

ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE OFFICE  
OF GRADUATE STUDIES

# **Drivers of Employee Engagement: The Case of Ethiopian Insurance Corporation**

by

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**A thesis submitted to School of Commerce, Addis Ababa University in partial  
fulfilment of the requirements for the award of Master Degree in Human  
Resource Management**

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### **Declaration**

I, Masresha Tezera Sebsebe, announce this research paper entitled “Drivers of Employee Engagement in the case of Ethiopian Insurance Corporation” is my own and I have the courage to say, it is original research work that has not been produced by others in any other institutions or Universities for any other requirements in any form. To this end, I acknowledge all sources of information that I used to produce the study appropriately and I would say perfectly.

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### Letter of Certification

This is to certify that Masresha Tezera has carried out his thesis work on the topic entitled **“Drivers of Employee Engagement in the case of Ethiopian Insurance Corporation”** under my guidance and supervision. Accordingly I, here assure that his work is appropriate and standard enough to be submitted for the award of Masters of Arts Degree in Human Resource Management.

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This is to certify that the thesis is prepared by Masresha Tezera, entitled; “Drivers of Employee Engagement in the case of Ethiopian Insurance Corporation” in partial fulfilment of the requirements for the award of the degree of Masters of Arts in Human Resource Management, with the regulation of the University and the accepted standards with respect to originality.

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## Abstract

*This paper is intended to determine the drivers of employee engagement in the case of Ethiopian Insurance Corporation. In order to identify whether the drivers considered as having an impact on the engagement of employees, it is necessary to examine the engagement level using the appropriate measurement tool and then establish the relationship between the drivers and the engagement level. In view of this, the researcher employed a validated engagement measurement tool known as the **Utrecht Work Engagement Scale (UWES)**.*

*Data were collected by distributing questionnaires to 230 employees of EIC. Respondents were requested to mark their agreement level which is based on 5-point Likert Scale. The question related to engagement consists of the factors that are supposed to drive engagement: a) Training, Development and Career Opportunity b) Immediate Management c) Performance and Appraisal d) Equal Opportunity and Fair treatment, e) Nature of the job. The engagement measurement criteria designed by Schaufeli & Baker (2004) which has three aspects namely, vigour, dedication and absorption which in total consist 17 items were measured. The data gathered was entered into SPSS in order to analyse by the statistical tools such as descriptive statistics which involves percentage analysis, mean analysis and correlation of independent and dependent variables. The findings indicated that the mean value of all engagement dimensions i.e. Vigour, Dedication and Absorption is above average and the aggregate mean value of engagement is 3.49 which are moderately engaged. Furthermore, the result of engagement drivers shows that the management of EIC need to address issues related to training, development and career opportunity as well as performance management and appraisal as employees rating is well below the acceptable range. If the factors that affect engagement level are addressed there will be an improvement in the engagement level of employees since the regression analysis result indicate R Square value of .77 and  $P < .001$ . This means that 77% of variance in employee engagement level is explained by the engagement factors and the 23% is attributed to other factors. Therefore, there is a strong relationship between the independent variables and the dependent variables that the factors identified as drivers of employee engagement need to be addressed well in order to improve employee engagement*

**Key words:** Drivers of engagement, engagement level, Vigour, Dedication, Absorption,

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the study

Nowadays, the concept of employee engagement is becoming a popular subject and getting priorities in Human Resource agenda. Business leaders in many organizations are considering engagement as a remedy to address the low level of employee productivity, job dissatisfaction, lack of commitment, absenteeism and the like exhibited by their employees. For example, 2017 Deloitte Global Human Capital trend shows that among the 10 Human Capital trends, Engagement and Culture is listed as number 4 as taken from the global research of more than 10,400 business and HR leaders across 140 countries. Lack of employee engagement is the top issue currently facing 87 per cent of HR and business leaders, according to Deloitte's third annual "Global Human Capital Trends 2015. There is, however, ambiguities and confusions with the concept of engagement as it is linked with other similar constructs like job satisfaction and motivation, organizational citizenship behaviour and commitment. Even some writers criticize that the concept is no more than an 'old wine in new bottles' and it is conceptualized by combining and relabelling already existing constructs Schaufeli (2013). It is, therefore, imperative to explore and reveal its conceptual distinctiveness from the other related constructs and make the best use of its unique advantages.

A review of literatures on employee engagement and Researches done by most consulting firms indicate that this newly emerging concept has a broader and deeper meaning than the existing constructs like job satisfaction, commitment and motivation and organizational behavior. In exploring the definition of engagement, it can be observed that there are no identical definitions and explanations. For example, Robinson, Perryman and Hayday (2004) defines Engagement as a positive attitude held by the employee towards the organisation and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organisation. The organisation must work to nurture, maintain and grow engagement, which requires a two-way relationship between employer and employee. Kahn (1990) defines engagement as "the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances". Schaufeli, Wilmar & Bakker, Arnold (2004) define engagement as a

positive, fulfilling, work-related state of mind that is characterized by **Vigour**, **Dedication**, and **Absorption**, rather than a momentary and specific state, engagement refers to a more persistent and pervasive affective-cognitive state that is not focused on any particular object, event, individual, or behavior. Vigor is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one's work, and persistence even in the face of difficulties. Dedication refers to being strongly involved in one's work and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge. Absorption, is characterized by being fully concentrated and happily engrossed in one's work, whereby time passes quickly and one has difficulties with detaching oneself from work'.

From the above definitions and descriptions of engagement, it can be said with certainty that engagement is distinct from other constructs in that it entails a two-way relationship between the employee and employer. It also goes beyond employees being satisfied in their job.

The factors that drive employee engagement need to be analysed and identified in a given organizational context. In view of this, researchers and professionals in the area of employee engagement provide various factors or drivers of employee engagement. In most of the research findings and literatures, the drivers identified are intrinsic or psychological in nature and they vary depending on the size of the organization, the type of the industry and whether they are public or private. For instance, MacLeod and Clarke (2009) in their extensive report identified four enablers of employee engagement: strategic narratives, engaging managers, employee voice and integrity. In this same report engagement is described as *“A workplace approach designed to ensure that employees are committed to their organization's goals and values, motivated to contribute to organizational success, and are able at the same time to enhance their own sense of well-being.”*

Hence, it is critical for organizations to be interested in employee engagement considering the outcome of an engaged workforce on its business performance. Bruce Rayton, Tanith Dodge Gillian D'Analeze (2012) demonstrated in their research paper that there is a firm correlation between employee engagement and high organisational productivity and performance across all sectors of the economy. It is evidenced that high level of employee engagement is positively related to increase in profit, revenue growth, customer satisfaction, productivity, innovation, staff retention, efficiency and health and safety performance.

## 1.2 Statement of the Problem

Organizations, which operate in a very competitive industry like Ethiopian Insurance Corporation (EIC), are now recognizing the fact that the human capital is one of the critical resources that can create a sustainable competitive advantage. In view of this, Ethiopian Insurance Corporation has undertaken to employ various tools such as Result Oriented performance management system i.e. Balanced Score Card (BSC); hired an international consulting firm to transform its Human Resource Development in an effort to leverage its human capital to gain competitive advantage. But the issue of employee engagement is still unresolved and this is confirmed by the fact that almost all line managers are complaining about their assigned employees with respect to their engagement level on various occasions (For example, Human Resource competency was one of the strategic issues considered for crafting the five year strategic plan of EIC). Besides, the survey undertaken by Public Financial Enterprise Agency (PFEA) five years back produced a report which states that the level of employee satisfaction and productivity in EIC is remaining low (about 38%). This situation necessitates adopting a certain kind of employee engagement model that can address the issues of employee commitment, productivity, motivation, and involvement. In view of this, EIC has earmarked a considerable amount of budget for human resource development (HRD) project to bring about high level of employee engagement. As a matter of fact, the National Bank of Ethiopia also has a directive in place urging all Financial Institutions both government and private Banks and Insurance Companies to set aside a minimum of 2% of their recurrent budget for Training and Development purposes to encourage companies to invest in HRD and it requires them to report. This directive was issued because most companies under its supervision are oblivious of the fact that having productive and engaged employees, who create a sustainable competitive advantage, requires a considerable amount of investment.

The research paper is intended firstly to clarify the concept of employee engagement as distinct construct, and then explore and identify the factors that drive employee engagement in general and focus on those factors that are more relevant in the context of EIC. A great deal of literatures reveals the fact that there are many and diverse factors that can affect the level of employee engagement. As indicated in the *International Journal of Business and Management* (2014), the consequences of failing to pay attention to the engagement level of employees is costly to organizations and can manifest itself in the form of employee turnover, absenteeism, lost productivity, lower morale levels and alarming dips in performance levels. So it is imperative to identify what factors affects employee engagement or disengagement. In this respect so many

factors are indicated in literatures, research journals and findings of consulting firms. For instance, Dilys, Sara & Sue (2004) stated that the strongest driver of engagement is a sense of feeling valued and involved. This idea is further elaborated as to include training, development and career, immediate management, performance appraisal, communication and fair treatment. Supriya Ahlowalia, Deepika Tiwary & Ajeya Jha (2014) indicated that there are 26 major drivers of employee engagement with 8 factors emerging uniformly across at least 4 studies. These factors are: Trust and Integrity, nature of job, line of site between individual performance and company performance, career growth opportunities, pride about the organization, co-workers/Team members, Employee Development and personal relationship with one's manager. Accordingly, the drivers that are going to be investigated and analysed in order to determine their impact on EIC's employee engagement are: Career development opportunities, performance appraisal, Equal Opportunity and Fair treatment, immediate management and nature of the job. Therefore, this study addressed the following basic research questions:

- a. What is the level of employee engagement at EIC?
- b. To what extent drivers of engagement impacts employee engagement at EIC?
- c. What factors drive employee engagement at EIC?

### **1.3 Objectives of the Study**

The research objectives consist of general objectives and specific objectives

#### **General Objective:**

The general objective of the research is to determine the factors that drive employee engagement in the case of Ethiopian Insurance Corporation.

#### **Specific Objectives:**

1. Measure the level of employee engagement at EIC
2. Identify the drivers of employee engagement at Ethiopian Insurance Corporation
3. To determine to what extent drivers of engagement impact employee engagement at EIC.

## **1.4 Significance of the Study**

In a very competitive industry, organizations need to harness their Human Capital in order to thrive and maintain a competitive advantage. Every aspect of the human resource that can foster employees' productivity, motivation, commitment and innovativeness should be given due emphasis. Literatures in the field of human resource industrial psychology assert the fact that employee engagement is an integrated and comprehensive approach to address the issues of disengagement. Unlike other similar constructs, it has a two-way interaction between the employer and employee. Furthermore, investigating and analysing the factors that contributes to employee engagement particularly in the context of business entities avails much in clarifying the concept in light of its practical implications. The output of the research result can benefit business companies by providing a conceptual framework and describing the drivers that impacts employee engagement and provide the appropriate strategy to address the lack of engagement. Establishing the relationships between the dependent variables which may include level of employee engagement, productivity, job satisfaction, motivation and the independent variables such as career development opportunities, performance management, culture/work environment and nature of the job would be helpful to craft employee engagement and retention strategy for the Corporation by focusing on those determinant that can help in leveraging its Human Capital to achieve a competitive edge in the Insurance Industry.

## **1.5 Scope of the Study**

This study is delimited to the assessment of the drivers of employee engagement in EIC's organizational context. Based on the conceptual framework of the IES model of employee engagement, the factors which would be emphasized are: Career development opportunities, performance appraisal, Equal Opportunities and Fair treatment, immediate management and nature of job.

The methodological scope is limited to conducting a survey through questionnaires distributed to sample participants of EIC's professional employees.

Currently EIC has Districts and Branches across all regional states. However, the survey is restricted to those Districts and Branches located in Addis Ababa since all share similar working conditions and can be well represented by Branches in Addis Ababa.

## **1.6 limitation of the study**

Even though there is a surge of researches and studies conducted within since development of this construct, there would be a challenge in getting ample researches and studies conducted in Ethiopian context in general and in the Insurance Industry in particular. A problem of availability of organized data related to employee engagement and productivity of employees in sector wise like in Insurance or related service rendering Industry would be a challenge. Cooperation on the part of targeted employees in responding to questionnaires may also pose a challenge to the study.

## **1.7 Organization of the study**

The paper is organized in five chapters. The first chapter is an introductory part, which contains the background, statement of the problem, objectives, the research questions, scope, and limitation of the study. Chapter two highlights review of related literatures and studies on employee engagement. Chapter three elaborates research methodology. Chapter four discusses data analysis and presentation and finally, chapter five presents summary, conclusion that was drawn from the analysis and recommendations based on the conclusions including areas of future research.



## CHAPTER TWO

### LITRATURE REVIEW

The literature review will encompass definition and evolution of employee engagement; Models and Measurement of employee engagement; determinants or drivers of engagement, and outcome of engagement. Available research materials, journals, scientific studies and reports produced by consulting firms were extensively consulted so as to have conceptual clarities and understand its distinctive constructs.

#### 2.1 Definition of Employee Engagement

The idea of employee engagement has become increasingly the focus area in business organizations and being considered as a preferred tool for achieving a competitive advantage. However, a review of literatures reveals the fact that there are conceptual ambiguities and a lack of universal definition of the term engagement.

As literatures unravel, Khan (1990) was the first to introduce the idea of engagement in relation to work to the academic realm. He described engagement as employees' usage of varying degrees of their selves' i.e. Physically, emotionally and cognitively in the work roles they perform. It is the simultaneous moment-to-moment allocation of emotional, physical, and cognitive resources to one's work role. In the definition he proposed three antecedents to engagement: **psychological availability, psychological safety, and psychological meaningfulness.**

Schaufeli, W.B. (2013) draw conclusion from the definitions and descriptions of consultancy firms that in business, engagement is defined as a blend of three existing concepts (1) job satisfaction; (2) commitment to the organization; and (3) extra-role behavior, i.e. discretionary effort to go beyond the job description. But he argued that engagement is a unique construct that can be distinguished from other organizational attitudes and behaviors such as in-role and extra-role performance, organizational commitment, intention to leave, personal initiative, innovativeness, and proactivity. From the psychological point of view, Schaufeli, Wilmar & Bakker, Arnold (2004) define engagement as a positive, fulfilling, work-related state of mind that is characterized by Vigor, Dedication, and Absorption, rather than a momentary and specific state, engagement refers to a more persistent and pervasive affective-cognitive state that is not focused on any particular object, event, individual, or behavior.

**Vigour** is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one's work, and persistence even in the face of difficulties.

**Dedication** refers to being strongly involved in one's work and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge.

**Absorption**, is characterized by being fully concentrated and happily engrossed in one's work, whereby time passes quickly and one has difficulties with detaching oneself from work'

The concept of work Engagement is also defined and evaluated in connection with other related constructs. For instance, Schaufeli & Beker (2003) expounded the work of Maslach and Leiter (1997) that engagement and burnout constitute the opposite poles of a continuum of work related well-being, with burnout representing the negative pole and engagement the positive pole. Because Maslach and Leiter (1997) define burnout in terms of **exhaustion**, **cynicism** and **reduced professional efficacy**, it follows that engagement is characterized by **energy**, **involvement** and **efficacy**. By definition, these three aspects of engagement constitute the opposites of the three corresponding aspects of burnout. In other words, according to Maslach and Leiter (1997) the opposite scoring pattern on the three aspects of burnout – as measured with the Maslach Burnout Inventory MBI; Maslach, Jackson & Leiter, (1996) – implies work engagement. The suggestion is that, if the exhaustion and cynicism scale indicate low and the professional efficacy is high it can be concluded that there is work engagement. However, the suggestion that considers engagement and burnout as opposite of each other is refuted by schaufeli & Beker (2003) by explaining the fact that both concepts cannot be perfectly negatively correlated. That is, when an employee is not burned-out, this doesn't necessarily mean that he or she is engaged in his or her work. On the contrary, when an employee is low on engagement, this does not mean that he or she is burned-out. Furthermore, the relationship between both constructs cannot be empirically studied when they are measured with the same questionnaire.

Robinson et al. (2004) defines engagement as a positive attitude held by the employee towards the organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization which requires a two-way relationship.' Even though they indicated that established constructs like commitment, organizational citizenship and motivation overlaps with engagement, it is distinguished from these constructs in that engagement involves a two-way relationship

between employer and employee in whom the employers must work to nurture, maintain and grow engagement and employees have to select the level of engagement to offer to their employers. They identified that one of the strongest driver to engagement is employees feeling valued and involved which boils down to several dimensions such as job satisfaction, friendliness at work, co-operation, health and safety, pay and benefits, equal opportunities and fair treatment, communication, performance and appraisal, role of immediate management, and training, development, and career.

Markos, Solomon & M, Sandhya Sridevi (2010) reflected in their article that Employee commitment and Organizational Citizenship Behavior (OCB) are important parts and predictors of employee engagement in that commitment is conceptualized as positive attachment and willingness to exert energy for success of the organization, feeling proud of being a member of that organization and identifying oneself with it and OCB is a behaviour observed within the work context that demonstrates itself through taking innovative initiatives proactively seeking opportunities to contribute one's best and going extra mile beyond employment contract. However, these constructs constitute the bigger construct employee engagement and they cannot independently act as a replacement for engagement.

It is, therefore, crystal clear that the concept of engagement is different from other similar constructs commitment, organizational citizenship behaviour (OCB), job satisfaction, motivation and the like even though these constructs involve elements of engagement.

## **2.2 Evolution of Employee Engagement**

As Schaufeli, W.B. (2013) stated, the emergence of engagement at the beginning of the 21 century has to do with two converging developments: (1) the growing importance of human capital and psychological involvement of employees in business, and (2) the increased scientific interest in positive psychological states. The essential elements of engagement concept indicate that the theory was evolved from earlier human resource management constructs.

Literatures reveals the fact that the term engagement was first appeared in academic journal in 1990. Key to this was a paper published by the Institute of Employment Studies (IES) in 1990 '*From People to Profits, the HR link to the service-profit chain*' which showed how employee attitudes and behaviour could improve customer retention and consequently sales performance.

This clear link between engagement and performance, supported by extensive research, helped establish engagement's importance to both HR and business performance.

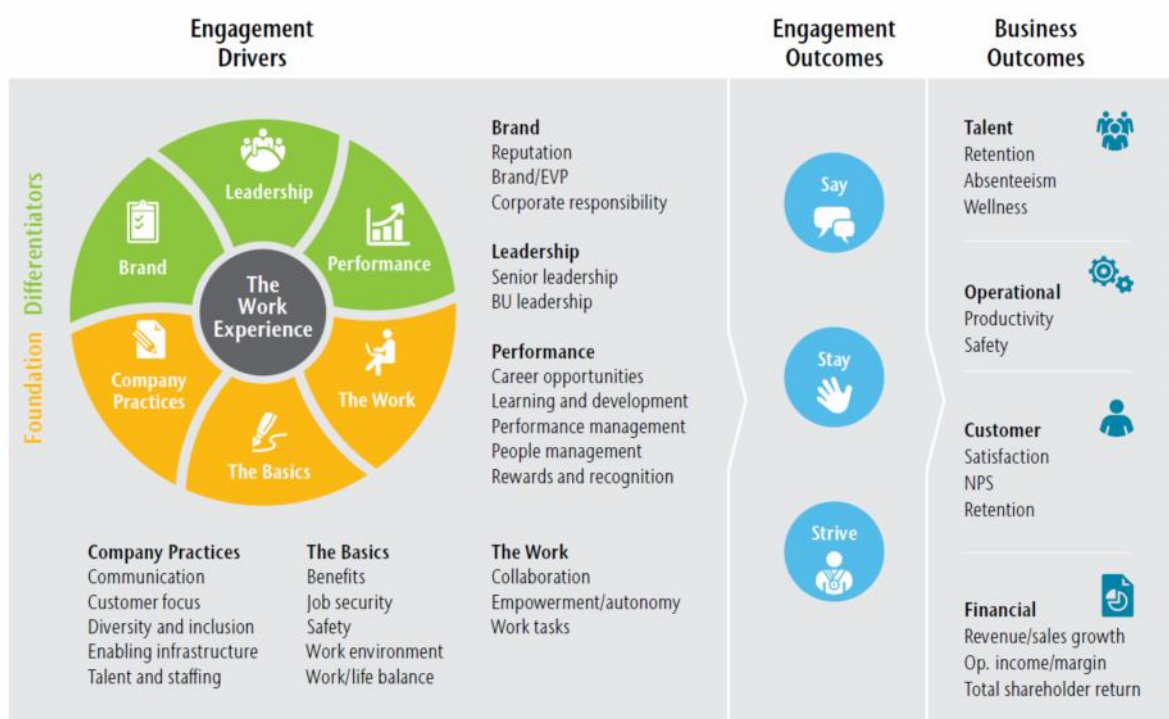
It has become ever clearer that engagement is not, as is often implied, something that managers or organizations 'do' to their people; rather, it is a mental, emotional and physical state and something that employees give. But even though managers and leaders cannot directly control the engagement of others, how they behave, the work environment they create, the support and encouragement they give to their teams, and the trust they engender are clearly all critical

As literatures and research works indicate, there are a lot of studies conducted on engagement in the past decade but concerns about the meaning, measurement, and theory of Employee Engagement still remain. It is also difficult to draw causal relations about the antecedents and consequences of Employee Engagement. As interest in employee engagement rapidly grows, researchers and practitioners are coming up with different versions and approaches of engagement.

It is observed from literatures that Kahn (1990) was known to be the earliest researcher in developing the concept of work engagement. He associated engagement with fulfilment of three psychological conditions i.e. psychological meaningfulness, psychological safety and psychological availability. These conditions affect personal engagement and disengagement.

Schaufeli & Beker (2003) developed an employee engagement measurement in comparison with burnout. Through their intensive research work, they indicated that vigor, dedication and absorption are indicators of engagement level that can be measured using a valid and reliable self-report questionnaire (the UWES); and that can be explained by the Job Demands-Resources model measure engagement level of a person.

Recently, consulting firms and the Gallup are producing research reports on employee engagement. Aon Hewitt's (2015) for instance developed employee engagement model. For instance, the model shown below indicates the engagement drivers and their impact on the level of employee engagement (engagement outcome) and linkage to organizational performance (Business outcomes)



**Figure 2.1 Aon Hewitt's (2015) Engagement Model**

The model shown above describes the fact that engagement drivers like company practices, benefits, job security, work environment, performance and leadership are the components of the work experience that lead to engagement outcome expressed in three 'S' as Say, Stay and Strive. The engagement outcomes in turn bring about Business Outcomes which consists of Talent, Operational, Customer and Financial.

There are various research findings and Gallup reports which attempts to suggest the definition, measurement, antecedents and outcome of employee engagement.

Even though the concept was emerged few decades back, now the term engagement is becoming a buzzword in business organizations. Employment contract is changing with a view to consider the human capital as a source of competitive advantage and this calls for giving a greater emphasis to employee engagement.

### 2.3 Models and Measurement of Engagement

Literatures and Research findings in connection with 'engagement' uncovers the fact that there is no uniform models and approaches in conceptualization and validity of widely applied

instruments in measuring engagement. Difference in Cultural and organizational context may impact validity of the measurement instrument.

Kahn (1990) framed the engagement model from the psychological conditions of personal engagement and disengagement perspective. It focuses on the needs satisfying approach. In Kahn's research findings three psychological conditions emerged i.e. meaningfulness, safety, and availability. These three conditions shaped how people inhabited their roles. Organization members seemed to unconsciously ask themselves three questions in each situation and to personally engage or disengage depending on the answers. The questions were: (1) How meaningful is it for me to bring myself into this performance? (2) How safe is it to do so? and (3) How available am I to do so? The dimension of these psychological conditions was elaborated as consisting definition, experiential component, types of influence and influences. People experience meaningfulness when they felt worthwhile, useful, and valuable-as though they made a difference and were not taken for granted. For instance, **psychological meaningfulness** can be expressed in tasks, roles and work interactions. **Psychological safety** was experienced as feeling able to show and employ one's self without fear of negative consequences to self-image, status, or career. People felt safe in situations in which they trusted that they would not suffer for their personal engagement. **Psychological availability** is the sense of having the physical, emotional, or psychological resources to personally engage at a particular moment. It measures how ready people are to engage, given the distractions they experience as members of social systems.

IES (2004) model of employee engagement which was based on the survey undertaken at Royal Bank of Scotland(RBS) suggests that having employees who say they are satisfied with their jobs at RBS is only the starting point; as a next step, these employees should also be committed (that is, say they want to stay with the company). The ultimate goal is an engaged workforce, containing employees who are willing to make an extra effort to help the company achieve its goal.

One of the engagement model adapt by IES (2004) from Royal Bank of Scotland and Hewitt Bacon and Woodrow is that engaged employees exhibit three behavior with respect to their career in the organization. Firstly, they **say** that the job and the company are good, secondly, they **stay** within the company and develop within it and thirdly they just don't simply stay but **strive** to go the extra mile for the company. These behaviours lead to excellent business results.

Schaufeli (2013) cited and expounded the Job Demands-Model (JD-R) model which assumes that work engagement results from the inherently motivating nature of resources, whereby two types of resources are distinguished; (1) job resources, which are defined as those aspects of the job that are functional in achieving work goals, reduce job demands, or stimulate personal growth and development (e.g., performance feedback, job control, and social support from colleagues); (2) personal resources, which are defined as aspects of the self that are associated with resiliency and that refer to the ability to control and impact one's environment successfully (e.g., self-efficacy, optimism and emotional stability). According to this model which Schaufeli (2013) stated it, resources foster engagement in terms of vigor (energy), dedication (persistence) and absorption (focus). Furthermore, the JD-R model assumes that, in its turn, engagement produces positive outcomes such as job performance

As cited by Kamau, Onesmus & SmaMuathe ,(2016) The social exchange theory (SET) is a model which evolved from reinforcement theory and Mill's marginal utility theory (1923). SET stipulates that obligations are generated through a series of interactions between parties who are in a state of reciprocal interdependence (Kular *et.al.*,2008). A basic principle of SET is that relationships evolve overtime into trusting, loyal and mutual commitments as long as the parties abide by certain rules of exchange Onesmus & Sma, Muathe (2016). The idea of social exchange theory is also relating to the concept of engagement as a two-way interaction as Robinson *et.al* (2004) stated that an engaged employee is aware of business context and works with colleagues to improve performance within the job for the benefit of the organisation. The organisation must work to nurture, maintain and grow engagement, which requires a two-way relationship between employer and employee.'

The Job Demand-Resource Model (**JD-R model**) as expounded by Bakker, Arnold B. & Demerouti, Evangelia, (2007) integrates various previous models, including: -

- a) **Demands-control model** (Karasek, 1979): - focuses on the balance between the desires of employees and their autonomy. It indicates that those who have a high degree of work pressures and experience a low degree of control have an increased risk of stress.
- b) **Job characteristics model** (Hackman & Oldham, 1980). This model is based on the idea that the task itself is key to employee motivation. Specifically, a boring and monotonous job stifles motivation to perform well, whereas a challenging job enhances motivation.

Variety, autonomy and decision authority are three ways of adding challenge to a job. Job enrichment and job rotation are the two ways of adding variety and challenge.

According to the authors, there are five core job characteristics (skill variety, task identity, task significance, autonomy, and feedback) which impact three critical psychological states (experienced meaningfulness, experienced responsibility for outcomes, and knowledge of the actual results), in turn influencing work outcomes (job satisfaction, absenteeism, work motivation, etc.). The five core job characteristics can be combined to form a motivating potential score (MPS) for a job, which can be used as an index of how likely a job is to affect an employee's attitudes and behaviors.

- c) **Conservation of resources model** (Hobfoll, 1989): - According to this model, individuals seek to acquire and maintain resources, including objects (e.g., homes, clothes, food), personal characteristics (e.g., self-esteem), conditions (e.g., being married or living with someone provides social support, more financial security), and energies (e.g., time, money, and knowledge). Stress occurs when there is a loss of resources, or a threat of loss.
- d) **Effort-Reward Imbalance model** (Siegrist, 1996):- claims that failed reciprocity in terms of high efforts spent and low rewards received in turn is likely to elicit recurrent negative emotions and sustained stress responses in exposed people. Conversely, positive emotions evoked by appropriate social rewards promote well-being, health and survival.

The **JD-R model** propositions as elucidated by Bakker, A.B., & Demerouti, E. (2007) are: -

- Every organization has its own unique work environment
- Work environments can be characterized by job demands and job resources
- Two simultaneous processes: a health impairment process and a motivational process.
- Job resources can buffer the impact of job demands on strain
- Job resources become salient and have more motivating potential when job demands are high
- Well-being (low burnout, high engagement) predicts organizational performance
- Engaged employees optimize their own work environment (job crafting)



Bakker, A.B., & Demerouti, E. (2007) described **Job Demand** as “...those physical, psychological, social, or organizational aspects of the job that require sustained physical and/or psychological (cognitive and emotional) effort or skills and are therefore associated with certain physiological and/or psychological costs” and **Job Resources** refers to “...those physical, psychological, social, or organizational aspects of the job that are either/or: (a) functional in achieving work goals; (b) reduce job demands and the associated physiological and psychological costs; and (c) stimulate personal growth, learning, and development.

Schaufeli et.al (2009) elaborates on this model by stating that the two most often studied negative and positive outcomes in the JD-R model are **burnout and work engagement**, respectively. **Burnout** is usually defined as a syndrome of exhaustion, cynicism, and lack of professional efficacy. Work engagement is defined as a positive work-related state of mind that is characterized by vigor, dedication, and absorption.

Bakker, A.B. (2011) explains that Job and personal resources are the main predictors of engagement. **Personal resources** are positive self-evaluations that are linked to resiliency and refer to individuals’ sense of their ability to successfully control and have an impact on their environment (Hobfoll, Johnson, Ennis, & Jackson, 2003). Job Resources is as defined above. According to Bakker, these two resources gain their salience in the context of high job demands. Engaged workers are more open to new information, more productive, and more willing to go the extra mile. Job and personal resources independently or together predict work engagement and have a particularly positive impact on engagement when job demands are high; engagement, in turn, positively affects job performance. Importantly, the feedback loop in the model shows how employees who are engaged and perform well are able to create their own resources (job crafting), which then foster engagement over time and create a positive gain spiral. The model developed by Baker, A.B & Demerouti, E. is depicted as follows:

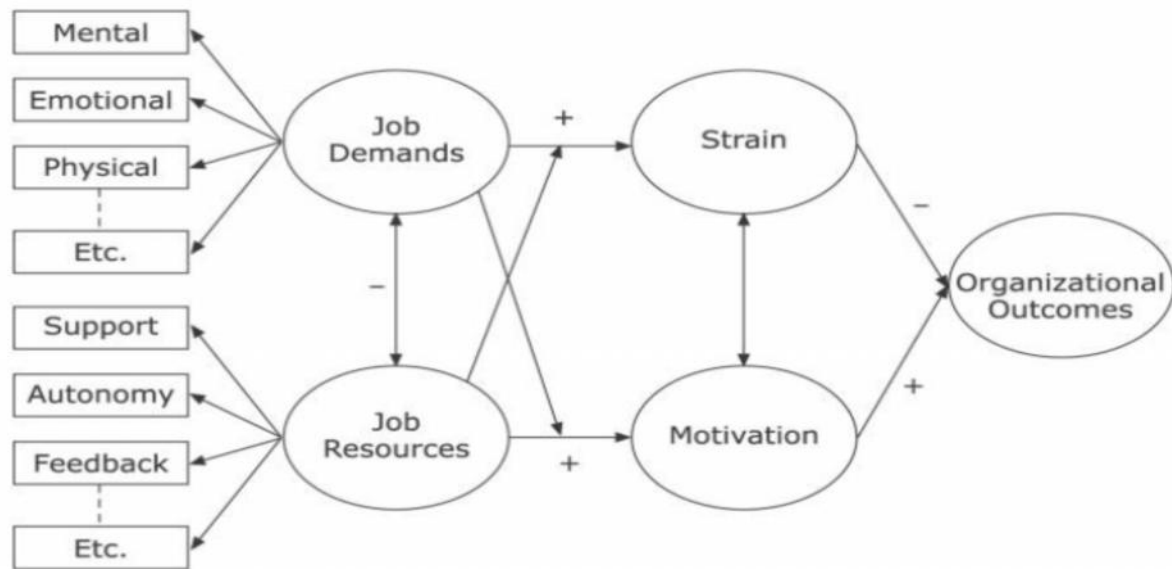


Figure 2.2 JD-R Model

## 2.4 Drivers of Employee Engagement

Factors that affect employee engagement are diverse and numerous as mentioned in literatures and research journals. However, the researcher will focus on the drivers such as, Career development opportunities, performance & appraisal, Equal Opportunities and fair treatment, immediate management and nature of the job

Kahn (1990) considers the concept of engagement in two aspects i.e. personal engagement and disengagement. Personal engagement as the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. Personal disengagement as the uncoupling of selves from work roles; in disengagement, people withdraw and defend themselves physically, cognitively, or emotionally during role performances. His conceptual framework of engagement is expressed as dimensions of psychological conditions which includes:

- **Meaningfulness** (sense of return on investment of self in role performance);
- **Safety** (sense of being able to show and employ self with fear of negative consequences to self-image, status, or career);

- **availability** (Sense of possessing the physical, emotional, and psychological resources necessary for investing self in role performances).

These psychological dimensions are further elaborated as having experiential component and influence on job performance. This conceptual framework is comprehensive in that it touches all aspects of a person’s physical, cognitive and psychological dimensions and its linkage with personal engagement.

In accordance with IES (2004) model of employee engagement, the strongest driver of engagement is the sense of **feeling valued and involved**. In its diagnostic tool, the components of these two drivers are indicated which includes: development and career opportunities, immediate management, performance and appraisal, communication, equal opportunities and fair treatment, pay and benefits, health and safety, co-operation, family friendliness and job satisfaction.

The diagnostic tool as developed by IES uses the fact that feeling valued and involved is the key driver of engagement, but also shows the main component of feeling valued and involved. The engagement driver model is depicted as follows:



**Figure 2.3** IES Drivers of Engagement

Source: IES (2004)

These factors are also commonly mentioned in other similar constructs like commitment and job satisfaction and motivational theories. But in the context of engagement it is viewed as a two-way relationship between the employer and the employee

Bersin, Josh (2015) in *Deloitte Review Issue 16* described 5 drivers that foster employee engagement in relation to making organization irresistible. It stated that the employee-work contract has changed, compelling business leaders to build organizations that engage employees as sensitive, passionate, creative contributors. In light of this, the following drivers are identified in the report: -

- **Make work meaningful:** - refers to autonomy, job-person fit, small empowered teams, and time for slack.
- **Hands-on management:** - clear & transparent goals, coaching, invest in management development and modern performance management.
- **Positive work environment:** - flexible work environment, Humanistic workplace, culture of recognition, inclusive and diverse work environment.
- **Growth opportunity:** - Training and support on the job, facilitate talent mobility, self-directed and dynamic learning, high impact learning culture
- **Trust in leadership:** - Mission and purpose, continuous investment in people, transparency and honesty, inspiration

## 2.5 Outcome of Employee Engagement

When it comes to the impact of engagement on organizational performance, Schaufeli (2013) indicated that three kinds of approaches exist to examine the organizational outcomes of engagement. First, engagement levels of individual employees can be related to individual outcomes that are relevant to organizations (e.g. job performance, sickness absence). In a similar vein, average engagement levels of work teams can be related to, for instance, team performance or team absence rates. Secondly, average engagement levels of business units or entire organizations can be linked with business level outcomes, such as profit and productivity.

Many consultancy firms have claimed that a positive association exists between the average level of employee engagement of an organization and its business success.

Stairs and Galpin (2010) claimed that high levels of engagement have been shown to relate to: lower absenteeism and higher employee, retention; increased employee effort and productivity;

improved quality and reduced error rates; increased sales; higher profitability, earnings per share and shareholder returns; enhanced customer satisfaction and loyalty; faster business growth; and higher likelihood of business success.

The Aon Hewitt Employee Engagement Model (2015) indicates that the business outcome of engaged employees is: **Talent** (Retention, absenteeism, wellness); **operational** (productivity, safety); **customer** (satisfaction, retention) and **Financial** (revenues, sales growth, operational income/margin, total shareholders return)

Ahlowalia et.al, (2014) explains that the consequences for organisations that fail to pay attention to their addressing their human capital and their development are significant and are measured in terms of cost of employee turnover, absenteeism, lost productivity, lower morale levels and alarming dips in performance levels. As expounded by Ahlowalia et.al (2014) the employee engagement is connected with productivity of employees. Engaged employees are more focused and more motivated than their disengaged counterparts. The authors cited, this assertion is confirmed when in 2009, Harter et al. conducted a meta-analysis which included analysis of 199 research studies across 152 organisations in 44 industries and 26 countries. They statistically calculated the available data on business/work unit level relationship between employee engagement and productivity outcomes within each study. The studies covered 32,394 business/work units and 955,905 employees. Their findings quantified major notable differences between business units ranking in the top and bottom 25% on engagement. They found an 18% drop in productivity levels between the top and bottom performers. 85% of the world's most admired companies believe that efforts to engage employees have reduced employee performance problems (Hay 2010). Hence, work engagement levels should be maximized by organizations to harness highest levels of productivity from their employee.

To sum up, as it has been said time and again, the human capital is one of the critical asset that can create a competitive edge for a company. In this modern knowledge worker time, the best tool to enhance the human capital is to give a proper attention to the engagement level of employees because the level of engagement has an impact on the performance of the organization. Having a clear understanding of the concept of engagement as a distinct construct which is focuses on two-way relationship between the employee and the employer is the initial step, identifying the determinants or factors of engagement is another issue which needs to be

addressed because the drivers of employee can vary from culture to culture and depends on the organizational context.

## 2.7 Categorizing Employee Engagement level

As suggested by Gallup reports, the engagement level of employees in an organization could be identified as:

- **ENGAGED:** Employees who work with passion and feels a profound connection to the company
- **NOT ENGAGED:** Checked out, sleepwalking through the day, putting in hours instead of energy
- **ACTIVELY DISENGAGED:** People who are miserable at their jobs. They actively undermine co-workers and sabotage projects.

## 2.8 Research Gap and Emperical Review

As the literature review uncovers, there are a significant body of literature and models supporting the importance of employee engagement, however few empirical research is available on the antecedents or determinants of employee engagement in relation to organizational undertaking.. Service rendering Companies like Ethiopian Insurance Corporation heavily rely on its human capital to have a successfully customer service experience. But there is a recurring question regarding the antecedents to engagement in that there are too many factors and drivers are indicated in literature that it lacks a rigorous research on the relationship of drivers of engagement and employees engagement level in a given organizational case.

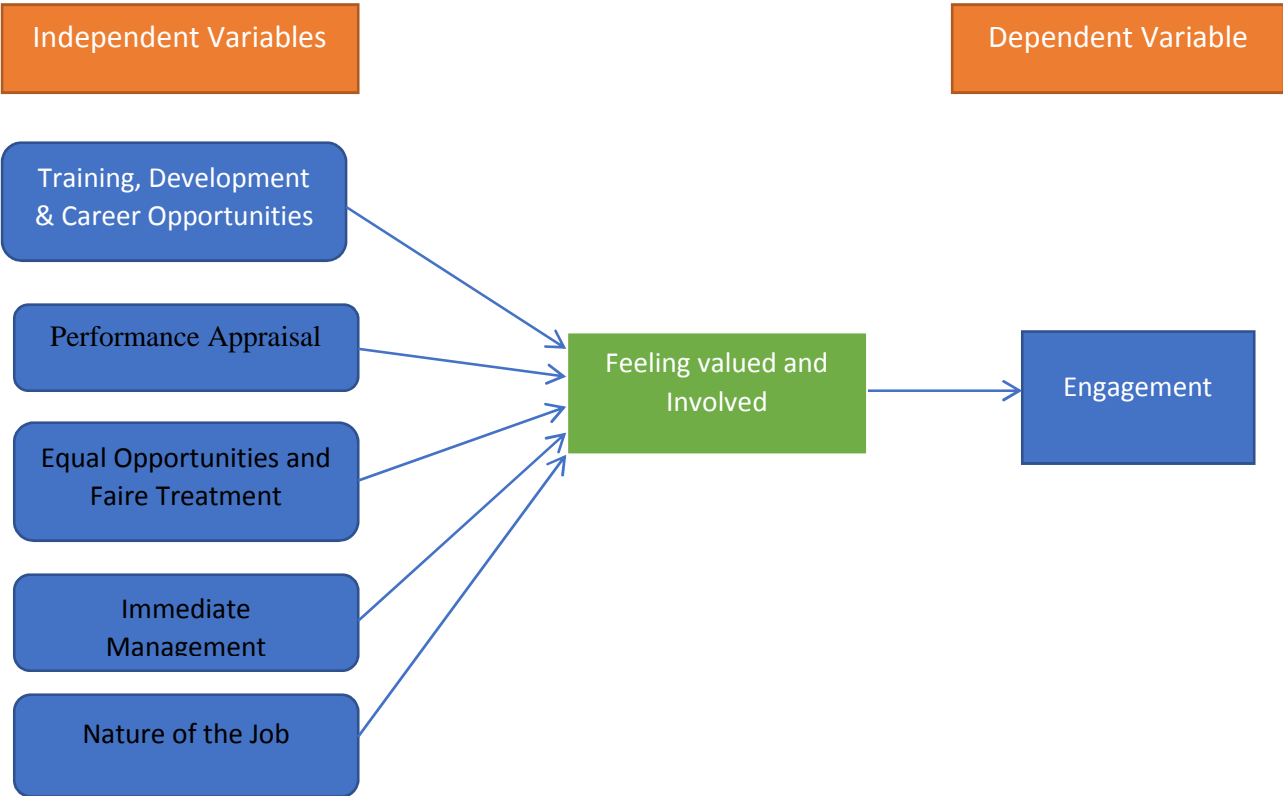
This research aims to fill the gap resulted from a lack of empirical research and address the specific research problem. It is clear that each Organizational culture and context may entail a unique approach and model to make the most use of the underpinning engagement theories and models. Identifying the drivers of engagement and its impact on business outcome can hel organizations to craft an appropriate strategy of engagement. Markos, & Sridevi, S.M Sandhya (2010) stated that Managers need to start the engagement and retention strategy from day one as the first building block and then it should be started from the top management understanding the fact that employee

engagement requires leadership and commitment through establishing clear mission, vision and values.

### 2.9 Conceptual Framework

Even though there are several conceptual models are presented in the literature, the model prescribed by the Institute of Employment Studies (2004) was considered for this study. In this model, the strongest driver of engagement is the sense of **feeling valued and involved**. There are ten components or drivers to the sense of feeling valued and involved. Based on EIC’s organizational context and issues of employee engagement, the five factors identified for the conceptual framework are: Training, Development and Career Opportunities, Performance Appraisal, Equal Opportunities and Fair Treatment, Immediate Management and Nature of the Job.

Figure 2.4 Conceptual Framework



## **2.10 Research Hypothesis**

Based on the conceptual framework developed, the following Research Hypothesis was developed for this study:

H1: There is a significant relationship between the Drivers of Employee Engagement and Engagement level of Employees

H2: Each Employee Engagement factors can significantly affect the Engagement level of Employees

H3: The Engagement factors can predict the engagement level of employees



## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Research Design**

The Research is aimed at identifying the drivers of employee engagement and testing whether there is a significant relationship with employees engagement level. In order to achieve this objective both explanatory and descriptive research design is employed. The Descriptive research is meant to analyze the current phenomena of employee with respect to engagement drivers and their status of engagement level. In explanatory research the study focuses on explaining and analysing the relationship between the independent variables of engagement factors and the engagement level of employees. The factors that affect employee engagement are the independent variables which are the antecedent to the engagement level of employees and the business outcomes. This relationship will be discussed and explained in the research based on the findings through primary data collection i.e survey questionnaires.

#### **3.2 Research Approach**

The quantitative research approach was employed since the study relies on conducting survey through questionnaires. The researcher used the SPSS instruments to carry out the analysis and explain the relationships between the dependent variable which is the engagement level and the independent variables which are the determinants or drivers of employee engagement.

#### **3.3 Data Source and Types**

Primary and secondary data source were considered for undertaking the research.

##### **PRIMARY DATA SOURCE**

The primary data are collected from questionnaire surveys distributed to Head Office, Districts and Branches focusing on professionals/Officers and management groups. The questionnaires is divided into three parts; the first part is the demographic profile and the second part is related to the factors that drive employee engagement in the context of EIC and the third part pertains to measurement of employee engagement. The questionnaires are designed in a 5-point Likert Scale.

##### **SECONDARY DATA SOURCE**

The secondary data collection is from literature reviews, strategic issues of the corporations, bulletins published by the company.

### 3.4 Target population and sample design

#### 3.4.1 Target Population

The participants are all employees of Ethiopian Insurance Corporation which could be generally categorized as executive management, middle level management, first line managers and professionals (Officers), clerical and non-clerical employees.

#### 3.4.2 Sample design

In conducting the research, the researcher selected participants from Head Office, Districts and branches located in Addis Ababa at various places. As of March 31, 2018 EIC, has 1475 employees and out of which 848 employees are working in Addis Ababa. The survey is limited to Management members at all level and professional employees working in Addis Ababa excluding non-clerical employee like security, janitorial, and drivers since these job positions are usually done through outsourcing. Hence the target population is reduced to 570. The determination of sample size is done by adopting the sample size formula of Kothari, 2004.

$$n = \frac{z^2 \cdot Pq \cdot N}{e^2 (N-1) + z^2 \cdot p \cdot q} = \frac{(1.96)^2 \times 0.5 \times 0.5 \times 570}{(0.05)^2 (570-1) + (1.96)^2 + (0.5) \times (0.5)} = 230$$

Where,

N= size of population

n=required sample size

Z=confidence level at 95%

P= Standard deviation of population (.5)

q= 1-p (1-.5=.5); e= margin of error at 5%

The population considered for this research is 570 and the sample size based on the above formula is 230.

The sampling technique preferred is the stratified random sampling because employees working in Head Office, Districts and Branches need to be represented in the sample to have a representative population.

### 3.4.3 Sampling Technique

In line with the survey strategy, the sampling technique employed was the simple random sampling technique. According to Saunders, et al (2009) Probability sampling (or representative sampling) is most commonly associated with survey-based research strategies where you need to make inferences from your sample about a population to answer your research question(s) or to meet your objectives. Since the sample frame was easily obtained from the list of employees profile (database), the simple random sampling was best used to identify 230 respondents and administer the questionnaire accordingly.

### 3.5 Procedures of Data Collection

The Research data collection procedure followed the pattern that firstly respondents were communicated and were asked for their consent to participate in the Research; once their consent is obtained they were informed how anonymity, confidentiality and ethical principles are preserved during the research process. Then questionnaires were distributed to all selected respondents and finally questionnaires were collected on the next day by checking the completeness of the data and entered into SPSS version 23 for data analysis.

## 3.5 Reliability and Validity

Validity encompasses the entire experimental concept and establishes whether the results obtained meet all of the requirements of the scientific research method. It ensures the research adheres to the principle of cause and effect relationship. In view of this, the researcher pays attention to both internal validity and external validity of the research design. The internal validity ensures that whether the items described in the questionnaire can accurately measure the engagement level of employees. The Utrecht Work Engagement Scale (UWES) developed by Schaufeli and Bakker (2003) was a validated engagement measurement which consists of vigor, dedication and absorption.

The engagement factors which was used in the questionnaire were also adopted from the International Employment Studies (IES). The reliability of the instrument is a tested one. For further ascertainment of the reliability of the data in the questionnaire, the Cronbach's alpha is also run. Using the SPSS tools, the result of reliability statistics shown below indicates that each item in the questionnaire has Cronbach's Alpha coefficient of .812-.852

**Table 3.1 Cronbach's Alpha coefficient**

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Training & Development	27.3605	14.674	.397	.443	.852
Immediate Management	26.4499	14.102	.432	.723	.851
Performance & Appraisal	26.6884	13.318	.590	.604	.835
Equal Opportunity	26.5682	14.578	.423	.745	.850
Nature of job	26.2645	12.581	.706	.825	.822
vigour	26.3020	13.958	.514	1.000	.842
Dedication	26.4653	12.388	.605	1.000	.836
Absorption	26.3259	13.308	.701	1.000	.825
Engagement	26.3577	13.060	.867	1.000	.812

### 3.6 Methods of Data Analysis

As Kothari (2004) explains, Data analysis is the computation of certain measures along with searching for patterns of relationship that exist among the data group. Since the research is based on survey strategy, the analysis would involve descriptive and inferential analyses.

Accordingly, in order to describe the respondents characteristics and to address the research question related to engagement level of employees, descriptive analysis was employed which consists of frequency distribution, central tendency (Mean) and dispersion (standard deviation). To measure the relationships between the independent variables and dependent variables, Correlation analysis was employed. To appreciate the cause and effect relationships among the independent and dependent variables, the linear regression analysis was run in SPSS. This test enables us to establish whether the independent variables significantly affect the dependent variables and answer the research question that states the independent variables can significantly affect the dependent variables. If there is a strong relationship between the independent variables (the engagement factors) and dependent variables (the engagement level), then the regression analysis result can be used to predict the outcome of the engagement level based on the changes made to the independent variables.

### 3.7 Ethical consideration

The research will be conducted by adhering to ethical principles and standards as indicated in Social Research Association (2003) *Ethical guidelines*. Fourteen check lists are provided to stimulate ethical consideration. These standard protocols include: informed consent; data protection, confidentiality and anonymity, potential benefits and hazard that the research project entails should be revealed to participants.

## CHAPTER FOUR

### RESULTS AND DISCUSSIONS

In this chapter, data analysis, interpretation and presentation are discussed based on the data collected through questionnaire. Quantitative data analysis has been done with the help of the statistical tools such as percentage analysis, factor analysis, and correlation Analysis.

The measurement consists of measuring the dependent variables which is the level of employee engagement and the independent variables which are the factors or drivers that affect employee engagement level. These measurement tests whether there is a significant relationship between the dependent variables and the independent variables using the statistical tools of SPSS applying correlation and regression analysis.

The correlation between the four independent variables mentioned above (Drivers) and the dependent variable (engagement level of EIC's employees) were established by applying correlation and regression analysis. The result indicates the correlation between the two variables and the strength of their relationships.

In order to measure the engagement level, the researcher relies on the questionnaire designed by Schaufeli & Baker (2004) known as the Utrecht Work Engagement Scale (UWES). The UWES includes the three constituting aspects of work engagement: **vigour**, **dedication**, and **absorption**. The questionnaire is designed in such a way as to measure the work engagement of the person filling the questionnaire in the range of 5 scales. The result of this measurement enable to determine the engagement level of EIC's employees. The researcher preferred to adopted this questionnaire because firstly it reflects more accurately the construct of engagement as psychological condition exhibited by engaged employees; secondly, the psychometrical quality of the UWES indicates that the database is heterogenous enough to carry out psychometric analysis and the internal consistency is at a recommended level. So, it can be said with a greater certainty that the questionnaire can serve for the purpose of determining the engagement level of employees.

#### 4.1 Demographic Characteristics of the Research

The survey targets the employees of Ethiopian Insurance Corporation. The Corporation is engaged in rendering Insurance Services which includes Property, Life and Liability. Most of the professional employees are working in the Insurance Service Process being assigned in Head

Office, Districts and Branches. Generally, more than 50% of employees are residing in Addis Ababa. The sample is taken from among professional employees working in Addis.

**Table 4.1 Percentage Analysis of Demographic Information**

Characteristics	Measurements	Numbers	Percentages
Gender	Male	113	70.6
	Female	47	29.4
	Total	160	100
Age	Below 25 years	18	11.3
	26-35 years	47	29.4
	36-45 years	79	49.4
	46 and above	16	10.0
	Total	100	100.0
Educational level	First Degree	131	81.9
	Masters	29	18.1
	Total	160	100
Year of Service	Below 5 years	24	15.0
	6-10 years	67	41.9
	11-20 years	51	31.9
	above 20 years	18	11.3
	Total	160	100.0
Employment Category	Management	<b>57</b>	<b>36.5</b>
	Non-Management	99	63.5
	Missing	4	
Place of Work	Head Office	57	35.6
	District	81	50.6
	Branches	22	13.8
	Total	160	100.0

Source: own survey, computed in SPSS, 2018

### **Gender Distribution**

As shown in the percentage analysis of personal information, the gender distribution is 64% of male and 36% of Female. This figure fairly represents the total population which consists of 60% male and 40% female.

### **Age Distribution**

When we see the age distribution, 49.4% are in the age group of 36-45, the younger ones only account for 11.3% and they are almost equivalent to the age 45 and above. This age distribution indicates that all age groups are well represented. It also shows that EIC's employees consist of less population in the younger age group.

### **Educational level Distribution**

Employees with first degree accounts for 81.9% while Masters Degree holder are only 18.1%. even though EIC claims to give a paramount importance to education it is more confined to first degree level and some professional certificates like LOMA, CII, and ACIII. Most of Master class students are covering their own school fees and which is why it is in small proportion. This stems from the fact that first degree is basic requirement for all position even to the top level.

### **Service Year Distribution**

The service year distribution indicates that all groups are represented even though the concentration is between 6-10 years (49.9%) and 11-20 years (31.9%)

### **Employment Category**

In the context of EIC, management members consist of lower management (includes all Branch managers), middle management and top management. Professional employees include Officers and senior officers. In view of this, both them management (36.5%) and non-management (63.5%) are fairly represented.

### **Place of work**

Respondents distribution in terms of work place i.e. Head Office (36.6%), Districts (50.6%) and Branches (13.8%) is representative.

## **4.2 Analysis of collected Data**

The data collected through questionnaire was coded in SPSS as “strongly disagree” = “1”, “disagree” = “2”, “neutral” = “3”, “agree” = “4” and “strongly agree” = “5”. The data analysis is done firstly by indicating the frequency value of each employee engagement drivers and then the percentage value of the respondents' engagement level is described. Next, the weighted mean score for each itemized engagement drivers were calculated where the least value is assigned number 1



and the maximum 5. The analysis of the data in this manner would indicate which drivers need more focus in addressing the engagement level of employees.

The relationship between the drivers and the engagement level is tested by applying the correlation and regression tools. The analysis indicates as to whether there is a positive relationship between independent variables (Drivers) and the dependent variable (employee engagement level) and the strength of their relationship will be established. The **regression** statistics enables to predict the engagement level of employees when the antecedents of drivers are changed. Regression goes beyond **correlation** by adding prediction capabilities, the relationships between the variables will be indicative of determining the drivers of employee engagement.

## 4.2.1 Descriptive Analysis of Engagement Dimension

### 4.2.1.1 VIGOR

**Table 4.1 Mean analysis of vigour**

Items	N	Mean	Std. Deviation
When I get up in the morning, I feel like going to work	160	4.04	.780
At my work, I feel bursting with energy	160	3.47	.951
At my work I always persevere, even when things do not go well	160	3.33	.930
I can continue working for very long periods at a time.	160	3.29	.922
At my job, I am very resilient, mentally	160	3.36	.676
At my job I feel strong and vigorous	160	3.78	.923
<b>Aggregate vigor</b>	160	3.5458	.64264

Source: Own Survey, computed in SPSS, 2018

The statistical data indicated in the above table shows the fact that among the engagement aspect item that says *when I get up in the morning, I feel like going to work* has the highest mean value of 4.04. It is an indication that most employees feel good going to work. All items under vigor have above average mean value. The aggregate mean value and standard deviation is 3.5458 and .64264 respectively. So, it is an indication that the measurement of engagement with respect to vigour is moderate i.e above average.

#### 4.2.1.2 DEDICATION

Table 4.2 Mean analysis of Dedication

Items	N	Mean	Std. Deviation
To me, my job is challenging	160	3.16	.929
My job inspires me.	160	3.35	1.172
I am enthusiastic about my job.	160	3.41	.803
I am proud on the work that I do.	160	3.33	1.190
I find the work that I do full of meaning and purpose	160	3.68	.962
<b>Aggregate Dedication</b>	160	<b>3.3825</b>	<b>.86828</b>

Source: Own Survey, computed in SPSS, 2018

As shown in the table, all items under dedication have above average mean value. The minimum value of which is 3.16. The aggregate mean value of dedication is also more than average with a standard deviation of .86. The result indicates that employees are moderately dedicated.

#### 4.2.1.3 ABSORPTION

Table 4.3 Mean analysis of Absorption

Items	N	Mean	Std. Deviation
When I am working, I forget everything else around me	160	3.21	.864
Time flies when I am working	160	3.53	.776
I get carried away when I am working.	156	3.26	.771
It is difficult to detach myself from my job.	160	3.28	.848
I am immersed in my work	160	3.79	.761
I feel happy when I am working intensely	160	4.03	.954
<b>Aggregate Absorption</b>	160	<b>3.5219</b>	<b>.61603</b>

The mean value of each item in Absorption indicates above average result. Generally, respondents agree to a moderate level that they are absorbed in their work. So, with respect to absorption, the engagement level of employees at EIC is moderate

## Summary of Engagement dimension statistical description

**Table 4.4 Mean analysis of Engagement Dimensions**

<b>Engagement Dimension</b>	Mean	Std. Deviation
Vigor	3.5458	.64264
Dedication	3.3825	.86828
Absorption	3.5219	.61603
<b>Engagement (aggregate)</b>	<b>3.4901</b>	<b>.55418</b>

Source: Own Survey, computed in SPSS, 2018

The aggregate mean value of engagement level is 3.49 and a standard deviation of .55. The result shows that employees' engagement level using the criteria of vigor, dedication and absorption is found to be more than average.

### 4.2.3 Mean analysis of respondents' engagement level

The outcome of the investigation of the mean analysis has two aspects. Firstly, the overall engagement level of the respondents as indicated in the questionnaire which consists of 17 items are analysed. Then the three dimensions of engagement: VIGOR, DEDICATION AND ABSORPTION was treated in line with UWES.

As suggested by the Gallup, the employee engagement level is categorized into ENGAGED (employees who work with passion and feels a profound connection to the company); NOT ENGAGED (Checked out, sleepwalking through the day, putting in hours instead of energy) and ACTIVELY DISENGAGED (People who are miserable at their jobs. They actively undermine co-workers and sabotage projects.)

Based on the mean value of aggregate variables, the employee engagement level is categorized as follows:

No	Mean Value	Engagement level
1	>=4.5	Highly Engaged
2	3.5- 4.4	Engaged
3	3-3.4	Moderately Engaged
4	2.5-2.9	Disengaged
5	<2.5	Highly Disengaged

In measuring the engagement level of the respondents, the Utrecht Work Engagement Scale (UWES) consists of 17 items which was designed by Schaufeli & Baker (2004) was applied. The numerical value is assigned for the items answered on a 5-point Likert scale from strongly agree to strongly disagree where 5 is given for strongly agree, 1 is for strongly disagree.

#### 4.2.4 Mean analysis of predictors or engagement drivers

##### 4.2.4.1 Detail Mean Value of Engagement Factors

Table 4.5 Mean Analysis of Engagement Drivers

No	Items	N	Mean	Std. Deviation
1	My line manager takes staff development seriously	160	2.55	.807
2	I am able to get time off work for training	156	2.73	.765
3	I have many opportunities for training	156	2.42	.865
4	I am given adequate training to do my current job	160	2.26	.968
5	My training needs are regularly discussed	157	2.27	1.023
6	I feel I have equal access to training and development opportunities	160	2.29	1.024
7	EIC actively supports my continuing professional development	160	2.94	.927
8	My immediate manager (supervisor) is sensitive to work/life issues	146	3.28	.915
9	My immediate manager (supervisor) lets me know how I am doing	156	3.13	.907
12	I have a good working relationship with my immediate manager	160	3.97	.639

13	My immediate manager supports me when things go wrong	160	3.73	.822
14	I am given regular feedback on my performance by my manager (supervisor)	160	3.24	.852
15	My immediate manager takes performance appraisal seriously	160	3.08	.994
16	I feel I am fairly treated here	160	3.00	.824
17	My work environment is free from bullying and harassment	160	3.78	.951
18	To be accepted here your face has to fit*	143	2.71	.844
19	I feel I have a fair chance to apply for internal vacancies	160	3.54	.868
20	EIC makes its positive commitment to equal opportunities clear	160	3.12	.934
21	EIC provides a service to patients that is free from discrimination	160	3.46	.990
22	There is a lot of variety in my job	156	3.67	1.031
23	I do interesting and challenging work	160	3.41	1.066
24	I get a feeling of accomplishment from my job	160	3.64	.629

Source: Own Survey, computed in SPSS, 2018

The result indicated in the above table shows that items related to Training, Development and Career Opportunities are below average mean value. For example, the factor “my line manager takes staff development seriously”, “I am given adequate training to do my current job” ; “My training needs are regularly discussed” have a mean value of 2.55, 2.26 and 2.7 respectively. It rated well below average. Respondents are not generally agree with respect to the practice of training and development at EIC. On the other hand, immediate management (Supervisor-Subordinate relationship) has a mean value of above average (3.28-3.97).

Generally, the antecedents to engagement (drivers) have a lower result as compared to the engagement level.

## Mean Analysis of Training, Development and Career Opportunity

Table 4.6 Mean values of Training, Development and Career Opportunity

Items	N	Mean	Std. Deviation
My line manager takes staff development seriously	160	2.55	.807
I am able to get time off work for training	156	2.73	.765
I have many opportunities for training	156	2.42	.865
I am given adequate training to do my current job	160	2.26	.968
My training needs are regularly discussed	157	2.27	1.023
I feel I have equal access to training and development opportunities	160	2.29	1.024
EIC actively supports my continuing professional development	160	2.94	.927
<b>Training, Development &amp; Career (aggregate)</b>	160	2.4873	.59539

Source Own survey, computed in SPSS, 2018

As shown in the chart, the maximum mean value with respect to Training, Development and career opportunities is 3.76 related to EIC's support for employees' continual professional development. The rest predictor factors are within 2.26 and 2.73. The result shows the fact that most employees are dissatisfied in EIC's practice of training, development and career opportunities. The highest mean value (3.76) is the factor related to EIC's support of professional development which is better than the other factors. This indicate that employee generally perceive that EIC actively supports profession development but have reservation when it comes to their specific need. In general, EIC need a proper strategy and policy to address issues concerning employees career development opportunities as the result is very low on these factors.

## Mean Analysis of Immediate Management

Table 4.7 Mean Value of Immediate Management

Items	N	Mean	Std. Deviation
My immediate manager (supervisor) is sensitive to work/life issues	146	3.28	.915
My immediate manager (supervisor) lets me know how I am doing	156	3.13	.907

I have a good working relationship with my immediate manager	160	3.97	.639
My immediate manager supports me when things go wrong	160	3.73	.822
<b>Immediate Management (aggregate)</b>	160	3.3979	.69464

Source: Own survey, computed in SPSS,2018

The mean value of immediate management factor is between 3.13 and 3.97. The highest mean value is related to the factor of having a good relationship with immediate management. The mean value of factors pertaining to immediate management is better as compared to training and development. The result shows that employees consider their relationship with management is not bad but not up to their expectation. In fact, the overall mean value of this factor i.e. having a good relationship with immediate manage is better than the other antecedents of engagement as it is near to the mean value of 4.

Table 4.8 **Mean analysis of performance and appraisal**

Items	N	Mean	Std. Deviation
I am given regular feedback on my performance by my manager (	160	3.24	.852
My immediate manager takes performance appraisal seriously	160	3.08	.994
<b>Performance (aggregate)</b>	160	3.1594	.70348

Source: Own survey, computed in SPSS, 2018

The two factors related to Performance Appraisal are rated average. Managers are lacking in providing feedback on how employees perform their job. The mean value of 3.08 shows that employees do not consider their immediate managers as not serious enough in handling performance appraisal. This is a critical factor that needs to be addressed by the management as it can affect the overall motivation and engagement of employees

## Equal Opportunity and Fair treatment

Table 4.9 Mean analysis of Equal Opportunity and Fair treatment

Items	N	Mean	Std. Deviation
I feel I am fairly treated here	160	3.00	.824
My work environment is free from bullying and harassment	160	3.78	.951
To be accepted here your face has to fit*	143	2.71	.844
I feel I have a fair chance to apply for internal vacancies	160	3.54	.868
EIC makes its positive commitment to equal opportunities clear	160	3.12	.934
EIC provides a service to patients that is free from discrimination	160	3.46	.990
<b>Equal Opportunity (aggregate)</b>	160	3.2796	.59235

Source: Own survey, computed in SPSS, 2018

The mean value of the factors related to equal opportunities and fair treatment is average. The highest result of the mean value (3.78) is concerned with the work environment being free from bullying and harassment. Generally, employees view of equal opportunities and fair treatment is not at the expected level since the result is below the mean value of 4 that indicates an agreement level. So, it is evident that EIC need to investigate the factors and policies that can foster equal opportunities and fair treatment.

Table 4.10 Mean analysis of Nature of Job

Descriptive Statistics					
Items	N	Minimum	Maximum	Mean	Std. Deviation
There is a lot of variety in my job	156	2	5	3.67	1.031
I do interesting and challenging work	160	1	5	3.41	1.066
I get a feeling of accomplishment from my job	160	3	5	3.64	.629
<b>Nature job (aggregate)</b>	160	2.33	5.00	3.5833	.74112

Source: Own Survey, computed in SPSS, 2018



The mean value of the factors related to nature of job as indicated in the chart shows that employees perceive their job as it involves elements of variety but not a lot as the mean value is 3.67 which is below the agreement level. By the same token the feeling of accomplishment from job also similarly rated. The mean value of 3.41 related to interesting and challenging job indicates also that employees do not fully agree to the fact that their job interesting and challenging. A proper job design and evaluation is advisable so as to make the job more interesting and challenging.

#### 4.2.5 Correlation analysis

A bivariate correlation was run to investigate the relationship between the antecedents of engagement and the engagement level of employees. The independent variables which includes Training, Development and Career Opportunity; Immediate Management; Performance Appraisal, Equal Opportunity and Fair Treatment and Nature of the Job were considered and compared with the aggregate mean value of engagement level.

**Table 4.11 Correlation Table**

		Engagement	T_D_C	IMR	PA	EO	NJ
Engagement	Correlation	1	.357**	.215**	.480**	.227**	.848**
	Sig. (2-tailed)		.000	.006	.000	.004	.000
	N	160	160	160	160	160	160
T_D_C	Correlation		1	.269**	.274**	.194*	.314**
	Sig. (2-tailed)			.001	.000	.014	.000
	N		160	160	160	160	160
IMR	Correlation			1	.506**	.792**	.176*
	Sig. (2-tailed)				.000	.000	.026
	N			160	160	160	160
PA	Correlation				1	.550**	.345**
	Sig. (2-tailed)					.000	.000
	N				160	160	160
EO	Correlation					1	.067
	Sig. (2-tailed)						.397
	N					160	160
NJ	Correlation						1
	Sig. (2-tailed)						
	N						160

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

\* . Correlation is significant at the 0.05 level (2-tailed).

As depicted in the table, the correlation coefficient is positively strong and has significant relationships. Engagement has a strong correlation with Training, Development and Career Opportunities ( $r=.357, p <.001$ ). This indicates that the Training and Development program has an effect on employee engagement.

Immediate Management (Supervisor-subordinate relationship) has a moderate correlation ( $r=.215, p<.05$ ). The correlation coefficient of Immediate Management is less strong than the other variables.

Performance and Appraisal has a strong correlation with engagement and the relationship is significant ( $r=.480, p<.001$ ). It is clear that the performance practice of an organization can affect employee engagement level since it is linked with reward and recognition of employees effort.

Equal Opportunity and Fair treatment has also a positive correlation with engagement and has a significant relationship ( $r=.227, p<.005$ )

Nature of Job has a very strong correlation coefficient with engagement ( $r=.848, p<.001$ ).

To sum up this section, generally the correlation between the engagement factors and the engagement dimensions has a strong correlation and the relationship is significant. Nature of job has a very strong correlation with engagement which indicates that most employees engagement level is affected due to their job nature.

#### 4.2.6 Regression analysis

Regression analysis was run in SPSS to test whether the model fits and see its goodness fit. The result shows the fact that the data fits the model and passed the Goodness fit as the p value is  $<0.05$

Table 4.12 **Model Summary**

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.885 <sup>a</sup>	.784	.777	.26187	.784	111.620	5	154	.000

a. Predictors: (Constant), Nature of job, Equal Opportunity, Training, Performance, Immediate Management

As shown in the table, the R is .784 and R Square is .777 which indicates that about 77% of the variance in employee engagement is attributed to the engagement factor. This is a significant predictor that a change in engagement factor also results in an improvement in employee engagement since  $P<.001$  which is significant

Table 4.13 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	38.271	5	7.654	111.620	.000 <sup>b</sup>
	Residual	10.560	154	.069		
	Total	48.832	159			

a. Dependent Variable: Engagement

b. Predictors: (Constant), Nature of job, Equal Opp, Training, Performance, Immediate Management

The above anova table indicates that the regression model is statistically a significant predictor of employee engagement since  $p < .001$ . It means that a significant number of employees' engagement is affected by the engagement factors.

Table 4.14 Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.640	.154		4.147	.000
	Training & Dev	.071	.038	.076	1.862	.065
	Immediate Management	-.175	.051	-.219	-3.459	.001
	Performance	.129	.038	.164	3.375	.001
	Equal Opportunity	.227	.061	.242	3.688	.000
	Nature of job	.591	.032	.790	18.749	.000

a. Dependent Variable: Engagement

Based on the above coefficient table, the Beta value of all the factors except immediate management are all positive which implies that an increase in these factors results in the increase in the engagement level. The Beta value for Nature of Job is the highest (.790)

## CHAPTER FIVE

### FINDINGS, CONCLUSION AND RECOMENDATIONS

#### 5.1 Summary of findings

The researcher endeavoured to explore and examine the factors that may affect employee engagement level in light of the theoretical constructs regarding drivers of engagement. It is well understood that the theoretical underpinning engagement concept is many and diverse, an attempt is made to see from the given organizational context and culture of the society.

In the case of Ethiopian Insurance Corporation, employees at different level of hierarchy were participated in the study by expressing their agreement or disagreement to the items presented in the questionnaire. The overall result with regard to the antecedents of engagement shows that it is well below the acceptable standard i.e. below the mean value of 4. In view of this, EIC's management need to review its policies and strategies particularly with respect to Training, Development and Career Opportunities and equal opportunity and faire treatment as most respondents' response is in the range of disagreement or neutral.

With respect to the engagement measurement result which consists of vigour, dedication and absorption, the overall employee engagement level shows an average mean value (3.49). In accordance with the categorization of employee engagement discussed in chapter four, the engagement level of EIC's employees fall within the category of MODERATELY ENGAGED since the result is well above average.

As depicted in Table4.11 the correlation between the drivers of engagement and engagement level shows that there is a positive relationship between the independent and dependent variables and there is a significant relationship. Nature of Job has the strongest correlation coefficient ( $r=.848$ ,  $p<.001$ ); Training and Development ( $r=.357$ ,  $p<.001$ ); Performance and Appraisal ( $r=.480$ ,  $p<.001$ ); Equal Opportunity and fair treatment ( $r=.227$ ,  $p<.005$ ) and Immediate Management ( $r=.215$ ,  $p<.05$ ). The result indicates that the engagement factors have a positive and a significant relationship with employee engagement.

The regression analysis as depicted in table 4.12 shows that R is .784 and R Square is .777. The analysis indicates that about 77% of the variance in employee engagement level is attributed to the factors of engagement and only about 23% is explained by other factors. This is a very good

predictor that any improvement in the engagement factor leads to an increase in employee engagement at least 77% of the time.

## **5.2 Conclusions**

This research is undertaken with the purpose of determining the drivers of employee engagement and identifying which factors of engagement significantly affect the engagement level of Ethiopian Insurance Corporation. The explanatory research design was employed with the quantitative approach. Data were collected through a questionnaire distributed to 230 professional employees and analyzed using the statistical tools in SPSS.

The employee engagement as measured by Vigor, Dedication and Absorption dimensions of engagement indicate the fact that the result is well above average mean value of 3.49 which is a moderately engaged workforce. With respect to the engagement factors, Training, Development and Career Opportunities have a low mean value of 2.49 which is below average. This indicates that most employees are not in agreement with EIC's Training and Development policy and practice. So, the management needs to review its HRD strategy so as to make the most use of its Human Capital by enhancing employees' engagement level.

To sum up, the research result indicates that all the drivers of engagement considered in the research have a significant effect on employee engagement level. This indicates the fact that EIC need to craft an employee engagement strategy that takes into account the engagement factors of :a) Training, Development and Career Opportunities b) Immediate Management (Supervisor-Subordinate relationship) c) Performance and Appraisal d) Equal Opportunity and Fair treatment and e) Nature of the Job.

## **5.3 Recommendations**

The outcome of this study uncovers the fact that there are strategic and policy issues that need the attention of the management. The fact that most respondents rating of the engagement drivers indicate that there is a discrepancy between what management think about its policy as a productive one is perceived otherwise by employees. For example, as it can be observed from its HRD policies, EIC sets aside a considerable amount of budget (a minimum of 2% of its recurrent expense) for Human Resource Development and generally supports its staff to pursue their professional development. And yet employees are not satisfied with the practice and this need to be addressed. So, it is high time for the management to make a proper need assessment and establish an effective career opportunity.

The other point worth mentioning is the fact that the performance and appraisal practice need to be revised. The result shows that managers are not serious enough concerning performance and they are negligent in providing feedback to their subordinates. This practice is in contradiction to the fact that performance and appraisal is one of the key factor in identifying employees' competency, rewarding best performers and identifying areas of improvement. So, EIC's management need to consider this shortcoming.

#### **5.4 Further Research**

The paper aims at identifying the factors that can possibly affect employee engagement in the case of EIC. Even in the context of EIC this paper is limited in its scope and depth of investigation. Firstly, the antecedents of engagement are not exhaustively identified. Further research and investigation is required.

Given the available data, the analysis need to be further discussed by taking into account all the demographic information. For instance, the engagement level may have a different result and picture if done by taking into account employees service year, age, gender or employment category.

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## Annex I

### Addis Ababa University College of Business and Economics School of Commerce

**This survey questionnaire is designed for Master of Arts Program in Human Resource Management intended specifically for Ethiopian Insurance Corporation Employees.**

Dear Colleagues,

I, the undersigned, am currently pursuing MA Program in Human Resource Management at Addis Ababa University College of Business and Economics, School of Commerce. As part of the requirements in completion of the MA in HRM program, I am undertaking a research entitled: **“The Drivers of Employee engagement in the case of Ethiopian Insurance Corporation”**

The questionnaire is designed to gather information only for academic purpose. You are not expected to write your name. Rest assured that the information you provide will be kept confidential and will not be transferred to a third party. The result of the study may be used for management of EIC as an input to improve or make changes to the existing Human Resource Management Policies and practices pertaining to employee engagement.

This questionnaire has five pages. It is categorized in to three parts. In the first part general demographic information is described, second part is related to the factors that drive employee engagement in the context of EIC and the third part pertains to measurement of employee engagement. Please respond to all the questions and put tick (x) on the appropriate box that best suits your response.

Your support in responding to this questionnaire is highly appreciated and it is of paramount importance to the success of this study. The questionnaire may take a few minutes of your precious time.

Should you have any further queries regarding the content of this questionnaire or anything, please do not hesitate to contact the researcher.

Outlook: Masresha Tezera ([MTezera@eic.com.et](mailto:MTezera@eic.com.et) or Email: [masresha071@gmail.com](mailto:masresha071@gmail.com). Cell phone: 0911753580.

Thank you so much for your cooperation, participation and prompt response.

Sincerely,

Masresha Tezera

Please express your level of agreement by making “x” symbol in the space provided based on the description:

**Part I. General demographic information**

1	Gender	1. Male	<input type="checkbox"/>	2. Female	<input type="checkbox"/>
2	Age	1. Below 25 years	<input type="checkbox"/>	2. 26-35 years	<input type="checkbox"/>
		3. 36-45 years	<input type="checkbox"/>	4. 46 & above	<input type="checkbox"/>
3	Marital Status	1. Married	<input type="checkbox"/>	2. Single	<input type="checkbox"/>
		3. Divorced	<input type="checkbox"/>	4. Widowed	<input type="checkbox"/>
4	Highest level of your achievement (Education)	1. Diploma	<input type="checkbox"/>	2. First Degree	<input type="checkbox"/>
		3. Master’s (MA/MSc)	<input type="checkbox"/>		
5	Indicate your employment category	1. Management	<input type="checkbox"/>	2. Non-Management	<input type="checkbox"/>
6	Place of work	1. Head Office Districts	<input type="checkbox"/>	2	<input type="checkbox"/>
		3 Branches	<input type="checkbox"/>		
7	How long have you been working for EIC?	1. Below 5 years	<input type="checkbox"/>	2. 6-10 years	<input type="checkbox"/>
		3. 11-20 years	<input type="checkbox"/>	4. Above 20 years	<input type="checkbox"/>
8	In which of the following working unit are you working?	1. General Insurance	<input type="checkbox"/>	2. Long Term Insurance	<input type="checkbox"/>
		3. Finance & Investment	<input type="checkbox"/>	4. Information T (ITSM)	<input type="checkbox"/>
		5. Human Resource	<input type="checkbox"/>	6. Legal	<input type="checkbox"/>
		7. Business Dev. & Risk	<input type="checkbox"/>	8. Internal Audit	<input type="checkbox"/>
		9. Others	<input type="checkbox"/>		

**Part II. Determinants of employee engagement**

**Instruction:** This part of the questionnaire deals with statement of agreement related to the Drivers (factors, determinants) of employee engagement.

Indicate the extent to which you agree with the statements mentioned below in view of their applicability in EIC. Please indicate your level of agreement with each statement as shown in the following table. Where,

**SA=** strongly agree; **A=** Agree; **N=** Neutral; **D=** Disagree; **SD=** Strongly Disagree

S.N	<b>Training, Development and Career Opportunities</b>	SA	A	N	D	SD
1	My line manager takes staff development seriously					
2	I am able to get time off work for training					
3	I have many opportunities for training					
4	I am given adequate training to do my current job					
5	My training needs are regularly discussed					
6	I feel I have equal access to training and development opportunities					
7	EIC actively supports my continuing professional development					
S.N	<b>Immediate management (supervisor-subordinate relationship)</b>	SA	A	N	D	SD
1	My immediate manager (supervisor) is sensitive to work/life issues					
2	My immediate manager (supervisor) lets me know how I am doing					

3	I have a good working relationship with my immediate manager					
4	My immediate manager supports me when things go wrong					
<b>S.N</b>	<b>Performance and appraisal</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>SD</b>
1	I am given regular feedback on my performance by my manager (supervisor)					
2	My immediate manager takes performance appraisal seriously					
<b>S.N</b>	<b>Equal Opportunities and fair treatment</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>SD</b>
1	I feel I am fairly treated here					
2	My work environment is free from bullying and harassment					
3	To be accepted here your face has to fit*					
4	I feel I have a fair chance to apply for internal vacancies					
5	EIC makes its positive commitment to equal opportunities clear					
6	EIC provides a service to patients that is free from discrimination					
<b>S. N</b>	<b>Nature of the job</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>SD</b>
1	There is a lot of variety in my job					
2	I do interesting and challenging work					
3	I get a feeling of accomplishment from my job					

### **PART III: Engagement Scales**

This part of the questionnaire pertains to the engagement level of the person. Fill the questionnaire in light of the measurements as indicated in the statement below.

S. N	<b>VIGOR: Assessed by the following six items that refer to high levels of energy and resilience, the willingness to invest effort, not being easily fatigued, and persistence in the face of difficulties</b>	SA	A	N	D	SD
1	When I get up in the morning, I feel like going to work					
2	At my work, I feel bursting with energy.					
3	At my work I always persevere, even when things do not go well.					
4	I can continue working for very long periods at a time.					
5	At my job, I am very resilient, mentally.					
6	At my job I feel strong and vigorous					
	<b>DEDICATION: is assessed by five items that refer to deriving a sense of significance from one's work, feeling enthusiastic and proud about one's job, and feeling inspired and challenged by it.</b>	SA	A	N	D	SD
1	To me, my job is challenging					
2	My job inspires me.					
3	I am enthusiastic about my job.					
4	I am proud on the work that I do.					
5	I find the work that I do full of meaning and purpose.					

	<b>ABSORPTION</b> is measured by six items that refer to being totally and happily immersed in one's work and having difficulties detaching oneself from it so that time passes quickly and one forgets everything else that is around	SA	A	N	D	SD
1	When I am working, I forget everything else around me.					
2	Time flies when I am working					
3	I get carried away when I am working.					
4	It is difficult to detach myself from my job.					
5	I am immersed in my work.					
6	I feel happy when I am working intensely.					

**Thank you for your  
Cooperation!**

## **Annex II**

### **Utrecht Work Engagement Scale (UWES)**

#### **VIGOR (VI)**

Vigor is assessed by the following six items that refer to high levels of energy and resilience, the willingness to invest effort, not being easily fatigued, and persistence in the face of difficulties

1. When I get up in the morning, I feel like going to work.
2. At my work, I feel bursting with energy.
3. At my work I always persevere, even when things do not go well.
4. I can continue working for very long periods at a time.
5. At my job, I am very resilient, mentally.
6. At my job I feel strong and vigorous.

#### **DEDICATION (DE)**

Dedication is assessed by five items that refer to deriving a sense of significance from one's work, feeling enthusiastic and proud about one's job, and feeling inspired and challenged by it.

1. To me, my job is challenging.
2. My job inspires me.
3. I am enthusiastic about my job.
4. I am proud on the work that I do.
5. I find the work that I do full of meaning and purpose.

## **ABSORPTION (AB)**

Absorption is measured by six items that refer to being totally and happily immersed in one's work and having difficulties detaching oneself from it so that time passes quickly and one forgets everything else that is around

1. When I am working, I forget everything else around me.
2. Time flies when I am working.
3. I get carried away when I am working.
4. It is difficult to detach myself from my job.
5. I am immersed in my work.
6. I feel happy when I am working intensely.



## Annex III

### Drivers of Employee Engagement

With regard to the determinants of engagement i.e. the independent variables which consists of Career development opportunities, performance & appraisal, Equal Opportunities and fair treatment, immediate management and nature of the job will be measured with a customized questionnaire designed by Robinson et.al (2004) as reported by Institute of Employment Studies (IES).

According to this study report, the core driver for employee engagement is the feeling of being **valued and involved**. But the focus here is on the components of this core driver because it is related to the drivers of employee engagement suggested in the statement of the problem. These drivers along with their associated questions are described below:

#### **Training, development and career,**

*I am encouraged to develop new skills*

- *My line manager takes staff development seriously*
- *I am able to get time off work for training*
- *I have many opportunities for training*
- *I am given adequate training to do my current job*
- *My training needs are regularly discussed*
- *I feel I have equal access to training and development opportunities*
- *EIC actively supports my continuing professional development*

#### **Immediate management,**

- *My immediate manager is sensitive to work/life issues*
- *My immediate manager lets me know how I am doing*

- *I have a good working relationship with my immediate manager*
- *My immediate manager supports me when things go wrong*

### **Performance and appraisal,**

- *I am given regular feedback on my performance by my manager*
- *My immediate manager takes performance appraisal seriously*

### **Equal Opportunities and fair treatment**

- *I feel I am fairly treated here*
- *My work environment is free from bullying and harassment*
- *To be accepted here your face has to fit\**
- *I feel I have a fair chance to apply for internal vacancies*
- *EIC makes its positive commitment to equal opportunities clear*
- *EIC provides a service to patients that is free from discrimination*

### **Nature of the job.**

- *There is a lot of variety in my job*
- *I do interesting and challenging work*
- *I get a feeling of accomplishment from my job*

These drivers will also be measured and the result will be correlated with the engagement level using regression analysis. This enables to determine whether the engagement predictors or drivers are positively correlated with employee engagement and if so what the strength of their relationship is. The result will also enable to identify which drivers highly impact the engagement level of employee.