, when all the above cited lower level aspirations have been satisfied, the employee looks to an alignment of value and meaning, which is displayed by a true sense of connection, a common purpose and a shared sense of meaning at work.

The Blessing White (2008) study has found that almost 60% of the surveyed employees want more opportunities to grow forward to remain satisfied in their jobs. Strong manager-employee relationship is a crucial ingredient in the employee engagement and retention formula.

Development Dimensions International (DDI, 2005) states that a manager must do five things to create a highly engaged workforce. They are:

- Align efforts with strategy

- Empower

- Promote and encourage teamwork and collaboration

- Help people grow and develop

- Provide support and recognition where appropriate

Perrin (2003) identifies the top ten work place attributes which will result in employee engagement. The top three among the ten drivers listed by Perrin are:

- Senior management's interest in employees' well-being

- Challenging work

- Decision making authority.

After surveying 10,000 NHS employees in Great Britain, Institute of Employment Studies (Robinson *et al.*,) points out that the key driver of employee engagement is a sense of feeling valued and involved, which has the components such as involvement in decision making, the extent to which employees feel able to voice their ideas, the opportunities employees have to develop their jobs and the extent to which the organization is concerned for employees health and well-being.

CIPD (2006) on the basis of its survey of 2000 employees from across Great Britain indicates that communication is the top priority to lead employees to engagement. The report singles out having the opportunity to feed their views and opinions upwards as the most important driver of people's engagement. The report also identifies the importance of being kept informed about what is going

on in the organization. The oldest consulting organization in conducting engagement surveys, Gallup, has found that the manager is the key to an engaged work force. James Clifton, CEO of the Gallup Organization, indicates that employees who have close friendships at work are more engaged workers (Clifton, 2008). Vance (2006) explains the fact that employee engagement is inextricably linked with employer practices. To shed light on the ways in which employer practices affect job performance and engagement, he presents a job performance model. According to him, employee engagement is the outcome of personal attributes such as knowledge, skills, abilities, temperament, attitudes and personality, organizational context which includes leadership, physical setting and social setting and HR practices that directly affect the person, process and context components of job performance. The following list of eight commonly cited drivers of employee engagement is adapted from Khan (2007):

- Trust and integrity: How well do managers communicate and follow through?

- Nature of the job: Is it mentally stimulating?

- Alignment between employee performance and company performance: Do employees understand how their work contributes to the company's performance?

- Career growth opportunities: Are there opportunities for growth?

- Pride in the company: Do employees gain self-esteem from being associated with their company?

- Co-workers or team members: Do they influence employees' level of engagement?

- Employee development: Is the company developing the employee's skills?

- Relationship with the person's manager: Do employees value their relationships with their managers?

Practitioners and academics tend to agree that the consequences of employee engagement are positive (Saks, 2006). There is a general belief that there is a connection between employee engagement and business results; a meta-analysis conducted by Harter *et al.* (2002) confirms this

connection. They concluded that, "...employee satisfaction and engagement are related to meaningful business outcomes at a magnitude that is important to many organizations". However, engagement is an individual-level construct and if it does lead to business results, it must first impact individual-level outcomes. Therefore, there is reason to expect employee engagement to be related to individual's attitudes, intentions, and behaviors. Although neither Kahn (1990) nor May *et al.* (2004) included outcomes in their studies, Kahn (1992) proposed that high levels of engagement lead to both positive outcomes for individuals, (e.g. quality of people's work and their own experiences of doing that work), as well as positive organizational-level outcomes (e.g. the growth and productivity of organizations).

The Gallup Organization (2004) found critical links between employee engagement, customer loyalty, business growth and profitability. They compared the scores of these variables among a sample of stores scoring in the top 25 percent on employee engagement and customer loyalty with those in the bottom 25 percent. Stores in the bottom 25 percent significantly under-performed across three productivity measures: sales, customer complaints and turnover. Gallup cites numerous similar examples. The International Survey Research (ISR) team has similarly found encouraging evidence that organizations can only reach their full potential through emotionally engaging employees and customers (ISR, 2004).

In an extension of the Gallup findings, Ott (2007) cites Gallup research, which found that higher workplace engagement predicts higher earnings per share (EPS) among publicly-traded businesses. When compared with industry competitors at the company level, organizations with more than four engaged employees for every one actively dis-engaged, experienced 2.6 times more growth in EPS than did organizations with a ratio of slightly less than one engaged worker for every one actively dis-engaged employee. The findings can be considered as reliable as the variability in differing industries was controlled by comparing each company to its competition, and the patterns across time for EPS were explored due to a bouncing increase or decrease which is common in EPS (Ott, 2007).

Whilst this research does not show investors and business leaders exactly what organizations are doing on a day-to-day basis to develop engaged employees, the findings do demonstrate

differences in overall performance between companies, and Gallup's meta-analyses present strong evidence that highly engaged work groups within companies out-perform groups with lower employee engagement levels, and the recent findings re-enforce these conclusions at the workgroup level. The meta-analysis study shows that top-quartile business units have 12 percent higher customer advocacy, 18 percent higher productivity, and 12 percent higher profitability than bottom-quartile business units. In contrast, bottom-quartile business units experience 31 percent to 51 percent more employee turnover than those in the top quartile of workplace engagement. This research into EPS provides a degree of proof that employee engagement correlates to crucial business outcomes.

Vance (2006) reports that organizations with engaged employees were five times less likely to have a safety incident than those who have non-engaged employees. An engaged workforce is also seven times less likely to have a lost-time safety incident. Engaged employees understand how their safety actions influences the overall success of the business.

2.1.5 Variations in Employee Engagement

The experience of engagement at work can vary between individuals over time and is likely to fluctuate on a daily basis within one person (Sonnetag, 2003; Kahn, 1990). This section explores the debate about whether some people are more likely to engage at work than others, focusing on the differences between individuals, as well as how engagement is affected by job and organizational characteristics.

Are some people more likely to engage than others?

A number of biographical details have been shown to affect scores in engagement surveys. The impact of personal characteristics on engagement was identified in Robinson et al.'s (2007) survey of employee engagement in eight organizations spanning a range of sectors. The organizations included the retail arm of a mobile telephone company, a government agency, a charity and part of a police force. The survey revealed differences in levels according to gender, age, ethnicity, disability and those with caring responsibilities:

- Gender: women appeared slightly more engaged than men in some organizations.

- Age: engagement was highest in those under 20 years old and those 60 years plus, but dropped between 20 and 39 years old, before climbing again.
- Ethnicity: ethnic minority groups reported slightly higher engagement levels than their white counterparts.
- Disability: generally, disabled individuals reported higher engagement than those without a disability or medical condition.
- Caring responsibilities: overall those with adult caring responsibilities had the lowest engagement levels with their organization, whilst those who cared for both adults and children had the highest.

It is important to note, however, that within individual organizations these general findings did not always hold true.

Similarly, Balain and Sparrow (2009) agree that engagement levels co-vary with biographical factors such as how old a person is and their gender, as well as more work-related factors such as how new they are to the organization, their working hours, their pay and where they sit in the organization.

2.1.6 Measuring Employee Engagement

Engagement is a measurable construct. There are numerous employee attitude surveys in use currently, many developed in-house by organizations' HR departments with the aim of measuring engagement levels in the company. There are also a number of measures produced by large consultancies and survey houses that allow organizations to benchmark their levels of engagement against data derived from hundreds or thousands of companies.

Balain and Sparrow (2009) suggest that engagement surveys represent a mechanism for employee feedback which are used periodically as a gauge to show how well the organization is doing. However, because of the diversity in the definition, assumptions and use of employee engagement, and the differing requirements of every organization, there is likely to be a wide variation between all such measures in what is actually measured and organizations are advised to benchmark their engagement scores with caution (Balain and Sparrow, 2009). Organizations are therefore left with a dilemma when choosing how to go about measuring engagement:

‘Organizations may have to choose between a standard measure that does not quite meet their requirements, but enables benchmarking, and a customized measure that is ideal in every way except for the ability to compare with other organizations.’ (Robinson et al., 2007)

When measuring engagement, employers can explore a variety of factors including the extent of an employee’s pride in their organization, their willingness to go the extra mile, be selfless and act as a team player, their belief in the organization’s products and services and their belief that the organization enables them to perform at their best (Robinson, 2007).

The following measurements offer an idea of the range available.

2.1.6.1 IES Engagement Survey

The engagement indicator consists of twelve attitudinal statements that examine organizational citizenship, organizational commitment, the extent to which individuals identify with the values of the organization, and their belief that the organization enables the individual to perform well. Respondents mark their level of agreement with each statement on a scale of one to five. It is also available in a shorter five statements indicator, and has demonstrated good statistical reliability (Robinson et al., 2007).

2.1.6.2 Gallup Workplace Audit (q12)

This measure of employee engagement is based upon the work of Buckingham and Coffman (1999), who derived 12 questions to measure employee engagement from thousands of focus groups across 2,500 business, healthcare and education units (Luthans and Peterson, 2002). The questions address issues such as understanding what is expected of you at work, having the resources to perform well, recognition and praise, encouragement to develop, being listened to and friendships at work (Bates, 2004). Responses to these questions have been linked to business outcomes such as bottom-line profit, productivity, employee retention, and customer loyalty and engagement. Whilst the tool has undergone tests of its reliability, Bhatnagar (2007) asserts that the q12 contains some contamination from concepts such as employee satisfaction, commitment and involvement and so further work is required to determine the validity of this measure.

2.1.6.3 NetPromoter

Barclays suggest that it is possible to ‘gain a good sense of someone’s engagement by asking a simple question, would you recommend Barclays as a good place to work?’ (Barclays, 2008). This idea is the essence of NetPromoter (Satmetrix Systems, 2006).

The tool is an example of a metric for customer engagement and similar to Gallup’s (2006) idea of the engaged, almost engaged and disengaged employees, NetPromoter is based upon the premise that an organization’s customers fall into three categories, promoters (loyal enthusiasts), passives (satisfied but unenthusiastic, may stray to the competition), and detractors (unhappy, may speak negatively of the organization). By asking a single question, ‘how likely is it that you would recommend the company to a friend or colleague?’ these groups can be identified and organizations can get a measure of customer loyalty.

The company’s NetPromoter score is calculated by taking a percentage of the promoters and subtracting the percentage of detractors (Satmetrix Systems, 2006). Much in the same way as customers are, employees can also act as promoters, passives and detractors.

Research suggests that being a positive advocate for the organization is a key outcome of employee engagement (eg Scottish Executive Social Research, 2007; Penna, 2006). Measuring such word-of-mouth advertising by employees and identifying promoters and NetPromoter scores may therefore provide organizations with an engagement gauge, and an idea of where to intervene to increase numbers of the promoting engaged, and decrease the detracting disengaged.

2.1.6.4 Roffey Park Institute’s Engagement Diagnostic Service

Roffey Park Institute has developed an engagement scale as part of a package service to allow organizations to determine and understand their engagement levels. Their statistically validated engagement scale benchmarks organizations on four key indicators, namely employees’ commitment to the organization, their relationships at work, the payback they receive and their feelings relating to their job and role. The service also identifies how organizations can improve employee engagement (Roffey Park Institute, 2008).

2.1.6.5 Towers Perrin Rapid Engagement Diagnostic Survey

This web- or paper-based survey offers the ability to measure and benchmark organizations' engagement levels, and identifies what may drive engagement in a given organization, and where organizations can intervene. The survey is developed from work undertaken with 40,000 employees in northern America. (Towers Perrin, 2003; Towers Perrin, 2005). The survey is grounded in nine factors that Towers Perrin propose '*truly define*' engagement. According to Towers Perrin, the advantage of this survey is that it is faster and cheaper than more traditional measures of engagement (Towers Perrin, 2005).

2.1.6.6 Utrecht Work Engagement Scale (UWES)

Based upon the Engagement-Burnout model forwarded by Maslach et al. (2001), this scale is designed to determine engagement based on the assumption that it is a '*positive work-related state of fulfilment that is characterized by vigor, dedication, and absorption*' (Schaufeli, Bakker and Salanova, 2006). It is composed of three scales each measuring one of these three constructs. The scale is available in long and short form (17 or 9 items). The UWES-9 has been shown to have good construct validity, suggesting high correlation to the theorized construct of engagement (Seppälä et al., 2008). Tests have shown that the three scales have good internal consistency and test-retest reliability, indicating that the scale is reliable (Schaufeli et al., 2002; Schaufeli et al., 2006), but it does lack benchmarking data. Schaufeli et al. (2006) found that the tool is a suitable measure in studies of positive organizational behavior.

2.1.6.7 Workplace Insight Tool (WIT)

Best Companies' WIT is a survey of employees based on the assumption that businesses can improve engagement levels in many areas and what is key is trust, listening, flexible working and avoiding a long hour's culture. Responses to the survey are analyzed to explore the correlation between employee engagement and '*areas which can be targeted for change*' (Best Companies, 2009). Organizations can explore how performance has changed over the years and benchmark themselves against other companies (Best Companies, 2009).

2.2 Empirical Literature Review

Maylett&Waner (2014) shared results of studies conducted over a period of 14 years in 70 countries and with 14 million employee engagement survey responses. The results showed that highly engaged employees are 87% less likely to leave their organization and companies with low engagement scores earn an operating income 33% lower than companies with more engaged employees. Equally interesting was the finding that engaged companies grow profits as much as 300% faster than their competitors.

According to Gallup's latest findings (2014), 87% of workers are not engaged or actively disengaged and are emotionally disconnected from their workplaces and less likely to be productive. The proportion of actively disengaged employees has decreased from 27% to 24% in 2014 compared to 2013. However, actively disengaged employees continue to outnumber engaged employees by nearly 2 to 1, implying that at the global level, work is more often a source of frustration than one of fulfillment. It also means countless workplaces worldwide are less productive and less safe than they could be and are less likely to create badly needed new jobs and happy thriving human beings.

According to CBE (2013), employee engagement and retention survey report the employee's engagement score is 65%. The study compared employee engagement scores across employee survey groups and concluded that Business Development Management process appeared more highly relatively dis engaged. There was no survey category where relatively high engagement scores had been recorded. Employees in Adama, Dessie, Gonder and Jimma Districts were relatively more highly engaged than other survey categories.

Nebat (2015), conducted a thesis on employee engagement practices and challenges in MultiChoice Ethiopia Limited. The study showed employees are engaged with a mean value of 3.54. Among the engagement drivers listed only management support had found a significant impact on employee engagement and concluded that current level of employee engagement level were slightly lower than that of 2013 and higher than the neutral level.

Another study by Negash (2015), also conducted a thesis on work engagement and its predictors in Paulo's specialized hospital medical college. Utrecht work engagement scale and Gallup Q12 was used to determine the level of employee engagement. The main finding was average employee's work engagement was non-engaged and recommended that top management should address issues related with engagement.

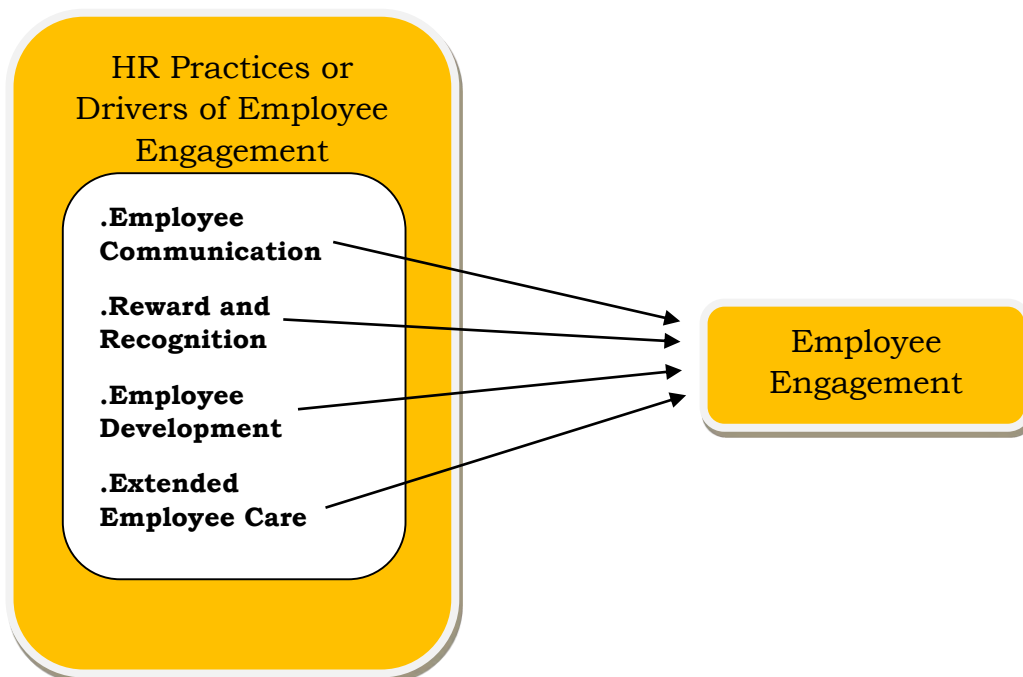
From the summary above, we can conclude that the field of employee engagement is being understood better now than ever before. There are also indications that organizations are looking towards research based solutions to improve their employee engagement.

2.3 Conceptual Framework

With reference to the literature review and the research problem, the conceptual framework has been developed. The Social Exchange Theory (SET) has been used as the basis in developing this research framework. The Social Exchange Theory provides a theoretical basis of why employees choose to become more engaged or less engaged in their work. According to SET, responsibilities are created through various interactions of parties who are interdependent with each other. SET's basic tenet holds that relationships gradually develop into trusting, loyal, and mutual pledges on the condition that the parties to the pledge follow rules of exchange.

The framework focuses on four specific HR practices or drivers of engagement and the researcher assume that these drivers lead to employee engagement.

Figure 2.2: model of employee engagement (adopted from Ola Khalil)



The association between each of these HR practices or drivers and employee engagement is as follows:

Employee Communication

Effective employee communication helps employees to comprehend their role in the company and thus, lead to organizational success. The Chartered Institute of Personal Development (CIPD) survey has evidenced the significance of employee communication in any organization. The survey revealed that the two most crucial supporters of employee engagement are the opportunity to provide upward feedback and to be well-informed about the organization's workings.

It is clear that engagement begins with the employee being informed of the workings in the company. In other words, it is imperative to keep employees up-to-date concerning the changes brought about in their work groups so they will be prepared when the changes are introduced. Additionally, when employees are well-informed and are provided with a clear set of goals, they will be more inclined to make good use of their time, assets, and budgets. Consequently, employees remain on track when it comes to making decisions regarding priorities and they are sure of their actions.

Reward and Recognition

People generally expect acknowledgement for their valuable offerings and contribution. Despite the fact that majority of organizations often offer formal rewards and recognition programs in exchange for employee ideas and contributions, many employees still expect day-to-day informal recognition. Employees need to be convinced that management listens, supports and recognizes their contributions in order to be more engaged. The absence of employee recognition and appreciation has been established by the U.S. Department of Labor as a key aspect in employees' decisions to quit their jobs in organizations.

Employee Development

The American Society for Training and Development (ASTD) research evidenced that employee's desire for the growth and advancement prospects in the organization has a direct effect on engagement where 65% of the respondents replied that "quality of training and learning opportunities" encourages their engagement to a high or very high level; a response revealed as

the strongest in the survey. Moreover, The Development Dimensions International (DDI) Selection Forecast study 2004, revealed that majority of employees quit their jobs to transfer to companies offering better growth and development prospects.

Extended Employee Care

Another important element in achieving high level of employee engagement that leads to employee performance improvement is the extended employee care. Based on Khan's (1990) study, there exist three psychological conditions related to the engagement or disengagement at work. They are safety, meaningfulness and availability. In other words, employees become more engaged and more in their state of psychological availability, in workplaces offering them more psychological safety and psychological meaningfulness. On top of that, May et al. (2004) revealed that elements of safety, meaningfulness and availability were significantly related with employee engagement.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This study has been conducted to determine the current level of Employee Engagement in CBE, identify the drivers or HR practices which affect Employee Engagement, the extent to which HR practices affect Employee Engagement. To achieve this objective and answer the research questions mentioned above, the following research design and methods are used.

3.1 Research design type and Approach

Creswell (2009) defines research design as the plan and procedures for research that span the decisions from broad assumptions to detailed methods of data collection and analysis. A particular type of research design is selected for this study based on worldview assumptions, the nature of the research problem, personal experience and audience of the study. Based on the above considerations, a research may be conducted using a qualitative, quantitative or mixed approach.

The researcher used quantitative approach only to answer the research questions. This is based on the assumption that quantitative method was enough to address the research problem and gave better analysis. Moreover, quantitative research is beneficial because it enables the researcher to collect objective and numerical data to apply statistical tools and establishes relationship and causation between variables.

3.2 sampling and sample size determination

Commercial bank of Ethiopia has different offices and branches throughout the country. The Sample of the study shall be taken from Head Office and Branches located in Addis Ababa. Moreover, the non-clerical which are composed of guards, drivers, janitors and messengers are excluded from the population because those positions are non-core areas for the bank and are outsourced. Therefore these employees outside the selected employee category i.e. managerial and professional employees are excluded to manage and focus on the study.

The population or target groups are professional and managerial employees which were under Addis Ababa. As professional employees take the largest share of the total population, it is believed that they can fairly represent the remaining portion of the study population. The selected CBE population of Addis Ababa is sub divided in to Head office and Four Districts. The population of

the study therefore shall be those employees who work under Head office and Branches in Addis Ababa. Since the Four Districts are homogeneous in characteristics two Districts are selected randomly. And also Branches under the selected Districts are selected randomly. Finally those samples of managerial and professional employees shall be randomly selected from the randomly selected branches proportionately.

Table- 3.1, Managerial and professional employees of CBE;

Location	Job position		Total
	Professional	Managerial	
Head office(HO)	1572	183	1755(39%)
South District(SD)	1275	219	1494(32%)
North District(ND)	1138	159	1297(29%)
Total	3982	561	4546

Source, CBE human resource record as of September 30, 2015

Using a sample size formula i.e. survey software and based on a margin of error of 5% and a confidence interval of 95% 355 respondents are chosen among 4546 employees. To maintain a representative of the sample the researcher used stratified random sampling technique using the formula (Dodge, Yadolah-2003): $Y=X/N (xn)$, where

Y= No. of items included from each group in the sample

X= No. of items in the population

N= Total population

n= Sample size

Accordingly, 135 respondents from HO professional employees, 16 from HO managerial, 109 from SD professional, 98 from ND professional, 19 from SD managerial and 13 from ND managerial are chosen. Then to select respondents from each group, the researcher use simple random sampling technique to give equal chance to the members in the category.

3.3 Sources of Data and methods of collection

Both primary and secondary are used to obtain the data for the study. The primary data are collected by using adopted and own derived structured closed ended (fixed response options) questionnaires. It enables to collect quantitative data. The secondary data are collected from reference books, journals, and internet and company documents.

3.4 Instruments of Data Collection

For the purpose of this study, the primary data collection technique is utilized through structured questionnaire which consists of three main sections. Part 1 contains information regarding the respondent's demographic features which include gender, age, educational qualification, work experience, position status and marital status. Part 2 of the questionnaire consists of structured five point Likert scale questions related to measuring level of engagement of employees. Part 3 also consists of different statements with five point scale related with the four HR practices or drivers of employee engagement communication, development, reward and recognition and extended employee care. Level of employee engagement and level of satisfaction on each drivers of employee engagement are calculated by assigning a score of 1 to 5 to the likert scale of —Strongly disagree to —Strongly agree as indicated in the appendix.

3.5 Procedure of Data Collection

A review of secondary document from company sources was the first step of this research. This was followed up by reviewing related literature regarding employee engagement and the recent attention towards the subject. A standard questionnaire from Gallup (called the Gallup Q12) has been used to collect primary data. This questionnaire was selected because it is backed by extensive research conducted over a number of years (Gallup, 2014). These studies have been conducted based on 30 years of accumulated quantitative and qualitative research. Its reliability and validity have been extensively studied through more than 1.3 million independent employee responses to surveys and 49,928 independent business/work units in 192 organizations, with an average of 28 employees per business unit and 260 business/work units per organization across 192 organizations. The statements of items of the four selected HR practices or drivers of employee engagement are made by the researcher by seeing different engagement survey questions from different webs and made appropriate for the study.

After questionnaires are distributed and filled by respondents shall be collected within two weeks' time. Then the questionnaires are coded and entered in SPSS version 21 and analyzed.

To sum up the data collection procedure, first, documents and literature review are made and questionnaire is developed. Then, corrections and revisions are made and questionnaires are distributed, collected and analyzed. Finally research result are enriched and developed.

3.6 Reliability Testing

A Cronbach's alpha reliability test is made on the data. The alpha coefficient of the items is 0.898 suggesting that the items have relatively high internal consistency.

Table 3.2 Reliability Statistics

Cronbach's Alpha	N of Items
.898	43

3.7 Methods of Data Analysis

Data are analyzed based on statistical tools i.e. descriptive and inferential statistics.

Descriptive analysis; mean, frequencies and standard deviation are used to describe the profile of respondents, employee engagement levels and drivers of employee engagement.

Chi-square test was used to test whether demographic variables and employee engagement have significant dependence relationship or not. Pearson correlation test is used to determine the nature, direction and significance of the relationship between HR practices or drivers of employee engagement and employee engagement.

Regression analysis is also conducted to determine the effect of the four selected HR practices or drivers of employee engagement on employee engagement.

3.8 Ethical Considerations

The researchers has used proper citation, follow systematic collection and analysis of data techniques, maintain data confidentiality, obtained the consent of the case organization and staffs and based on their consent to meet the ethical obligation of research.

CHAPTER FOUR

DATA ANALYSIS, DISCUSSION AND INTERPRETATION

This chapter outlines the result of data analysis obtained from data collected from respondents.

4.1 Response Rate of Respondents

287 respondents are used for analysis i.e. 81% of the sample size. Other 63 responses are excluded because the employee who filled the questionnaire are Construction and Business Bank employees who are new for CBE and junior employees.

4.2 Demographic characteristics of sample population

4.2.1 Sample population by Gender

	Frequency	Percent
Male	181	63.1
Female	101	35.2
Total	287	100.0

Source: own survey

As we can see from Table 4.1, males and females constituted 63.1 % and 35.2 % of the same population respectively. we see that the majority of the organization's employees are male (63.1 %) while women make up the balance of the population. CBE is an equal opportunity employer while there is some gap in gender representation. The gap is not due to sampling error since data is distributed randomly selected offices. Generally, it is the reflection of the total population structure.

4.2.2 Sample Population by Age structure

Table 4.2 Sample Population by Age		
	Frequency	Percent
20-29 yrs.	166	57.8
30-39 yrs.	86	30.0
40-49 yrs.	24	8.4
Above50 yrs.	8	2.8
Total	284	99.0
Total	287	100.0

Source: own survey

The age distribution shows that the age of 57.8 % of the respondents are within 20-29, 30 % are within the age group of 30-39, 8.4 % are within the age group of 40-49 and the remaining 2.8 % respondents represent the age group above 50 years. This indicates that most of the employees are young and may imply the organization employment trend focuses on new and young employees. This is again a reflection of the total population.

4.2.3 Sample Population by Educational Qualification

Table 4.3 Sample Population by Educational Qualification		
	Frequency	Percent
Diploma	10	3.5
First degree	239	83.3
Master's degree	33	11.5
Total	287	100.0

Source: own survey

In terms of educational qualification, the sample population was classified in to four categories, ranging from diploma to highest academic qualification. Table 4.3 displays the different levels of educational qualification along with their corresponding percentage. The highest share of the sample holds First Degree (83.3 %) followed by Master Degree (11.5%) and Diploma holders (3.5%). This indicates that the majority of sample respondents are First Degree holders. This has

happened due to the recruitment policy of the bank i.e. the organization recruits fresh graduates from higher education institute or universities.

4.2.4 Sample Population by Work experience

	Frequency	Percent
2-5 yr.	184	64.1
6-10 yr.	54	18.8
11-20 yr.	36	12.5
above21 yr.	10	3.5
Total	284	99.0
Total	287	100.0

Source: own survey

As table 4.4 shows, the majority of the respondents (64.1 %) are serving the organization for 2 up to 5 years, 18.8 % worked for 6-10 years, and 12.5 % worked for 11-20 years and the remaining 3.5 % worked for more than 20 years. This s due to majority of the employees are young i.e. between 20-29 years of age have experience between 2 and 5.

4.2.5 Sample Population by Position Status

	Frequency	Percent
management	56	19.5
professional	229	79.8
Total	287	100.0

Source: own survey

As can be seen from Table 4.5, 19.5 % of the sample is managerial staff and 79.8 % is non-managerial or professional staff. The reason why the researcher wanted to see the sample proportion by position status was he assumed that employee engagement may vary by position status. And the sample population seems to represent the total population.

4.2.6 Sample Population by Marital Status

	Frequency	Percent
single	183	63.8
married	91	31.7
divorced	6	2.1
widow	3	1.0
Total	287	100.0

Source: own survey

Table 4.6 below shown that 63.8 % of the sample population is single, 31.7 % are married and 2.1 % and 1.0 % are divorced and widow respectively. This implies most of the respondents are single. In doing comparison of employee engagement and marital status, the finding will be impacted.

4.3 Analysis on Engagement Levels

Table 4.7 Engagement levels by Engagement Levelers			
	N	Mean	Std. Deviation
I know What is expected of me at work	284	4.50	.735
I have the material and equipment needed to do my work right	285	3.63	1.039
At work I have the opportunity to do my best everyday	284	3.58	.990
In the last two weeks, I have received recognition or praise for doing good work	286	2.43	1.228
My supervisor or someone at work seems to care about me as a person	285	3.50	1.054
There is someone at work who encourages my development	286	3.15	1.099
At work, my opinion seem to count	285	3.32	.942
The mission/purpose of my company makes me feel my job is important	285	3.71	1.083
My associates/fellow employees are committed to doing quality work	285	3.71	.906
I have a best friend at work	286	3.89	1.015
In the last 6 months, someone has talked to me about my progress	285	2.88	1.124
For the last year, I had opportunities at work to learn and grow	283	3.14	1.198

Source: own survey

From the above table 4.7, it can be seen that the highest mean score of $M=4.50$; $SD=0.735$ goes to knowledge of what one is expected to do, followed by having a best friend at work $M=3.89$, $SD=1.015$, both mission of the company feels the job is important and the associates being committed to do quality work $M=3.71$; $SD=1.083$ and 0.906 respectively, having the material and

equipment to do work and having the opportunity to do best M=3.63 and 3.58;SD=1.039 and 0.990 respectively, and someone caring as a person M=3.50;SD=1.054.

The mean responses of the above 7 items score above average score, the standard deviations shows there are gaps in dimensions of engagement statements.

At the other end of the spectrum we find M=2.43; SD=0.990 for having recognition or praise for doing good in the last two weeks, M=2.88; SD=1.124 for someone talking about progress in the last 6 months and M=3.14 and 3.15; SD=1.198 and 1.099 for having opportunities to learn and grow for the last one year and someone encourages development at work and finally M=3.32; SD=0.942 for opinions seemingly counting at work.

This shows the lowest average engagement score comes from items of lack of recognition or praise, someone talking about progress, having opportunities for growing and learning, development and feeling of being listened. The standard deviations in the above items indicate there is a gap in responses. This indicates the respondents have different views on engagement statements.

Table 4.8 Overall Engagement level of Employees			
	N	Mean	Std. Deviation
Employee	28	3.45	.616
Engagement	7		

Source: own survey

As depicted on the above table 4.8, the employee mean average score is M=3.45; SD=0.616. In other words in terms of percentage calculation the Employees Engagement level is 69%. This indicates the overall organization engagement level is merely above average of 3(60%). Based on related review literature, a company with engagement level close to the neutral state typically has an employee who have the greatest tendency to be engaged as they are in the undecided state. These employees are doing to get just earn to live. However, if the organization takes remedial actions to fully engage them, it is easy to convert them to fully engaged employees. (Maylett&warner, 2014).

Table 4.9 Engagement levels Responses by percentage		
	Frequency	Percent
Strongly Disagree	-	-
Disagree	18	6.3
Neutral	123	42.9
Agree	135	47.0
Strongly Agree	11	3.8
Total	287	100.0

Source: own survey

The above table 4.9 shows the average engagement level score categories of employees. Based on Gallup model of classifying employees as engaged, Not engaged and actively disengaged, 50.8% of employees responded either strongly agree or agree are said to be engaged while 42.9% are neutral which will fall in the not engaged category of employees. The rest 6.3% of employees responded strongly disagree fall in disengaged category.

Comparing this result with engagement level studied by Gallup(2015) of U.S.A which the survey is conducted, 29.6%, 51.5% and 18.8% are engaged, not engaged and actively disengaged respectively in 2013 and 31.5%, 51.0% and 17.5% are engaged, not engaged and actively disengaged respectively in 2014, CBE's 50.8% engaged employees result is good. Even though this comparison is done against organizations in United States of America, employees who are not engaged (42.9%) are relatively lower than Gallup's (51.5 % and 51.0%). CBE's (6.3%) employees who are actively dis engaged are lower than Gallup's (18.8% and 17.5%) of 2013 and 2014 respectively.

4.4 Analysis on Demographic factors versus Employee Engagement

In this section, demographic characteristics such as gender, age, educational qualification, work experience, position status and marital status are tested against employee engagement using Chi-square test to see if it varies among different demographic groups and possibly reject a null hypothesis about their relationship.

4.4.1 Gender versus Employee Engagement

As the Chi-Square table (table 4.10) shows, the p value is (sig. = .157) is greater than the significance value of $\alpha=0.05$, indicating absence of any relationship between gender and employee engagement. Thus, it can be concluded that employee engagement is independent of gender.

Table 4.10 Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	81.855 ^a	70	.157
Likelihood Ratio	70.226	70	.470
a. 87 cells (80.6%) have expected count less than 5. The minimum expected count is .02.			

Source: own survey

4.4.2 Age versus Employee Engagement

The Chi-Square test (table 4.11) shows that the p value is (sig. 0.00) is less than the significance level of $\alpha=0.05$, indicating that employee engagement is not independent of age in CBE. The cross tabulation table strengthen this finding that higher age groups are more engaged i.e. agree or strongly agree. Thus, it can be stated that age and employee engagement have relationship in the context of CBE.

Table 4.11 Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	161.203 ^a	105	.000
Likelihood Ratio	140.539	105	.012
Linear-by-Linear Association	18.585	1	.000
a. 126 cells (87.5%) have expected count less than 5. The minimum expected count is .03.			

Source: own survey

4.4.3 Educational Qualification versus Employee Engagement

The Chi-Square test table 4.12 shows that the p value (sig. =0.998) is above the significance level of $\alpha=0.05$, indicating absence of any relationship between educational qualification and employee engagement. Thus, it can be concluded that employee engagement is independent of educational Qualification in CBE.

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	67.767 ^a	105	.998
Likelihood Ratio	65.280	105	.999

a. 127 cells (88.2%) have expected count less than 5. The minimum expected count is .02.

Source: own survey

4.4.4 Work Experience versus Employee Engagement

The Chi-Square test (table 4.13) shows that the p value is (sig. 0.00) is less than the significance level of $\alpha=0.05$, indicating that employee engagement is not independent of work experience in CBE. The cross tabulation table strengthen this finding that those employees that have higher work experience are more engaged i.e. agree or strongly agree. Thus, it can be stated that work experience and employee engagement have relationship in the context of CBE.

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	168.016 ^a	105	.000
Likelihood Ratio	155.773	105	.001
Linear-by-Linear Association	15.672	1	.000

a. 128 cells (88.9%) have expected count less than 5. The minimum expected count is .04.

Source: own survey

4.4.5 Position status versus Employee Engagement

The Chi-Square test (table 4.14) shows that the p value is (sig. 0.044) is less than the significance level of $\alpha=0.05$, indicating that employee engagement is not independent of position status in CBE. The cross tabulation table strengthen this finding that those employees that are in managerial position are more engaged i.e. agree or strongly agree than professional employees. Thus, it can be stated that position status and employee engagement have relationship in the context of CBE.

Table 4.14 Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	91.436 ^a	70	.044
Likelihood Ratio	57.321	70	.861
a. 91 cells (84.3%) have expected count less than 5. The minimum expected count is .01.			

Source: own survey

4.4.6 Marital status versus Employee Engagement

The Chi-Square test table 4.15 shows that the p value (sig. =0.996) is above the significance level of $\alpha=0.05$, indicating absence of any relationship between marital status and employee engagement. Thus, it can be concluded that employee engagement is independent of marital status in CBE implies employee engagement doesn't vary by marital status of employees.

Table 4.15 Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	105.941 ^a	140	.986
Likelihood Ratio	87.351	140	1.000
a. 159 cells (88.3%) have expected count less than 5. The minimum expected count is .01.			

Source: own survey

4.5 Analysis of HR practices or Drivers of Employee Engagement

This section describes the responses of the respondents to the four selected HR practices or drivers of employee engagement which affects employee engagement level. Employee engagement is a variable impacted by the four antecedent factors namely Communication, Development, Reward and Recognition and Extended employee care.

Table 4.16 Descriptive statistics HR practices or of employee engagement		
	Mean	Std. Deviation
Communication	3.52	.770
Development	3.27	.807
Reward and recognition	2.83	.816
Extended employee care	3.38	.750

Source: own survey

As exhibited in Table 4.16, the mean value for communication is 3.52. This means the respondents generally are satisfied and indicated they have relatively better information about the organization working, are update changes concerning their work, upward feedback and remained on truck with the organization as a whole.

The mean value for extended employee care is 3.38. Extended employee care is related with safety, meaningfulness and availability of psychological conditions (Kahn, 1990). This implies employees have relatively above average satisfaction in relation with extended employee care.

The mean value for development is 3.27. Development is mainly related with the opportunities of training, learning, growth and development. This means respondents have average satisfaction level or feeling with development of the organization.

Finally, Reward and recognition has mean value of 2.83. With regard to statements related with praise, appreciation, recognition and benefits the respondents have below average feeling or dissatisfied. This Point requires attention as respondents are not satisfied.

4.6 The relationship between HR practices and Employee Engagement

Correlation is primarily concerned with finding out whether a relationship exists and with determining its magnitude and direction. When two variables vary together they are said to be correlated. Accordingly, correlational studies are attempts to find the extent to which two or more variables are related.

The Pearson Product moment correlation coefficient (commonly called Pearson Correlation Coefficient) measures the strength and direction of relationship between variables. According to Field (2005), a coefficient(r) of +1 indicates a perfect positive relationship while -1 indicates a negative relationship. Breaking down the strength of the relationship, values of $r=\pm 0.1$ to $\pm .29$ represent a weak relationship while $r=\pm 0.3$ to $\pm .49$ represent a medium relationship while $r=\pm 0.5$ to ± 1.0 indicate a strong relationship.

Table 4.17 correlation between employee engagement and its drivers

		employee engageme nt	communicatio n	developme nt	reward and recognition	extended employee care
Employee engagement	Pearson Correlation	1	.708**	.605**	.514**	.528**
	Sig. (2- tailed)		.000	.000	.000	.000
	N	287	287	287	287	287
communicat ion	Pearson Correlation	.708**	1	.619**	.527**	.566**
	Sig. (2- tailed)	.000		.000	.000	.000
	N	287	287	287	287	287
Developme nt	Pearson Correlation	.605**	.619**	1	.687**	.598**
	Sig. (2- tailed)	.000	.000		.000	.000
	N	287	287	287	287	287
Reward and recognition	Pearson Correlation	.514**	.527**	.687**	1	.614**
	Sig. (2- tailed)	.000	.000	.000		.000
	N	287	287	287	287	287
Extended employee care	Pearson Correlation	.528**	.566**	.598**	.614**	1
	Sig. (2- tailed)	.000	.000	.000	.000	
	N	287	287	287	287	287

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

Source: own survey

Testing the hypothesis formulated at the discussion of the engagement model using the correlation table above, we can deduce the following about drivers of engagement that are communication, development, reward and recognition and extended employee care.

Hypothesis 1: There is a relationship between communication and employee engagement.

The correlation between communication and employee engagement is positive and statistically significant ($r= 0.708$, $p<.001$). This means that communication increases, so do employee engagement level. This doesn't imply causality. The significant relationship merely indicates that the two variables covary.

Hypothesis 2: There is a relationship between development and employee engagement.

The correlation between development and employee engagement is positive and statistically significant ($r= 0.605$, $p<.001$). This means that development increases, so do employee engagement level. This doesn't imply causality. The significant relationship merely indicates that development and employee engagement covary.

Hypothesis 3: There is a relationship between reward and recognition and employee engagement.

The correlation between reward and recognition and employee engagement is positive and statistically significant ($r= 0.514$, $p<.001$). This means that reward and recognition increases, so do employee engagement level. This doesn't imply causality. The significant relationship merely indicates that reward and recognition and employee engagement covary.

Hypothesis 4: There is a relationship between extended employee care and employee engagement.

The correlation between extended employee care and employee engagement is positive and statistically significant ($r= 0.528$, $p<.001$). This means that extended employee care increases, so do employee

engagement level. This doesn't imply causality. The significant relationship merely indicates that extended employee care and employee engagement covary.

The following four graphical depictions of the four drivers of engagement against employee engagement supports the correlation analysis explained above.

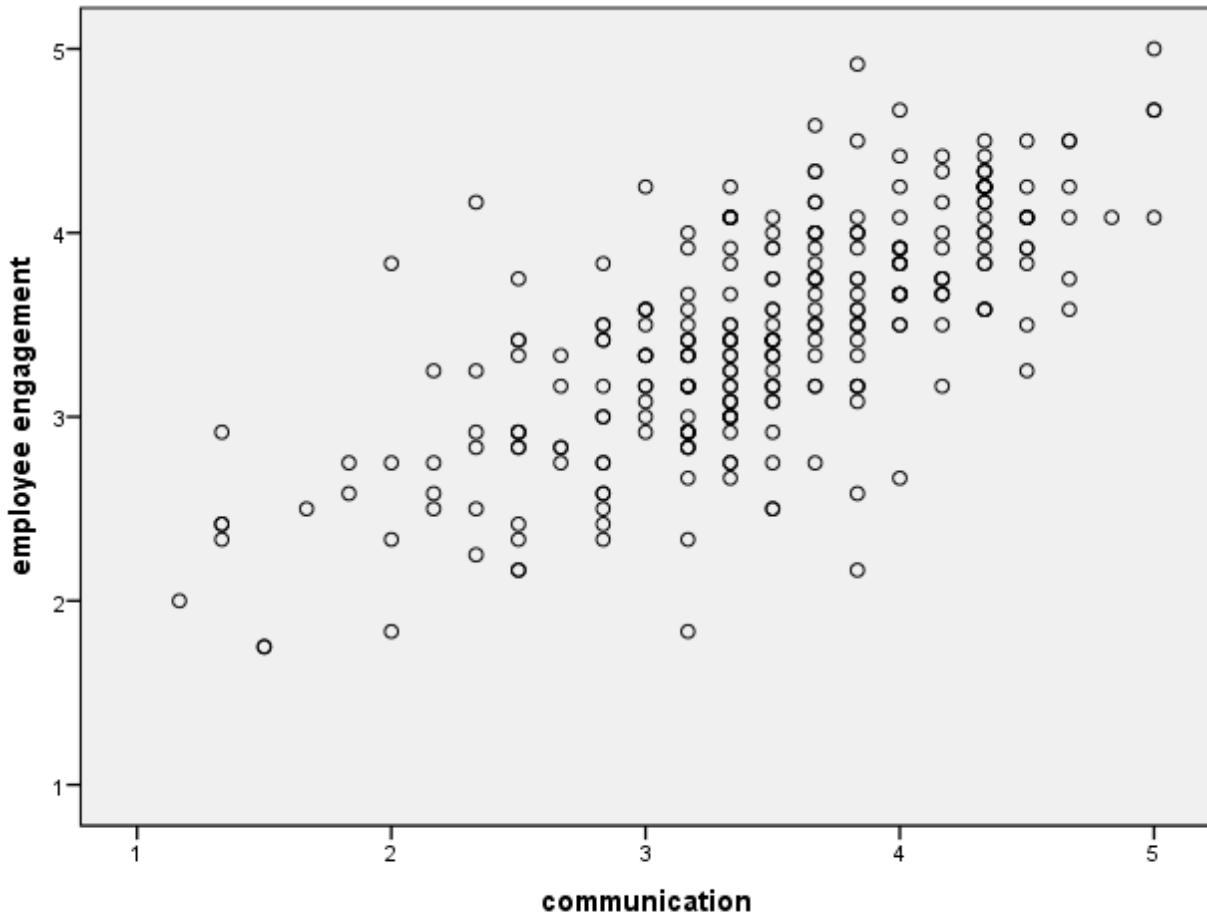


Figure 2 correlation between employee engagement and communication

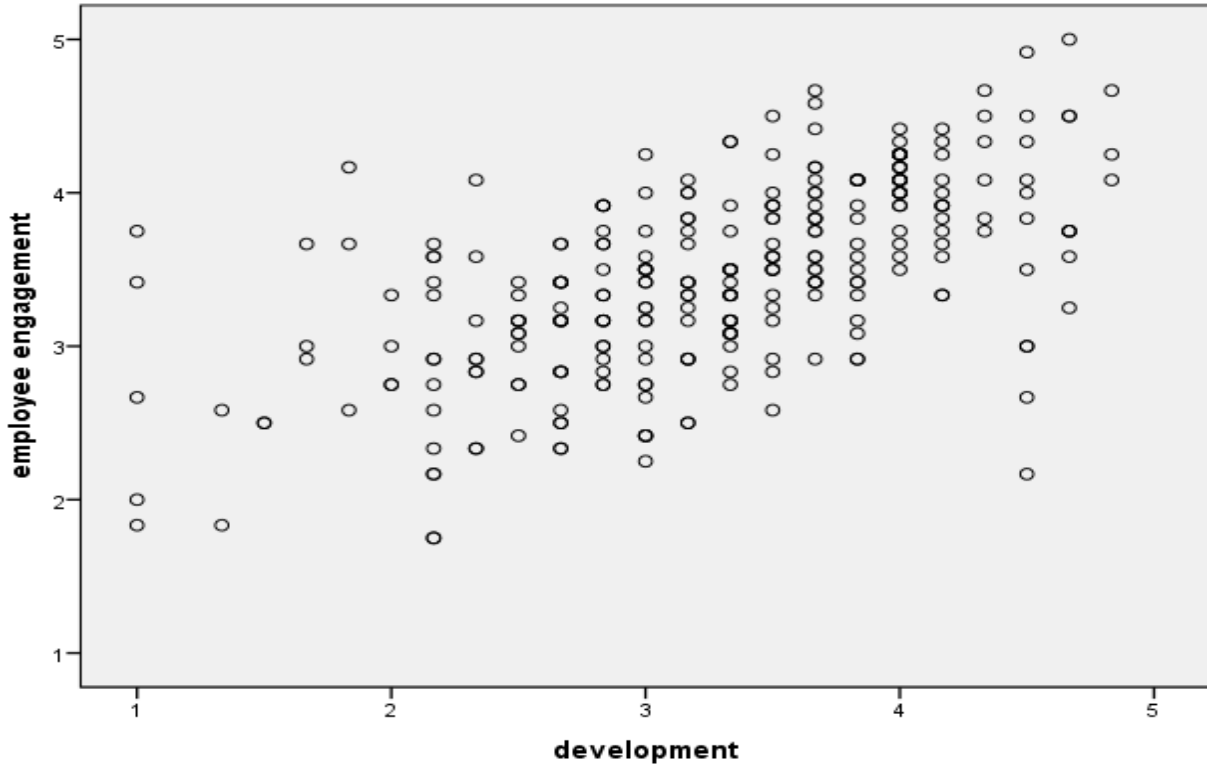


Figure 3 correlation between employee engagement and development

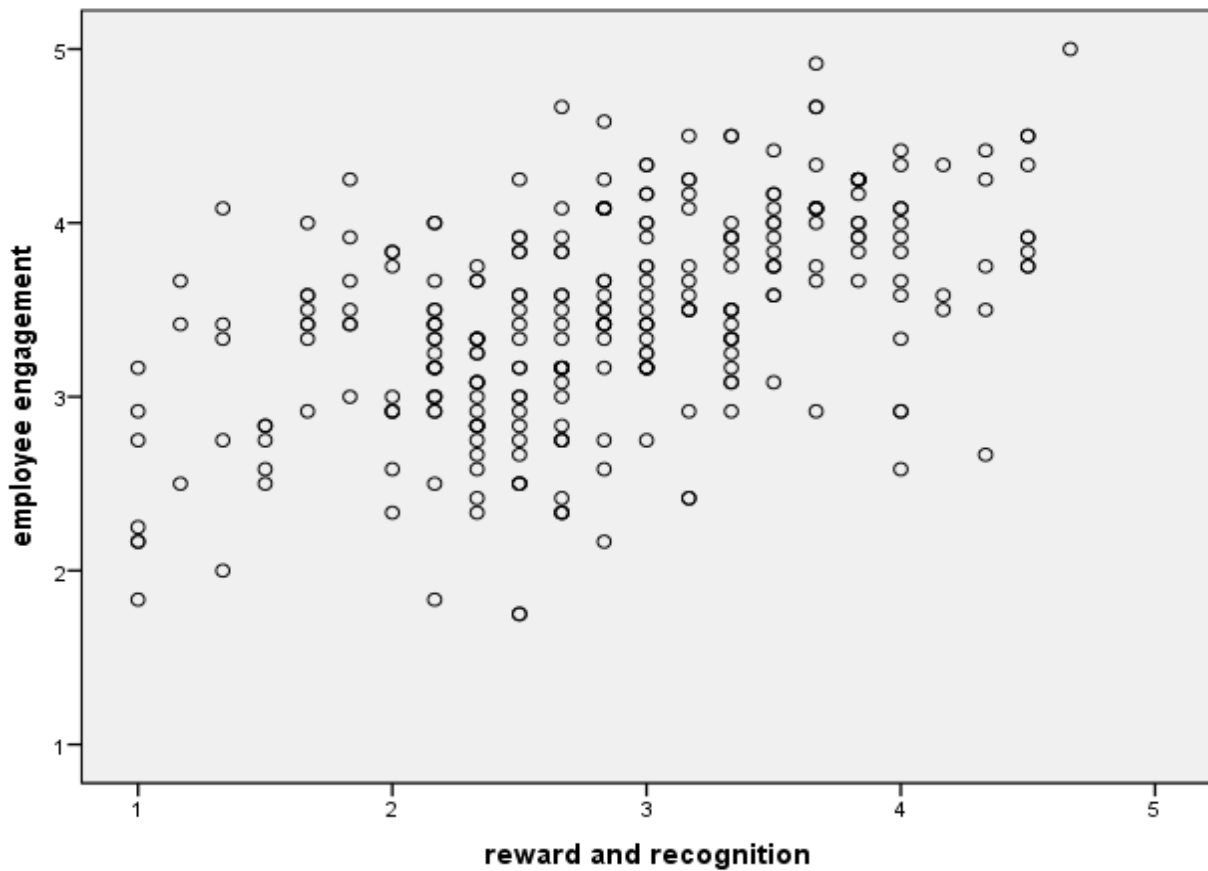


Figure 4 correlation between employee engagement and reward and recognition

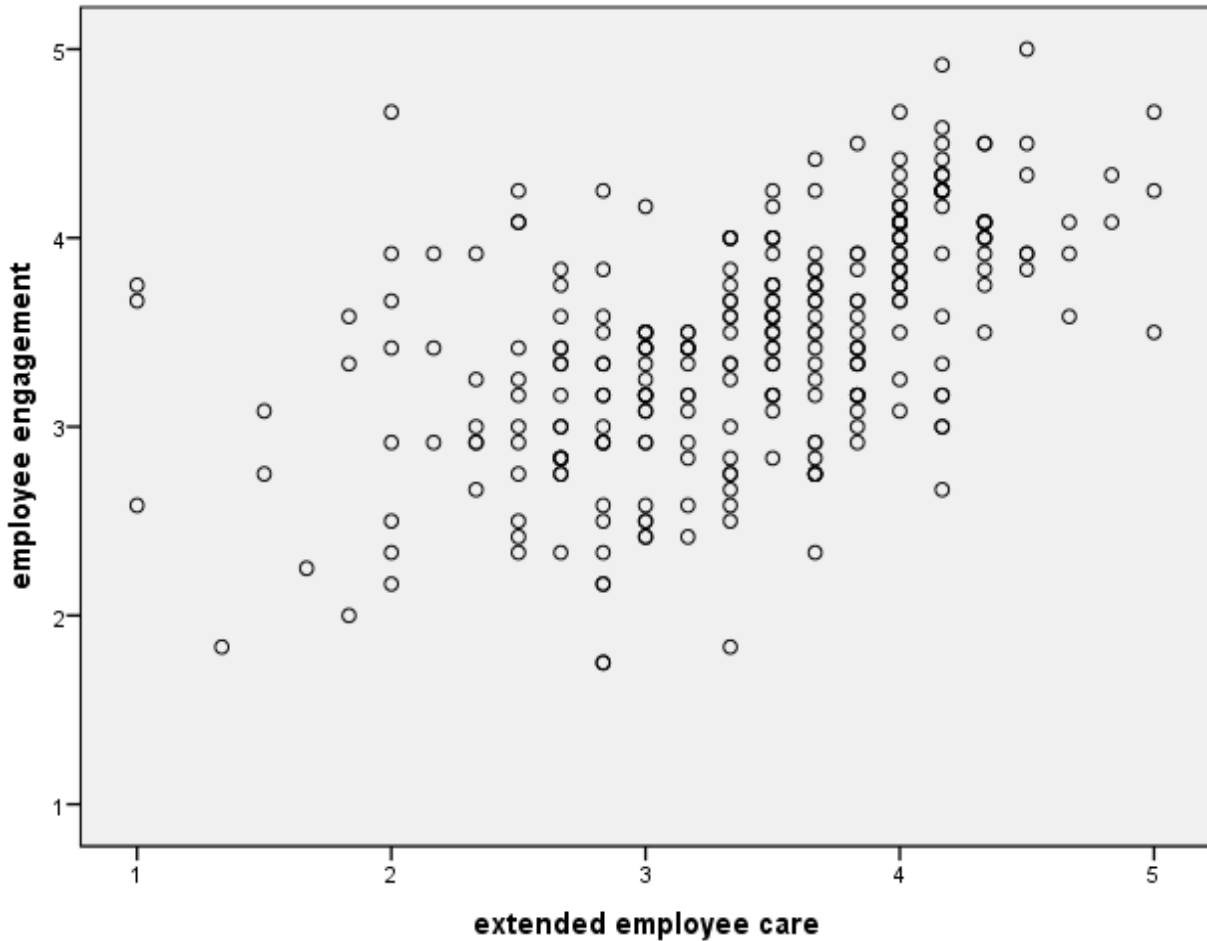


Figure 5 correlation between employee engagement and extended employee care

4.7 The effect of HR practices (drivers of employee engagement) on Employee Engagement.

Regression and correlation are closely related. Both techniques involve the relationship between two variables, and they both utilize the same set of paired scores taken from the same subjects. However, whereas correlation is concerned with the magnitude and direction of the relationship, regression focuses on using the relationship for prediction. In terms of prediction, if two variables were correlated perfectly, then knowing the value of one score permits a perfect prediction of the score on the second variable. Generally, whenever two variables are significantly correlated, the researcher may use the score on one variable to predict the score on the second.

Since from the correlation analysis we found that the four drivers of engagement have significant relationship against employee engagement. Then, to find out by how much the drivers affect employee engagement, however, correlation doesn't provide adequate answer. A linear regression analysis was conducted to predict the impact of drivers of engagement on employee engagement.

4.7.1 The Effect of communication on Employee Engagement

A measure of the strength of the computed equation is R-square, sometimes called the coefficient of determination. R-square is simply the square of the multiple correlation coefficient listed under R in the Model Summary table, and represents the proportion of variance accounted for in the dependent variable (employee engagement) by the predictor variable (communication). In a simple regression such as this, where there is only one predictor variable, the multiple R is equivalent to the simple R (Pearson product-moment correlation). For this analysis, the multiple correlation coefficient is 0.651, and the R-square is 0.424. Thus, for this sample, the predictor variable of Communication has explained 42.4% of the variance in the dependent variable of Employee Engagement.

Table 4.18 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.651 ^a	.424	.422	.468

a. Predictors: (Constant), communication

The ANOVA table presents results from the test of the null hypothesis that R-square is zero. An R-square of zero indicates no linear relationship between the predictor and dependent variable. The ANOVA table shows that the computed F statistic is 209.981, with an observed significance level of less than 0.001. Thus, the hypothesis that there is no linear relationship between the predictor (communication) and dependent variable (employee engagement) is rejected.

Table 4.19 ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	46.042	1	46.042	209.981	.000 ^b
Residual	62.492	285	.219		
Total	108.534	286			

a. Dependent Variable: employee engagement
b. Predictors: (Constant), communication

The Coefficients table 4.20 presents the standardized Beta coefficient between the predictor variable Communication and the dependent variable Employee Engagement. The Beta coefficient is shown to be positive and statistically significant at the 0.001 level. Thus, the higher the Communication, the higher Employee Engagement level, Beta = 0.65, t = 14.49, p < .001. Note that the standardized Beta coefficient of 0.65 is identical to the multiple R coefficient. This is because there is only one predictor variable.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.620	.130		12.513	.000
communication	.521	.036	.651	14.491	.000

a. Dependent Variable: employee engagement

4.7.2 The Effect of Development on Employee Engagement

A measure of the strength of the computed equation is R-square, sometimes called the coefficient of determination. R-square is simply the square of the multiple correlation coefficient listed under R in the Model Summary table 4.21, and represents the proportion of variance accounted for in the dependent variable (employee engagement) by the predictor variable (development). In a simple regression such as this, where there is only one predictor variable, the multiple R is equivalent to the simple R (Pearson product-moment correlation). For this analysis, the multiple correlation coefficient is 0.605, and the R-square is 0.365. Thus, for this sample, the predictor variable of development has explained 36.5% of the variance in the dependent variable of Employee Engagement.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.605 ^a	.365	.363	.492

a. Predictors: (Constant), development

The ANOVA table 4.22 presents results from the test of the null hypothesis that R-square is zero. An R-square of zero indicates no linear relationship between the predictor and dependent variable. The ANOVA table shows that the computed F statistic is 164.157, with an observed significance level of less than 0.001. Thus, the hypothesis that there is no linear relationship between the predictor (development) and dependent variable (employee engagement) is rejected.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39.667	1	39.667	164.157	.000 ^b
	Residual	68.867	285	.242		
	Total	108.534	286			
a. Dependent Variable: employee engagement						
b. Predictors: (Constant), development						

The Coefficients table 4.23 presents the standardized Beta coefficient between the predictor variable development and the dependent variable Employee Engagement. The Beta coefficient is shown to be positive and statistically significant at the 0.001 level. Thus, the higher the development, the higher Employee Engagement level, Beta = 0.605, t = 12.81, p < .001. Note that the standardized Beta coefficient of 0.65 is identical to the multiple R coefficient. This is because there is only one predictor variable.

Table 4.23 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.943	.121		16.002	.000
	development	.462	.036	.605	12.812	.000

a. Dependent Variable: employee engagement

4.7.3 The Effect of Reward and Recognition on Employee Engagement

A measure of the strength of the computed equation is R-square, sometimes called the coefficient of determination. R-square is simply the square of the multiple correlation coefficient listed under R in the Model Summary table 4.24, and represents the proportion of variance accounted for in the dependent variable (employee engagement) by the predictor variable (reward and recognition). In a simple regression such as this, where there is only one predictor variable, the multiple R is equivalent to the simple R (Pearson product-moment correlation). For this analysis, the multiple correlation coefficient is 0.514, and the R-square is 0.264. Thus, for this sample, the predictor variable of Reward and Recognition has explained 26.4% of the variance in the dependent variable of Employee Engagement.

Table 4.24 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.514 ^a	.264	.261	.529

a. Predictors: (Constant), reward and recognition

The ANOVA table 4.25 presents results from the test of the null hypothesis that R-square is zero. An R-square of zero indicates no linear relationship between the predictor and dependent variable. The ANOVA table shows that the computed F statistic is 102.154, with an observed significance level of less than 0.001. Thus, the hypothesis that there is no linear relationship between the predictor (reward and recognition) and dependent variable (employee engagement) is rejected.

Table 4.25 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.638	1	28.638	102.154	.000 ^b
	Residual	79.897	285	.280		
	Total	108.534	286			

a. Dependent Variable: employee engagement

b. Predictors: (Constant), reward and recognition

The Coefficients table 4.26 presents the standardized Beta coefficient between the predictor variable development and the dependent variable Employee Engagement. The Beta coefficient is shown to be positive and statistically significant at the 0.001 level. Thus, the higher the development, the higher Employee Engagement level, Beta = 0.514, t = 10.107, p< .001. Note that the standardized Beta coefficient of 0.51 is identical to the multiple R coefficient. This is because there is only one predictor variable.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.355	.113		20.821	.000
	reward and recognition	.388	.038	.514	10.107	.000

a. Dependent Variable: employee engagement

4.7.4 The Effect of Extended employee care on Employee Engagement

A measure of the strength of the computed equation is R-square, sometimes called the coefficient of determination. R-square is simply the square of the multiple correlation coefficient listed under R in the Model Summary table 4.27, and represents the proportion of variance accounted for in the dependent variable (employee engagement) by the predictor variable (extended employee care). In a simple regression such as this, where there is only one predictor variable, the multiple R is equivalent to the simple R (Pearson product–moment correlation). For this analysis, the multiple correlation coefficient is 0.528, and the R-square is 0.279. Thus, for this sample, the predictor variable of Reward and Recognition has explained 27.9% of the variance in the dependent variable of Employee Engagement.

Table 4.27 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.528 ^a	.279	.276	.524

a. Predictors: (Constant), extended employee care

The ANOVA table 4.28 presents results from the test of the null hypothesis that R-square is zero. An R-square of zero indicates no linear relationship between the predictor and dependent variable. The ANOVA table shows that the computed F statistic is 110.226, with an observed significance level of less than 0.001. Thus, the hypothesis that there is no linear relationship between the predictor (extended employee care) and dependent variable (employee engagement) is rejected.

Table 4.28 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30.270	1	30.270	110.226	.000 ^b
	Residual	78.265	285	.275		
	Total	108.534	286			

a. Dependent Variable: employee engagement

b. Predictors: (Constant), extended employee care

The Coefficients table 4.29 presents the standardized Beta coefficient between the predictor variable development and the dependent variable Employee Engagement. The Beta coefficient is shown to be positive and statistically significant at the 0.001 level. Thus, the higher the development, the higher Employee Engagement level, Beta = 0.528, t = 10.499, p < .001. Note that the standardized Beta coefficient of 0.52 is identical to the multiple R coefficient. This is because there is only one predictor variable.

Table 4.29 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	1.987	.143		13.891	.000
	Extended employee care	.434	.041	.528	10.499	.000

a. Dependent Variable: employee engagement

CHAPTER FIVE

SUMMARY OF MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents the findings acquired from the analysis and discussion of the collected data, conclusions derived from the findings of the study and recommendations drawn to address the identified problems.

5.1 Summary of Major Findings

The main intent of the study was to determine the current level of employee engagement at CBE. It also aimed to find out whether there is difference in engagement level between different categories of employees or not, to examine what HR practices drives employee engagement and identify which HR practices the organization should concentrate. Accordingly, the following major findings were made from the result that have been discussed in the previous chapter.

- ✓ The result of the study shows that overall Employee Engagement level is at $M=3.45$ i.e. the organization Employee engagement level is 69%. Based on Gallup's model classification of Employees relative with engagement level 50.8% are Engaged, 42.9% are Not-Engaged and 6.3 % Disengaged.
- ✓ From the Chi-Square test obtained, out of the six demographic variables Employee Engagement level varies between different; Age, work Experience and Position status (i.e. management and professional) categories of employees. It has no difference on other three demographic variables that are Gender, Educational Qualification and Marital status.
- ✓ Regarding HR practices or drivers of Employee Engagement, the average level of satisfaction for Communication is $M=3.52$, Development $M=3.27$, Reward and Recognition $M=2.83$ and Extended Employee Care $M=3.38$.

- ✓ The analysis from the study shows that the four selected HR practices or drivers of Employee Engagement i.e. Communication, Development, Reward and Recognition and Extended Employee Care all have statistically significant relationship to Employee Engagement (sig.=.000) and all have positive relationship to Employee Engagement with $r=0.708, 0.605, 0.514$ and 0.528 respectively.
- ✓ It was found that drivers of Employee engagement have linear relationship and impacted Employee Engagement. Communication, Development, Reward and Recognition and Extended Employee Care has explained the variance in the dependent variable of Employee Engagement 42.4%, 36.5%, 26.4% and 27.9% respectively.

5.2 Conclusions

- ✓ The overall Employee Engagement level is $M=3.45(69\%)$ and based on Gallup Model 50.8% are Engaged, 42.9% are Not-Engaged and 6.3 % Disengaged. This shows a company with engagement level close and or greater to the neutral state has an employee who have the greatest tendency to be engaged (actively engaged). Engaged employees go to extra mile, work with passion, and feel proud connection to their organization. Actively disengaged are more or less damage to the organization. Not only are they unhappy at work, but they are intent on acting out their unhappiness. They drive away customers. Not-engaged employees can be difficult to spot. They are likely do just enough to fulfill their job requirements. They sleepwalk through their day, uninspired and lack motivation.
- ✓ Employee Engagement varies according to Age, Work Experience and Position Status whereas Employee Engagement doesn't vary according to Gender, Educational Qualification and Marital Status. Therefore CBE should do more engagement practices to have consistent employee engagement level across the organization.
- ✓ The result of overall satisfaction level of employees on HR practices or drivers of Employee Engagement, Communication is the highest mean score and Reward and recognition is the lowest mean score. Development and Extended Employee Care have

medium mean score (approximate to the medium level). It implies Reward and Recognition need more emphasis relatively than other drivers and Development and Extended Employee care consecutively.

- ✓ Communication, Development, Reward and Recognition and Extended Employee Care all have statistically significant positive relationship to Employee Engagement. So to improve employee engagement level and have engaged employees CBE should do more on all the above four variables.
- ✓ The result shows that from the four HR practices or drivers of Employee Engagement Communication impacted Employee Engagement 42% and it is the biggest one. Employee Engagement is least impacted by Reward and Recognition 26.4%. The others Development and Extended Employee Care impacted 36.5% and 27.9% respectively. This also implies there is relatively better level of Communication and lower level of Reward and Recognition. Therefore much work is needed to keep the better one and improve the lower ones.

5.3 Recommendations

The following recommendations are drawn from the conclusions of the study. so human resource development should take appropriate actions to do so.

- ✓ **Employee Engagement Strategy:** For improvement in employee engagement level of an organization it has to have an employee engagement strategy. CBE should build a consistency of engaged employees to keep the statuesque and be more successful. If employees truly are a company's best asset, then their care and support be a priority. Though important at the organizational level, engagement starts with each person and is subjective. Each employees potential extends well beyond his or her job description. And tapping that potential means recognizing how an employee's unique set of beliefs, talents, goals, and life experience drives his or her performance, personal sues and well-being.

- ✓ **Coach managers and hold them accountable for their employee's engagement:**
Gallup's research has found that managers are primarily responsible for their employees' engagement levels. CBE should coach managers to take an active role in building engagement plans with their employees. The most successful managers view the 12 Gallup survey questions as the elements for great managing, not just questions for measuring. By doing so, they gain a powerful framework to guide the creation of strong, engaged workforce.

The following suggestions are advised for the four HR practices or drivers of engagement.

- ✓ **Communication:**

- Communicate clear goals and expectations to employees: the majority of employees want to be part of a compelling future, want to know what is most important at work and what excellence look like.
- Share information: let employees know what is going in the organization as well as how their jobs contribute to the big picture.
- Encourage open communication: be open-minded and encourage them to express their ideas and perspectives without criticism.
- Give immediate feedback: feedback is two way communication. It is the opportunity to share opinions and find solutions.

- ✓ **Development:**

- Create ample opportunities for growth: there must be developmental, learning and training opportunities that employees are fairly accessed.
- Career development: career development opportunities are an essential part of employee engagement. If employees desire to advance in their own career is not fulfilled, they will begin looking for work elsewhere.
- Support employees in their work and growth: to have engaged employees, support employee growth by providing education and learning opportunities, training, coaching and any other interactions that support employees' personal development.

✓ **Reward and Recognition:**

- Praise both financial and non-financial achievements: employees need to feel validated and that they are a valued part of the organization. Management needs to show how much they care for their employees and show recognition for efforts.
- Develop measurable Result: organization can know whether an employee recognition program is working effectively without gathering and analyzing measurable results. With this the organization can reward or praise employees as an individual or group level.

✓ **Extended Employee Care :**

- Culture: encourage employees to find a personal fit within the company culture.
- Respect and Trust: employees want to be seen and recognized as an asset and get special care and feeling of being trusted by management.
- Conditions: employees want a well-equipped environment that is comfortable, healthy and safe. For most employees may be the social working conditions are more important than the physical conditions.

For future, studies may see additional HR practices which can influence employee engagement and see the reasons behind the difference in engagement levels across different categorical groups. And also other employee engagement measuring tools can be used.

Finally, continuous measurement of employee engagement level, assessing engagement practices throughout the organization and taking timely action on issues identified as crucial and important is recommended.

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ADDIS ABABA UNIVERSITY
SCHOOL OF COMMERCE
OFFICE OF GRADUATE STUDIES
SURVEY QUESTIONNAIRE



Dear Respondents:-

The aim of these survey question is to gather data to assess the engagement level of employees in CBE, to measure the extent to which selected HR practices or drivers of employee engagement affect employee engagement and to compare levels of employee engagement among employee categories for academic purpose. Therefore I kindly request you to fill this questionnaire genuinely assuring that the data will be used solely for the intended professional purpose and is subject to ethical rules of research at Addis Ababa University.

Please follow the instructions and answer all questions. Your answers will be treated strictly confidential. You need not to reveal your identity. Please call YOHANNES ATENA +251913550897 for any inquiry or explanation you need. Thank you for your participation.

Part One: - Demographic and other information

Please put tick mark (✓) in the circle with most closely represent your personal situation. Please mark one item only per question.

1. Gender Male Female
2. Age 20-29 30-39 40-49 Above 50
3. Educational qualification
 Diploma First Degree Master's Degree other
4. Work experience in CBE in years
 0-1 2-5 6-10 11-20 Above 21
5. Your job grade in CBE _____
6. Position status Management Non Management(Professional)
7. Marital Status Single Married Divorced Widow

Part Two: - Employee engagement level survey questions

Please put tick mark (√) in the box corresponding to the option that identifies your level of overall satisfaction (agreement) on the true feeling you have on a five point scale where 5 is “extremely satisfied” and 1 is “extremely dissatisfied”.

(1=strongly disagree 2=disagree 3=neutral 4=agree 5=strongly agree)

		1	2	3	4	5
8	I know what is expected of me at work.					
9	I have the material and equipment needed to do my work right.					
10	At work I have the opportunity to do my best everyday.					
11	In the last 2 weeks, I have received recognition or praise for doing good work.					
12	My supervisor or colleagues at work seems to care about me as a person.					
13	There is someone at work who encourages my development.					
14	At work, my opinion seem to count.					
15	The mission/purpose of my company makes me feel my job is important.					
16	My associates/fellow employees are committed to do quality work.					
17	I have a best friend at work.					
18	In the last 6 months, someone has talked me about my progress.					
19	For the last year, I had opportunities at work to learn and grow.					

Part Three: - questions related with HR practices drivers of employee engagement

Please put tick mark (√) in the box corresponding to the option that identifies your level of overall satisfaction (agreement)

(1=strongly disagree 2=disagree 3=neutral 4=agree 5=strongly agree)

Communication						
		1	2	3	4	5
20	I am kept well informed about what CBE is doing.					
21	I am able to speak up and challenge the way things are done.					
22	The system for orienting new employees and getting them started is effective.					
23	The company’s process sets clear and realistic goal for the work.					
24	HR manager provides a realistic job preview of all the important aspects of a job when hiring.					
25	There is a good communication between the management and employees in the organization.					

(1=strongly disagree 2=disagree 3=neutral 4=agree 5=strongly agree)

Development						
		1	2	3	4	5
26	I am aware of the promotion opportunities in my organization.					
27	I have a clearly established career path.					
28	Overall staff development has helped me to do my job more effectively.					
29	In general promotions are handled fairly at my organization.					
30	I am satisfied with the investment my organization makes in training and development.					
31	I think there are sufficient opportunities for career development in my organization.					
Reward and Recognition						
32	Individual performance is adequately rewarded.					
33	CBE recognizes or praises me when I do a good job.					
34	Considering my duties and responsibilities, I feel my salary is fair.					
35	Promotion is done based on individual performance or one's work contribution.					
36	In comparison with people doing similar jobs in other organizations, I feel my salary is reasonable.					
37	I am happy with total benefit package of my organization.					
Extended Employee Care						
38	I am satisfied with the care about me as an employee of the organization.					
39	I am satisfied with my overall job security.					
40	My organization has a safe and secure work environment.					
41	I am satisfied with the health care benefits offered by my organization.					
42	I am satisfied with the culture of my workplace.					
43	I am satisfied with the workplace flexibility offered by my organization.					

THANK YOU FOR YOUR CORPORATION!

APPENDIX 2

employee engagement * Age Crosstabulation

			Age				Total
			20-29	30-39	40-49	Above50	
employee engagement	2	Count	2	0	0	0	2
		% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
	2	Count	2	0	0	0	2
		% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
Disagree	Count	1	0	0	0	1	
	% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%	
	2	Count	3	0	0	0	3
		% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
	2	Count	1	0	0	0	1
		% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
	2	Count	4	1	0	0	5
		% within employee engagement	80.0%	20.0%	0.0%	0.0%	100.0%
	2	Count	4	0	0	0	4
		% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
	3	Count	2	3	0	0	5
		% within employee engagement	40.0%	60.0%	0.0%	0.0%	100.0%
	3	Count	2	2	0	1	5
		% within employee engagement	40.0%	40.0%	0.0%	20.0%	100.0%
	3	Count	3	0	0	0	3
		% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
	3	Count	7	2	0	0	9
		% within employee engagement	77.8%	22.2%	0.0%	0.0%	100.0%
	3	Count	3	5	0	0	8
		% within employee engagement	37.5%	62.5%	0.0%	0.0%	100.0%
	3	Count	9	3	2	0	14
		% within employee engagement	64.3%	21.4%	14.3%	0.0%	100.0%
Neutral	Count	7	2	0	0	9	
	% within employee engagement	77.8%	22.2%	0.0%	0.0%	100.0%	
	3	Count	5	2	0	0	7
		% within employee engagement	71.4%	28.6%	0.0%	0.0%	100.0%
	3	Count	13	5	2	0	20
		% within employee engagement	65.0%	25.0%	10.0%	0.0%	100.0%
	3	Count	6	0	0	0	6
		% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
	3	Count	12	4	0	0	16
		% within employee engagement	75.0%	25.0%	0.0%	0.0%	100.0%
	3	Count	6	12	0	1	19
		% within employee engagement	31.6%	63.2%	0.0%	5.3%	100.0%
	4	Count	11	3	3	0	17
		% within employee engagement	64.7%	17.6%	17.6%	0.0%	100.0%

4	Count	8	5	0	0	13
	% within employee engagement	61.5%	38.5%	0.0%	0.0%	100.0%
4	Count	8	2	1	1	12
	% within employee engagement	66.7%	16.7%	8.3%	8.3%	100.0%
4	Count	10	2	1	0	13
	% within employee engagement	76.9%	15.4%	7.7%	0.0%	100.0%
4	Count	5	5	0	1	11
	% within employee engagement	45.5%	45.5%	0.0%	9.1%	100.0%
4	Count	7	4	2	1	14
	% within employee engagement	50.0%	28.6%	14.3%	7.1%	100.0%
Agree	Count	6	4	0	2	12
	% within employee engagement	50.0%	33.3%	0.0%	16.7%	100.0%
4	Count	4	3	9	0	16
	% within employee engagement	25.0%	18.8%	56.3%	0.0%	100.0%
4	Count	1	4	0	0	5
	% within employee engagement	20.0%	80.0%	0.0%	0.0%	100.0%
4	Count	3	8	1	0	12
	% within employee engagement	25.0%	66.7%	8.3%	0.0%	100.0%
4	Count	4	2	0	0	6
	% within employee engagement	66.7%	33.3%	0.0%	0.0%	100.0%
4	Count	1	1	1	0	3
	% within average engagement	33.3%	33.3%	33.3%	0.0%	100.0%
5	Count	2	1	1	1	5
	% within employee engagement	40.0%	20.0%	20.0%	20.0%	100.0%
5	Count	0	1	0	0	1
	% within average engagement	0.0%	100.0%	0.0%	0.0%	100.0%
5	Count	3	0	0	0	3
	% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
5	Count	1	0	0	0	1
	% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
Strongly Agree	Count	0	0	1	0	1
	% within employee engagement	0.0%	0.0%	100.0%	0.0%	100.0%
Total	Count	166	86	24	8	284
	% within employee engagement	58.5%	30.3%	8.5%	2.8%	100.0%

APPENDIX 3

employee engagement * work experience Crosstabulation

			work experience				Total
			2-5	6-10	11-20	above21	
employee engagement	2	Count	2	0	0	0	2
		% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
2	Count	2	0	0	0	2	
	% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%	
Disagree	Count	1	0	0	0	1	
	% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%	
2	Count	3	0	0	0	3	
	% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%	
2	Count	0	1	0	0	1	
	% within employee engagement	0.0%	100.0%	0.0%	0.0%	100.0%	
2	Count	4	1	0	0	5	
	% within employee engagement	80.0%	20.0%	0.0%	0.0%	100.0%	
2	Count	4	0	0	0	4	
	% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%	
3	Count	3	2	1	0	6	
	% within employee engagement	50.0%	33.3%	16.7%	0.0%	100.0%	
3	Count	2	2	0	1	5	
	% within employee engagement	40.0%	40.0%	0.0%	20.0%	100.0%	
3	Count	3	0	0	0	3	
	% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%	
3	Count	6	3	1	0	10	
	% within employee engagement	60.0%	30.0%	10.0%	0.0%	100.0%	
3	Count	5	0	3	0	8	
	% within employee engagement	62.5%	0.0%	37.5%	0.0%	100.0%	
3	Count	9	2	2	0	13	
	% within employee engagement	69.2%	15.4%	15.4%	0.0%	100.0%	
Neutral	Count	8	1	0	0	9	
	% within employee engagement	88.9%	11.1%	0.0%	0.0%	100.0%	
3	Count	5	2	0	0	7	
	% within employee engagement	71.4%	28.6%	0.0%	0.0%	100.0%	
3	Count	15	3	2	0	20	
	% within employee engagement	75.0%	15.0%	10.0%	0.0%	100.0%	
3	Count	6	0	0	0	6	
	% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%	
3	Count	12	4	0	0	16	
	% within employee engagement	75.0%	25.0%	0.0%	0.0%	100.0%	
3	Count	11	6	2	0	19	
	% within employee engagement	57.9%	31.6%	10.5%	0.0%	100.0%	
4	Count	13	2	0	2	17	

		% within employee engagement	76.5%	11.8%	0.0%	11.8%	100.0%
4		Count	9	3	0	0	12
		% within employee engagement	75.0%	25.0%	0.0%	0.0%	100.0%
4		Count	10	0	0	2	12
		% within employee engagement	83.3%	0.0%	0.0%	16.7%	100.0%
4		Count	10	0	2	0	12
		% within employee engagement	83.3%	0.0%	16.7%	0.0%	100.0%
4		Count	8	2	0	1	11
		% within employee engagement	72.7%	18.2%	0.0%	9.1%	100.0%
4		Count	7	3	2	2	14
		% within employee engagement	50.0%	21.4%	14.3%	14.3%	100.0%
Agree		Count	8	1	1	2	12
		% within employee engagement	66.7%	8.3%	8.3%	16.7%	100.0%
4		Count	3	1	12	0	16
		% within employee engagement	18.8%	6.3%	75.0%	0.0%	100.0%
4		Count	1	3	2	0	6
		% within employee engagement	16.7%	50.0%	33.3%	0.0%	100.0%
4		Count	4	6	2	0	12
		% within employee engagement	33.3%	50.0%	16.7%	0.0%	100.0%
4		Count	4	1	1	0	6
		% within employee engagement	66.7%	16.7%	16.7%	0.0%	100.0%
4		Count	1	1	1	0	3
		% within employee engagement	33.3%	33.3%	33.3%	0.0%	100.0%
5		Count	2	2	1	0	5
		% within employee engagement	40.0%	40.0%	20.0%	0.0%	100.0%
5		Count	0	1	0	0	1
		% within employee engagement	0.0%	100.0%	0.0%	0.0%	100.0%
5		Count	2	1	0	0	3
		% within employee engagement	66.7%	33.3%	0.0%	0.0%	100.0%
5		Count	1	0	0	0	1
		% within employee engagement	100.0%	0.0%	0.0%	0.0%	100.0%
	Strongly Agree	Count	0	0	1	0	1
		% within employee engagement	0.0%	0.0%	100.0%	0.0%	100.0%
Total		Count	184	54	36	10	284
		% within employee engagement	64.8%	19.0%	12.7%	3.5%	100.0%

APPENDIX 4

employee engagement * position status Crosstabulation						
			position status		Total	
			management	professional		
employee engagement	2	Count	0	1	1	2
		% within employee engagement	0.0%	50.0%	50.0%	100.0%
	2	Count	0	0	2	2
		% within employee engagement	0.0%	0.0%	100.0%	100.0%
	Disagree	Count	0	0	1	1
		% within employee engagement	0.0%	0.0%	100.0%	100.0%
	2	Count	0	0	3	3
		% within employee engagement	0.0%	0.0%	100.0%	100.0%
	2	Count	0	0	1	1
		% within average engagement	0.0%	0.0%	100.0%	100.0%
	2	Count	1	1	3	5
		% within employee engagement	20.0%	20.0%	60.0%	100.0%
	2	Count	0	0	4	4
		% within employee engagement	0.0%	0.0%	100.0%	100.0%
	3	Count	0	1	5	6
		% within employee engagement	0.0%	16.7%	83.3%	100.0%
	3	Count	0	0	5	5
		% within employee engagement	0.0%	0.0%	100.0%	100.0%
	3	Count	0	1	2	3
		% within employee engagement	0.0%	33.3%	66.7%	100.0%
	3	Count	0	0	10	10
		% within employee engagement	0.0%	0.0%	100.0%	100.0%
	3	Count	0	3	5	8
		% within employee engagement	0.0%	37.5%	62.5%	100.0%
	3	Count	0	2	12	14
		% within employee engagement	0.0%	14.3%	85.7%	100.0%
	Neutral	Count	0	0	9	9
		% within employee engagement	0.0%	0.0%	100.0%	100.0%
	3	Count	0	1	6	7
		% within employee engagement	0.0%	14.3%	85.7%	100.0%
3	Count	0	3	17	20	
	% within employee engagement	0.0%	15.0%	85.0%	100.0%	
3	Count	1	0	5	6	
	% within employee engagement	16.7%	0.0%	83.3%	100.0%	
3	Count	0	1	15	16	
	% within employee engagement	0.0%	6.3%	93.8%	100.0%	

3	Count	0	4	15	19
	% within employee engagement	0.0%	21.1%	78.9%	100.0%
4	Count	0	2	15	17
	% within employee engagement	0.0%	11.8%	88.2%	100.0%
4	Count	0	2	11	13
	% within employee engagement	0.0%	15.4%	84.6%	100.0%
4	Count	0	2	10	12
	% within employee engagement	0.0%	16.7%	83.3%	100.0%
4	Count	0	2	11	13
	% within employee engagement	0.0%	15.4%	84.6%	100.0%
4	Count	0	2	9	11
	% within employee engagement	0.0%	18.2%	81.8%	100.0%
4	Count	0	4	10	14
	% within employee engagement	0.0%	28.6%	71.4%	100.0%
Agree	Count	0	3	9	12
	% within employee engagement	0.0%	25.0%	75.0%	100.0%
4	Count	0	8	8	16
	% within employee engagement	0.0%	50.0%	50.0%	100.0%
4	Count	0	2	4	6
	% within employee engagement	0.0%	33.3%	66.7%	100.0%
4	Count	0	5	7	12
	% within employee engagement	0.0%	41.7%	58.3%	100.0%
4	Count	0	1	5	6
	% within employee engagement	0.0%	16.7%	83.3%	100.0%
4	Count	0	1	2	3
	% within employee engagement	0.0%	33.3%	66.7%	100.0%
5	Count	0	1	4	5
	% within employee engagement	0.0%	20.0%	80.0%	100.0%
5	Count	0	1	0	1
	% within employee engagement	0.0%	100.0%	0.0%	100.0%
5	Count	0	1	2	3
	% within employee engagement	0.0%	33.3%	66.7%	100.0%
5	Count	0	0	1	1
	% within employee engagement	0.0%	0.0%	100.0%	100.0%
Strongly Agree	Count	0	1	0	1
	% within employee engagement	0.0%	100.0%	0.0%	100.0%
Total	Count	2	56	229	287
	% within employee engagement	.7%	19.5%	79.8%	100.0%

APPENDIX 5

Reliability

Scale: ALL VARIABLES

Case Processing Summary

	N	%
Valid	258	89.9
Cases Excluded ^a	29	10.1
Total	287	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.898	43