Employee Engagement: Measuring Factors to Improve Organizational Outcomes

THESIS

Presented in Partial Fulfillment of the Requirements for the Degree Master of Science in the Graduate School of The Ohio State University

By

Steven Paul Laake

Graduate Program in Agricultural and Extension Education

The Ohio State University

2016

Master's Examination Committee:

Dr. Robert J. Birkenholz, Advisor

Dr. Jeff King

Abstract

Highly engaged employees invest more of themselves and are willing to expend more of their discretionary effort to help their employer succeed. Unfortunately for employers, fewer than one of every five workers are considered to be actively engaged in their work and a Gallup survey estimated that deficiencies associated with low levels of employee engagement cost employers more than $300 billion per year in lost productivity. Employee engagement has lacked a consensus definition in the scholarly literature, but research on the concept has evolved considerably since William Kahn introduced engagement in the workplace in the 1900's. Organizations have also placed a greater importance on facilitating engaging work environments as a means to attract and retain talent, which is shown to influence desirable business outcomes.

This study sought to expand on relevant employee engagement literature and research that suggested there may be factors beyond typical workplace conditions that influence overall employee engagement. This study measured four factors of employee engagement: Workplace Conditions, Trait Engagement, Psychological State Engagement, and Behavioral Engagement. Employees at Concept Services, LTD, a business development and lead generation organization were invited to complete a survey instrument. Respondents were asked to identify their level of agreement with a series of statements related to the four factors of employee engagement. The purpose of this study

was to describe and better understand how components of employee engagement relate to individual performance and ultimately organizational performance.

Overall, respondents in this study skewed towards agreement in most cases, which suggested that Concept Services, LTD employees' basic needs were being met and employees felt a sense of dedication to the organization. Organizations can utilize information gathered from the results of this study to impact recruitment processes, work environments, training programs, and professional development opportunities. Valuing employee engagement from a variety of dimensions can lead to more successfully recruiting and retaining talent, thus leading to more desirable business outcomes and a competitive advantage that is difficult to imitate.

Acknowledgments

This thesis is dedicated to my family for all their support. I wish to thank my advisor and committee members, Dr. Robert J. Birkenholz and Dr. Jeff King, who were more than generous with their expertise and time. I also wish to thank Tom Stewart for his mentorship, guidance, and support throughout this endeavor.

Vita

1990..……………..Born, Birmingham, Alabama

2012..……..…………B.S. Business Administration,
                              The Ohio State University

2014-2016...Graduate Teaching Associate
                              The Ohio State University

Fields of Study

Major Field: Agricultural and Extension Education

Table of Contents

List of Tables

List of Figures

Chapter 1: Introduction

<u>Introduction</u>

Organizations are created to provide a structure to support collaborative efforts of individuals working together toward a common purpose. Organizational performance is clearly a function of the cumulative performance of people associated with the organization. Each individual is expected to contribute to overall organizational performance. Collectively, the sum total of each individual employee's performance determines overall organization performance and success.

Harvard Business Review (HBR, 2013) surveyed worldwide business leaders and found that people-oriented or "soft" skills were predominate factors contributing to organizational success. Highly engaged employees ranked among the top three factors contributing to organizational success in the HBR survey. Therefore, employee engagement was considered an essential element to produce desirable business outcomes; which may be the impetus for the emergence of employee engagement as an area of interest among researchers and practitioners.

William Kahn (1990) introduced the concept of personal engagement in the workplace in the 1990's. Kahn suggested engagement was impacted by individual and contextual sources of meaningfulness, safety, and availability. Researchers subsequently reported finding positive relationships among employee cognitive attitudes and

performance, personality traits and job performance, and emotions and favorable job outcomes. Casual observations linking employee engagement and organizational success have since garnered the attention of managers and scholars (Macey & Schneider, 2008).

The Gallup Workplace Audit (1992-99) identified employee engagement as a significant predictor of desirable organizational outcomes such as customer satisfaction, retention, productivity, and profitability. More recent research has suggested that employees' psychological connection with their work was critically important in the information and service economy of the 21st century (Bakker & Leiter, 2010).

Need for the Study

Despite viewing employee engagement as a top priority for organizational success; research on employee engagement has been inconsistent with regard to its definition and operationalization (Christian, Garza & Slaughter, 2011). Harvard Business Review (2013) reported fewer than 50% of companies responding to a survey were measuring employee engagement against business performance metrics such as customer satisfaction or increased market share. Further, less than half of the companies that identified employee engagement as a top business priority were measuring employee engagement. Inconsistency between organizational belief and organizational behavior may be partially attributed to a lack of consensus among researchers regarding the most effective ways organizations can engage employees.

Employee engagement remains a concept with a sparse and diverse theoretical and empirical foundation (Macey & Schneider, 2008). Macey and Schneider sought to

2

consolidate multiple definitions of employee engagement. They proposed that employee engagement included components labeled: Trait Engagement (personality traits), State Engagement (psychological state), and Behavioral Engagement (extra-role behavior). Each component of employee engagement was comprised of multiple constructs. Trait Engagement was described as positive views of life and work and was comprised of proactive personality, autotelic personality, trait positive affect, and conscientiousness (Macey & Schneider, 2008). State Engagement included feelings of energy or absorption and was comprised of organizational commitment, satisfaction, job involvement, and empowerment (Macey & Schneider, 2008). Behavioral Engagement was comprised of organizational citizenship behavior, personal initiative, role expansion, and adaptive behaviors (Macey & Schneider, 2008).

Conversely, Bakker and Leiter (2010, p. 2) defined work engagement as a motivational concept stating engaged employees ". . . feel compelled to strive towards a challenging goal . . . " and accept ". . . a personal commitment to attaining these goals." Characteristics associated with engagement were a desire to succeed, personal commitment to attaining goals, personal energy applied to work, and an intense involvement, focus, and absorption in their work (Bakker & Leiter, 2010).

Organizational management may also be related to employee engagement as employees react to policies, practices, and structures established by company leaders (Bakker & Leiter, 2010). Bakker and Leiter also posited that employee engagement thrived in settings where there was a strong connection between organizational values and individual employee values.

Ram and Prabhakar (2011) studied the role of employee engagement in relation to work-related outcomes and suggested employee engagement consisted of physical, emotional, and cognitive components. Citing Maslach, et al. (2001), Ram and Prabhakar stated, ". . . engagement is characterized by energy, involvement, and efficacy, which are the direct opposite of the three burnout dimensions of exhaustion, cynicism, and inefficacy" (2011, p. 48).

Lacking a consensus definition of employee engagement in the scholarly literature suggests a need to better understand the employee engagement phenomenon. Employers recognize the need to recruit top talent, and also inspire employees to apply their full capacities to their work (Bakker & Leiter, 2010). However, the changing economic climate and work environment contributes to the difficulty of talent recruitment and retention. Bakker (2010, p. 3) stated, "The complexity of contemporary workplaces works against specifying every detail of an employer's expectation. In addition to a position's core responsibilities, employers hope that incumbents go beyond the formal structure of their positions to take initiative." Therefore, this study sought to better understand Workplace Conditions, Trait Engagement, Psychological State Engagement, and Behavioral Conditions, factors comprising each employee engagement component, and how employee engagement relates to organizational outcomes.

Significance of the Problem

Highly engaged employees invest more of themselves and are willing to expend more of their discretionary effort to help their employer succeed. Unfortunately for

4

employers, fewer than one of every five workers were considered to be actively engaged in their work (Buckingham & Coffman, 2000). Gallup estimated (GWA, 1992-99) that deficiencies associated with low levels of employee engagement costs employers more than $300 billion per year in lost productivity. This finding reveals an important and significant issue for organizational leadership.

Research suggests that most organizational leaders recognize the importance of engagement. However, three-quarters of those surveyed also reported that most employees in their organizations were not engaged (Harvard Business Review Analytic Services, 2013).

Harvard Business Review (2013) also reported a further disconnect between top executives and middle management. Top executives were much more optimistic about the level of employee engagement in their company than middle managers. Harvard Business Review (2013) concluded that the perception among top executives versus reality suggests that executives may be out of touch regarding employee engagement in their organization.

Purpose

Organizations generally expect productivity benefits from more highly engaged employees compared to less engaged employees. Theory suggested that higher levels of employee engagement was positively related to organizational success. Ideally, organizations should be able to utilize knowledge gained from this study in areas such as human resources, hiring practices, constructing and managing work environments,

developing organizational policies, training managers, and reviewing employee

performance reviews to attract, retain, and reward talented and engaged employees.

Ram and Prabhakar stated, "High levels of employee engagement occur when

employees are involved with, committed to, enthusiastic, and passionate about their

work" (2011, p. 47). William Kahn (1990), The Gallup Workplace Audit (2006), Macey

and Schneider (2008), and other researchers proposed that highly engaged employees

positively impact business outcomes such as customer satisfaction, productivity, profit,

and employee retention. The purpose of this study was to describe and better understand

how components of employee engagement relate to individual performance and

ultimately organizational performance.

Research Problem

The research problem in this study is to identify and describe the relationship

among Workplace Conditions and three dimensions of employee engagement (i.e. Trait

Engagement, Psychological State Engagement, and Behavioral Engagement). In addition,

this study will determine the relationship between factors underlying the three

dimensions of employee engagement and the extent to which these factors explain

variability associated with an overall measure of employee engagement.

Research Questions

1. How do employees perceive workplace conditions as part of engagement?

2. How do employees perceive their personal traits as part of engagement?

6

3. How do employees perceive their psychological state as part of engagement?

4. How do employees perceive their behavior as part of engagement?

5. What is the relationship among workplace conditions, three dimensions of employee engagement, and the overall level of employee engagement?

Basic Assumptions

This study is based upon a theoretical foundation of employee engagement that was first described by Macey and Schneider (2008). A conceptual model was created as a result of a meta-analysis of the literature to reflect a graphical illustration of the employee engagement phenomenon. Based upon the theoretical foundation and conceptual model there are a number of assumptions inherent in both the theoretical explanation and the graphic illustration of employee engagement.

There is a relationship between each type of engagement and the respective employee's level of performance and productivity. As Harter et al. (2002) said, "Employee engagement defines one part of overall business-unit performance, and it is important to understand what a business unit's probability of success is when employee engagement is high versus low" (p. 216).

Limitations

Employee engagement is a complex social construct that has not been subject to extensive study. Therefore, research literature addressing the topic was somewhat limited. In addition, there are inherent limitations in the measurement tools and data

collection procedures regarding employee engagement. Also, for the sake of conserving resources and physical limitations, the study is limited to evaluating employee engagement and collecting data within a single organization.

Delimitations

The study assumes participants understood directions and were truthful about workplace experiences.

Definition of Terms

Absorption – 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 (Schaufeli & Bakker, 2003).

Adaptive Behavior – Facet of behavioral engagement, behavior intended to serve an organizational purpose, whether to defend and protect the status quo in response to actual or anticipated threats or to change and/or promote change in response to actual or anticipated events (Macey & Schneider, 2008).

Autotelic Personality – Facet of trait engagement, refers to people who engage in activities for their own sake rather than for specific gains or rewards. Autotelic

individuals should be open to new challenges, persist in challenging tasks, and be ready to engage (Macey & Schneider, 2008).

Behavioral Engagement – broadly defined as adaptive behavior intended to serve an organizational purpose, a concept for describing a range of behaviors that support organizational effectiveness (e.g. organizational citizenship behavior, taking personal initiative, and/or role expansion) (Macey & Schneider, 2008).

Commitment – an antecedent to various organizational relevant outcomes and regarded as a psychological state of attachment or binding force between an individual and the organization (Macey & Schneider, 2008).

Conscientiousness – expected to correlate with measures of contextual performance and organizational citizenship behavior, a facet of trait engagement characterized by individuals who are hardworking, ambitious, confident, and resourceful (Macey & Schneider, 2008).

Dedication – refers to being strongly involved in one's work and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge (Schaufeli & Bakker, 2003).

Employee Engagement – occurs when employees are involved with, committed to, enthusiastic, and passionate about their work. Characterized by passion and commitment

9

– the willingness to invest oneself and expend one's discretionary effort to help the organization succeed (Macey & Schneider, 2008).

Empowerment – a facet of psychological state engagement, connotes an inclination to action vis-à-vis work (feelings of self-efficacy and control and impact from one's action) (Macey & Schneider, 2008).

Job Involvement – the degree to which an employee psychologically relates to his or her job and the work performed therein (Macey & Schneider, 2008).

Organizational Citizenship Behavior – given a specific frame of reference, engagement behavior that goes beyond what is typical, usual, ordinary, and/or ordinarily expected (Macey & Schneider, 2008).

Organizational Values – Conceptual facet of work conditions, evaluative standards relating to work or the work environment by which individuals discern what is 'right' or assess the importance of preferences (Dose, 1997).

Personal Initiative – Facet of behavioral engagement comprised of self-starting, proactivity, and persistence, and implies employees going beyond what is normal or obvious in work roles (Macey & Scheinder, 2008).

Proactive Personality – Facet of trait engagement, a product of both dispositional and situational factors characterized by the general tendency to create or influence the work environment (Macey & Schneider, 2008).

Positive Affectivity – Facet of trait engagement and a predisposition to frame organizational experiences, it is characterized by feelings of enthusiasm (Macey & Schneider, 2008).

Psychological State Engagement – Antecedent to behavioral engagement, characterized by feelings of passion, energy, enthusiasm, and activation resulting in organizational commitment, satisfaction, job involvement, and empowerment (Macey & Schneider, 2008).

Role Expansion – Facet of behavioral engagement, employee behavior that reveals attention to a wider range of tasks than is typical or usual (Macey & Schneider, 2008).

Satisfaction – a facet of psychological state engagement characterized by feelings of energy, enthusiasm, and similarly positive affective states (Macey & Schneider, 2008).

Trait Engagement – Regarded as an inclination or orientation to experience the world from a particular vantage point. Comprises a number of interrelated personality attributes, including trait positive affectivity, conscientiousness, the proactive personality, and the

autotelic personality suggesting the inclination to experience work in positive, active, and energic ways and to behave adaptively in displaying effort at going beyond what is necessary and initiating change to facilitate organizationally relevant outcomes. (Macey & Schneider, 2008).

Vigor – 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 (Schaufeli & Bakker, 2003).

Workplace Community – a formal and informal network of individuals who share a common association consisting of coworker support, emotional safety, sense of belonging, spiritual bond, team orientation, and truth telling (Burroughs and Edy, 1998).

Chapter 2: Review of Literature

<u>Introduction</u>

The purpose of this research was to study relationships among workplace conditions and three dimensions of employee engagement known as Trait Engagement, Psychological State Engagement, and Behavioral Engagement. Chapter 1 described the role of employee engagement in organizational success and discussed the emergence of the construct since 1990.

This chapter presents an overview of the evolution of leadership theories, discusses organizational performance, performance management, and performance measurement, and closes by detailing employee engagement and the conceptual model used for this study with explanations of each factor. Information presented in this chapter includes material from business books, refereed journal articles, and non-refereed publications.

<u>Leadership</u>

Leadership theory has evolved considerably over the past several years. One of the most examined social science phenomena, leadership theories have experienced paradigm shifts coinciding with a growing body of leadership knowledge (Day &

13

Antonakis, p. 3). Avolio and his colleagues (2009) addressed the state of leadership when they wrote:

> Today, the field of leadership focuses not only on the leader, but also on followers, peers, supervisors, work setting/context, and culture, including a much broader array of individuals representing the entire spectrum of diversity, public, private, and not-for-profit organizations, and increasingly over the past 20 years, samples of populations from nations around the globe (p. 422).

Recent research has begun to return to a more inclusive picture of leadership, but this has not always been the case. Understanding the evolutionary history of leadership theories provides a context to improve understanding of how leadership relates to employee engagement.

The Great Man Theory

Early leadership theory attempted to explain the phenomenon associated with leaders. Popularized by Scottish Philosopher Thomas Carlyle in the 1840's, the Great Man theory suggested leaders were born to be leaders. This perspective also reflected the belief that leadership potential was predetermined at birth and was linked to an individual's heritage or ancestry. During this time leaders were perceived to be only males who possessed inherent characteristics such as charisma, confidence, and courage. Great Man theory was generally associated with territorial governance and military positions. Leadership was viewed as one's destiny, with little regard to the potential

impact of situational and environmental factors on leadership development or effectiveness.

Trait Theories

       Great man theories began to lose favor as plausible explanations of leadership in the 1930's. Trait-based theories began to emerge focusing on the belief that there were mental, physical, and social characteristics that were common among persons who were perceived as leaders. Findings showed positive relationships between effective leadership and personality traits, and showed effective leaders can emerge across a variety of situations and tasks.

       Responding to criticism of trait approaches, researchers studied behaviors of leadership. Psychologist Gordon Allport's trait-behavioral based theories introduced a behavioral approach to leadership that continued to grow through the 1950's and 1960's. Behavioral theories of leadership changed the paradigm from the view that great leaders were born to a view that individual behaviors were the primary determinants of individual leadership.

       Allport organized traits into a three level hierarchy consisting of cardinal traits, central traits, and secondary traits hypothesizing internal and external forces influence a person's behavior and personality. Allport described cardinal traits as powerful traits shaping an individual's behavior. Cardinal traits were related to an individual's passions, but Allport suggested personalities were often composed of multiple traits. Central traits were next in Allport's hierarchy and described as general characteristics shaping every

15

person's behavior such as: loyalty, kindness, agreeableness, friendliness, sneakiness, wildness, or grouchiness. Completing the hierarchy, Allport's secondary traits were those traits present only under specific circumstances, like attitudes and preferences.

Ralph Melvin Stodgill's research on the trait theory of leadership challenged Allport's findings. Stodgill's (1948) studies suggested leadership was not the result of predefined traits; rather leadership was dependent on the interaction between the individual and the social situation. Later, Stodgill (1978) found both traits and situational variables contributed to leadership.

Kouzes and Posner extended beyond trait theory research through the 1980's surveying managers in search of traits associated with good leadership. Four qualities Kouzes and Posner found to be associated with good leadership were being honest, forward looking, inspiring, and competent.

Characteristics necessary for leadership remain an active topic today, but Lussier and Achua (2012) suggested that although there were certain traits associated with strong leadership, no universal trait list existed that would guarantee leadership success across all situations. Following trait theories on the evolutionary timeline of leadership research, contingency and situational-based theories were proposed. Transactional and transformational leadership theories have been hypothesized with transformational leadership gaining recognition and popularity based upon the potential to inspire and develop followers.

Transactional and Transformational Theories

Burns (1978) and Bass (1985, 1990) were among the first to describe transactional and transformational theories of leadership. Both theories, although distinct, were described as existing on a task-oriented versus people-oriented continuum.

Transactional leadership represented the task-oriented end of the continuum in which leaders focused on exchanges with employees to direct their behavior and drive outcomes. Bass (1990) described transactional leaders as persons who accomplished organizational objectives by making and fulfilling promises of recognition, pay increases, and promotions in return for good performance while penalizing poor performance. There were four types of transactional leadership as Bass described: (a) *contingent reward* - the leader promised rewards for good performance and recognized accomplishments, (b) *active management by exception* - the leader watched and searched for deviations from rules and standards and take corrective action, (c) *passive management by exception* - the leader only intervened if standards were not met, and (d) *laissez-faire* - leader abdicated responsibilities and avoided making decisions. Bass (1990) argued in many circumstances that transactional leadership was a prescription for mediocrity and Burns (1978) criticized transactional relationships because they tended to be shallow, temporary exchanges of gratification.

Transformational leadership represented the people-oriented end of the leadership continuum described by Bass. According to Bass (1990) transformational leadership occurs ". . . when leaders broaden and elevate the interests of their employees, when they generate awareness and acceptance of the purposes and mission of the group, and when

17

they stir their employees to look beyond their own self-interest for the good of the group"
(p. 21). Transformational leaders act with authenticity and challenge followers to take
ownership of their work. Bass described the four dimensions of a transformational leader
as: (a) *charisma* - providing a vision and sense of mission to followers, (b) *inspiration* -
communicating high expectations and using symbols to focus effort, (c) *idealized*
stimulation - promoting intelligence, rationality, and careful problem solving, and (d)
individualized consideration - giving personal attention, coaching and advising followers
(1990). Research data analyzed by Bass revealed a correlation between transformational
leadership and high leadership ratings as well as organizational financial success (1990).
Leaders acting in people-oriented, transformational ways have also been shown to foster
development of employee engagement (Taran, 2009).

Understanding the evolutionary history of leadership theories is necessary to
better understand the connection between the social construct of leadership and employee
engagement. Strong executive leadership and highly engaged employees tied for third as
factors most likely to produce success in the Harvard Business Review survey (behind
high level of customer service and effective communications, respectfully).
Transformational leadership was believed to promote employee engagement by
developing follower abilities, which leads to increased organizational commitment and
psychological ownership (Ghafoor, Qureshi, khan, & Hijazi, 2011). Also,
transformational approaches place importance on human capital development as a critical
component to reaching organizational goals.

18

Over the years, organizations have begun to view employees as capital assets necessary for organizational success, and a vital factor to achieve a competitive advantage (Batista-Taran, Shuck, Gutierrez, & Baralt, 2009). Organizations often establish talent management goals that focus on employee retention and productivity which reflects the value of employee contributions to overall organizational success.

Leaders are also critical to organizational success as they influence the organizational climate (Batista-Taran, Shuck, Gutierrez, & Baralt, 2009). Wiley (2010) expanded upon that concept when he detailed five characteristics that helped define leadership effectiveness as: (a) the ability to give employees a clear picture of the direction the company is headed, (b) the ability to handle the organization's challenges, (c) a genuine commitment to providing high-quality products and services, (d) a demonstrated belief that employees are important to company success, and (e) the ability to inspire confidence in employees. Wiley (2010) also wrote, "Visionary leaders who create a culture of engagement maintain employee trust, drive optimal levels of productivity, increase overall satisfaction and retention, and are able to position the company for success . . . (p. 47)." This claim supported findings from the Kenexa Research Institute (KRI) that suggested ". . . an organization's senior leadership team has a significant impact on its employees' overall opinions of the company and engagement levels, which have been linked to both earnings per share and total shareholder returns . . ." (Wiley, p. 47).

Leadership literature is not limited to scholarly research. Many popular business, political, and cultural websites have sections dedicated to the topic. Searching leadership

19

on popular business sites such as Forbes and LinkedIn returns volumes of information written by practitioners and industry leaders; often echoing views related to transformational leadership and employee engagement strategies. For example, Forbes contributor Amy Rees Anderson did not specifically mention either in her article about the value of good leaders in a company. However, Anderson suggested that good leadership impacted an entire organization by a developing its culture through open communication, and developing a shared understanding of the goals and vision guiding the organization. She suggested the results of good leadership were higher morale, employee retention, and sustainable success; each of which is a foundational element of transformational leadership, which in turn produces higher levels of employee engagement.

Managers or supervisors may not necessarily be viewed as leaders. This distinction is important with regard to the relationship between a leader and followers, especially as it relates to employee engagement. Managers are often expected to create order and consistency, whereas leaders produce change and motivate employees (Batista-Taran, Shuck, Gutierrez, & Baralt, 2009). Managers have authority and responsibility to direct the work of employees, but leadership involves more than a job title or position. This distinction is not meant to diminish the importance of good managers. In fact, Buckingham and Coffman's (2000) most powerful finding was:

> "Talented employees need great managers. The talented employee may
> join a company because of its charismatic leaders, its generous benefits,
> and its world class training programs, but how long that employee stays

and how productive he is while he is there is determined by his

relationship with his immediate supervisor" (p. 11).

Organizational Performance

Individual departments within an organization (e.g. such as marketing, operations,

human resources, and strategy) each impact overall organizational performance.

Measurement criteria allow organizational leadership to evaluate specific decisions,

independent department and firm-wide results, and how a firm competes and performs

over time (Richard, Devinney, Yip, & Johnson, 2009). Measuring organizational

performance has grown beyond traditional accounting over the last few decades.

Incorporating Lebas and Euke's (2002) definition of performance, organizations will do

today what will lead to measured value outcomes tomorrow.

Literature on performance management suggested that measures of business

performance should encompass five major criteria within a firm: (a) profit, growth, and

control, (b) short term results against long-term capabilities and growth opportunities, (c)

performance expectations, (d) opportunities and attention, and (e) motives of human

behavior (Kellen, 2003). Measuring each of these components may require a range of

tools/instruments operationalized as technical, data driven measures, organizational

measures that gauge culture, leadership, processes, or individual employee performance

measures. However, organizational performance measures are not universally applicable

and often vary based upon the organizational type and/or goals. Whether an organization

is: large or small, public or private, for profit or non-profit, or product versus service

oriented will impact the degree to which they value and measure each performance metric.

Organizational Type

Organizations that exist for the purpose of maximizing a profit can be divided into two main categories, public or private. Publicly-held companies strive to maximize shareholder value via generating profit (Boyne, 2002). Although maximizing profit is the main objective for a public company, many recognize their obligation to social causes and environmental well-being.

Privately held organizations may be organized as corporations, limited liability companies, partnerships, or sole proprietorships (Boyne, 2002). Private companies must follow government regulations, but their excess revenues are not paid out to public shareholders. Private organizations likely have similar values and profit goals as public corporations but they are not required to be as transparent with their financial statements, policies, and strategies.

Non-profit organizations (NPO) exist for reasons other than earning and distributing a profit (Powell & Steinberg, 2006). NPO's may be either public or private. Examples of typical non-profit organizations are hospitals, schools, churches, clinics, labor unions, professional associations, and museums to name a few (Powell & Steinberg, 2006). Non-profit organizations usually receive tax exemptions as they operate for the purpose of charity, religion, public safety, education, or prevention (Powell & Steinberg, 2006).

Product- or service-oriented organizations differ in terms of the focus of their business activities. Product-oriented businesses build and sell products for the end user in which a large number of customers receive a similar product. Product-oriented businesses carefully manage the cost of production, as large upfront capital investments are often required in exchange for future revenue obtained via product sales. Success for product-oriented businesses often relies on the organization's ability to consistently deliver value through product innovation.

Service-oriented businesses are usually hired by a customer for a particular skill set they possess and are funded through billable hours related to this business-client relationship. Employees of service-oriented businesses are often evaluated by the amount of work they perform. Strong, lasting relationships with clients are a primary determinant of success.

Performance Measurement

There are various organizational components and activities that firms can reasonably replicate: specific goods or services, marketing channels, operations, and/or business strategies. One component that cannot be replicated is the employee base. The importance of employees are emphasized in the Harvard Business Review (2013) survey in which highly engaged employees ranked as one of the top three factors contributing to organizational success.

Harter and colleagues (2006) argued that human resources are perhaps the leading indicator of an organization's growth and stability stating, "The attainment of a

workplace with high-caliber employees starts with the selection of the right people for the right jobs" (p. 8). Anitha (2013) supported the view regarding people as the most valuable organizational asset, if managed and engaged properly. Performance management helps organizations gauge the impact individual employees have on organizational outcomes.

Despite differences in organizational type and organizational purpose, performance measures are generally used to gain knowledge and predict business outcomes. Many organizations use common performance measurement and development practices such as: setting performance and development goals, providing ongoing feedback and recognition, managing employee development, conducting mid-year and year-end appraisals, and/or building a climate of trust and empowerment (Mone, Eisinger, Guggenheim, Price, & Stine, 2011). These measures are often viewed as performances indicators, which collectively can be interpreted as proxy measures that are predictive of overall organizational success.

Employee Engagement

Employee engagement has gained attention from researchers over the past couple of decades. Higher levels of employee engagement are believed to ". . . increase innovation, productivity, and bottom-line performance while reducing costs related to hiring and retention in highly competitive talent markets . . ." (Harvard Business Review, p. 1).

Kahn (1990) first introduced the concept of employee engagement based on the belief that people serve in organizational roles to varying degrees and can use varying degrees of themselves in fulfilling these roles. Kahn's (1990) guiding assumption in his research was that people constantly either bring in or leave out various depths of themselves. He sought to identify variables that led to this ebb and flow of personal adjustments. According to Kahn (1990), engagement was a multidimensional construct in which employees can be emotionally, cognitively, or physically engaged. Kahn (1990) further suggested when employees' basic needs were met, they became more cognitively and emotionally engaged. Kahn's basic needs conceptualization established a framework upon which future engagement studies were built.

Following Kahn's lead, Gallup researchers developed the Q^{12} meta-analysis referred to as the Gallup Workplace Audit (GWA). The GWA was used to study relationships between employee engagement and customer loyalty, profitability, productivity, employee turnover, and accidents (Harter, Schmidt, Killham, & Asplund, 1998). Spanning 21 different industries, the Gallup Organization conducted thousands of focus group sessions. By 1998 the Q^{12} had been administered to more than 7 million employees in 112 different countries (Harter, Schmidt, Killham, & Asplund, 2006). Quantitatively, the GWA was comprised of 13 core statements asking participants to respond using a 5-point, Likert-type scale where "5" was *extremely satisfied and "1" extremely dissatisfied* (Buckingham & Coffman, 2000). The Q^{12} statements were as follows (Buckingham & Coffman, 2000):

1. How satisfied are you with (Name of Company) as a place to work?

25

2. I know what is expected of me at work.

3. I have the materials and equipment I need to do my work right.

4. At work, I have the opportunity to do what I do best every day.

5. In the last seven days, I have received recognition or praise for doing good work.

6. My supervisor, or someone at work, seems to care about me as a person.

7. There is someone at work who encourages my development.

8. At work, my opinions seem to count.

9. The mission/purpose of my company makes me feel my job is important.

10. My associates (fellow employees) are committed to doing quality work.

11. I have a best friend at work.

12. In the last six months, someone at work has talked to me about my progress.

13. This last year, I have had opportunities at work to learn and grow.

The GWA statements were believed to measure the extent to which an employee's basic needs were met in the workplace, thus impacting employee engagement. Harter and colleagues (2002) described the GWA's desired concept of employee engagement stating, "Positive emotions are facilitated by actions within organizations that support clear outcome expectancies, give basic material support, and encourage individual contribution and fulfillment, a sense of belonging, and a chance to progress and learn continuously . . ." (p. 8). Supporting this concept of employee engagement, Harter and colleagues (2002) found ". . . basic needs, such as expectations and materials and equipment, have relationships to basic outcomes, such as customer

satisfaction—loyalty and employee turnover—retention, which are outcomes that ultimately influence larger business outcomes like profitability . . ." (p. 9).

Macey and Schneider (2008) challenged Gallup's GWA findings. Macey and Schneider (2008) considered the GWA's measures to focus on engagement as an assessment of the conditions under which people work rather than measuring the construct of employee engagement on an individual level. Macey and Schneider (2008) argued the Q^{12} data required an inferential leap to engagement and suggested that the GWA did not assess the actual state of engagement.

Macey and Schneider (2008) not only challenged the GWA findings, but questioned whether employee engagement was a unique construct or a repackaging of others. Recognizing the ambiguity among academic researchers and practitioners around the meaning of employee engagement, they drew on related literature and offered a series of propositions to narrow the definition and conceptualization.

Challenging previous studies, Macey and Schneider (2008) argued conditions of engagement were incorrectly referenced as measures of engagement. They responded by suggesting that employee engagement is a complex construct comprised of trait engagement, psychological state engagement, and behavioral engagement, as well as organizational conditions that potentially facilitate state and behavioral engagement. Each dimension of engagement is discussed in detail in the next section describing the conceptual model for this study that largely follows Macey and Schneider's findings.

Macey and Schneider (2008) proposed that (a) state engagement is characterized by feelings of passion, energy, enthusiasm, and activation, (b) behavioral engagement is

most broadly defined as adaptive behavior, and (c) trait engagement comprises a number of interrelated personality attributes that suggest the inclination to experience work in positive and active ways. Macey and Schneider (2008) concluded that job design directly affected state engagement, and the presence of a transformational leader would directly affect state engagement and trust levels thus affecting behavioral engagement.

Conceptual Model

Harter and colleagues (2002) posited that, "Employee engagement defines one part of overall business-unit performance, and it is important to understand what a business unit's probability of success is when employee engagement is high versus low" (p. 11). Thus, employee engagement is believed to be one factor that contributes to overall organizational outcomes such as customer satisfaction, customer loyalty, revenue growth, profitability, and shareholder value. Variance may exist depending on organizational type or purpose, but the Harvard Business Review (2013) survey outlined eight factors likely to contribute to organizational success. Each of the eight factors is reflected in conceptual models (Figures 1 & 2) which illustrate the theoretical connection between employee engagement and overall organizational outcomes. The eight factors (with the relative percentage of importance) as ranked by respondents in the Harvard Business Survey (2013) were as follows:

1. High level of customer service − 80%

2. Effective communications − 73%

3. High level of employee engagement − 71%

28

4. Strong executive leadership – 71%

5. Efficient productivity – 68%

6. Continuous quality improvement – 59%

7. Ability to innovate – 59%

8. Strong sales and marketing capabilities – 58%

The conceptual model used in this study reflects Macey and Schneider's (2008), views of employee engagement as both an attitude and a behavior. In addition, the conceptual model reflects employee engagement as an observable behavior encompassing organizational citizenship, proactive or personal initiative, role expansion, or adaption. Conceptually, preceding behavioral engagement is Psychological State Engagement, as shown in Figure 1. Psychological State Engagement is characterized by organizational commitment, satisfaction, job involvement, and empowerment (Macey & Schneider, 2008). Completing the conceptual model of engagement are Trait Engagement (Macey & Schneider, 2008) and Workplace Conditions (Harter, Schmidt, Killham, & Asplund, 2006), which are antecedents to Psychological State Engagement. Reflecting Macey and Schneider's views regarding Behavioral, Psychological State, and Trait Engagement and the GWA's views regarding Workplace Conditions, each component of the conceptual model is discussed.
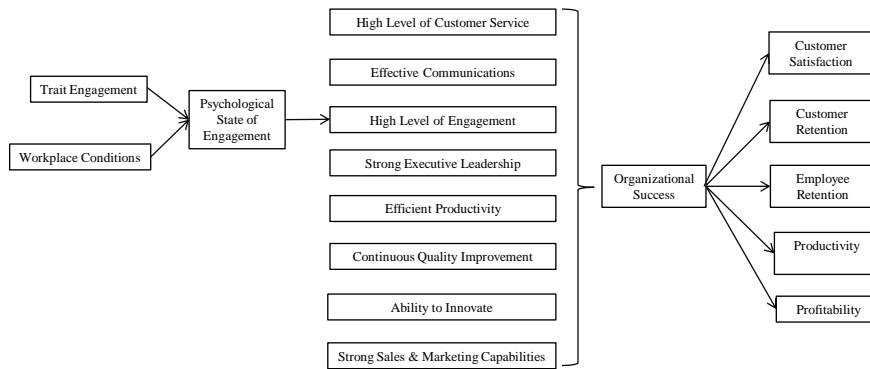
Figure 1. Framework for relationships of employee engagement components as it relates to factors contributing to overall organizational outcomes. Derived from Harvard Business Review (2013) and Macey and Schneider (2008).
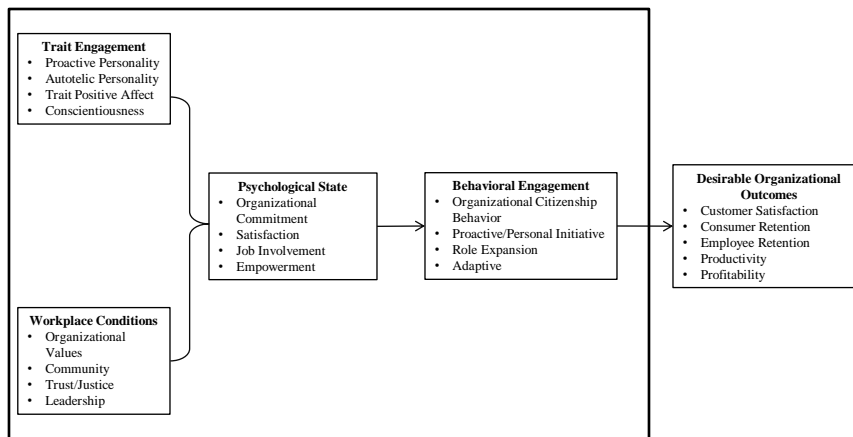

Figure 2. Expanded employee engagement framework

30

Behavioral Engagement

Macey and Schneider (2008) suggested employee engagement may be a directly observable behavior in the work context, but challenged literature that defined behavioral engagement entirely as "effort" from a specific frame of reference. They found it was common for behavioral employee engagement to be measured by categories such as extra time, brainpower, energy, duration, or intensity. However, determining a frame of reference (another organization or other employees within an organization) and translating extra effort into measurement created a challenge. Responding to these challenges Macey and Schneider (2008) expanded engagement behaviors to ". . . include innovative behaviors, demonstrations of initiative, proactively seeking opportunities to contribute, and going beyond what is, within specific frames of reference, typically expected or requited . . ." (p. 15). These engagement behaviors were described by Macey and Schneider (2008) and represented in the model as *organizational citizenship*, *proactive or personal initiative*, *role expansion*, and *adaption*.

Organizational citizenship behavior (OCB) represented the facet of employee engagement in which an employee expends discretionary effort; and given a specific frame of reference, behavior that goes beyond what is typical, usual, or ordinarily expected (Macey & Schneider, 2008). Role expansion is another facet of Behavioral Engagement. Role expansion is the choice of an employee to perform atypical, extra-role tasks, and is defined by behavior that reveals attention to a wider range of tasks than usual (Macey & Schneider, 2008). Personal initiative is the next facet of behavioral engagement comprised of self-starting, proactivity, and persistence and implies

31

employees going beyond what is normal or obvious in work roles (Macey & Schneider, 2008). Macey and Schneider (2008) described adaptive behavior as the final facet comprising behavioral engagement as behaviors ". . . intended to serve an organizational purpose, whether to defend and protect the status quo in response to actual or anticipated threats or to change and/or promote change in response to actual or anticipated events . . ." (p. 18).

Further describing behavioral engagement, Macey and Schneider (2008) suggested average task performance such as coming to work on time and meeting task expectations of the manager or supervisor does not (typically) represent engagement. Rather, behavioral engagement is strategically focused, organizationally relevant, and has to do with performances that are adaptive and innovative (Macey & Schneider, 2008).

Psychological Engagement

Observable behaviors of employee engagement have potential conceptual antecedents considered by Macey and Schneider (2008). They argued psychological factors such as *organizational commitment, job satisfaction, job involvement, and psychological empowerment* represent conditions that provide for behavioral employee engagement without directly influencing employee engagement. Thus, conceptually an employee's psychological state of engagement was antecedent to observable engagement behavior.

Schaufeli, Bakker, and Salanova (2006) designed and validated a measure of state engagement that were linked to factors of dedication, absorption, and energy; all of which

were facets of Psychological State Engagement. Job satisfaction, one facet of Psychological State Engagement, was characterized by feelings of energy, enthusiasm, and similarly positive affective states (Macey & Schneider, 2008). Commitment, another facet, was described as a state of attachment or binding force between an individual and the organization (Macey & Schneider, 2008). Job involvement is the degree to which an employee psychologically relates to his or her job and the work performed therein (Macey and Schneider, 2008) and links to the absorption factor of state engagement descried by Schaufeli and colleagues (2006). Empowerment was the final facet defining Psychological State Engagement and connotes an inclination to action with regard to work. Schaufeli et al. (2006) described empowerment as energy or a positive affective state.

Trait Engagement

Macey and Schneider (2008) contended Behavioral Engagement and Psychological State Engagement were " . . . at least partially the result of dispositional influences . . ." (p. 20). Personal attributes, labeled Trait Engagement by Macey and Schneider (2008), were antecedent to Behavioral and Psychological State Engagement. Macey and Schneider (2008) suggested Trait Engagement influenced organizational experiences and potentially contributed to Psychological State and Behavioral Engagement. The factors labeled as Trait Engagement were *trait positive affectivity, proactive personality, autotelic personality,* and *conscientiousness.*

Positive affectivity was associated with Psychological State Engagement and Trait Engagement by Macey and Schneider (2008), but was more closely identified with Trait Engagement as a predisposition to frame organizational experiences compared to trait satisfaction within Psychological State Engagement. Enthusiastic and attentive were two options used to describe positive affectivity as Trait Engagement (Macey & Schneider, 2008). Proactive personality, another factor of Trait Engagement, is a product of both dispositional and situational factors characterized by the general tendency to create or influence the work environment (Macey & Schneider, 2008). Crant et al. (1999) studied proactive personalities and reported a positive association with self-reported objectives (salary and promotions) and subjective (career satisfaction) indicators of career success. The autotelic personality, the third factor of Trait Engagement, refers to people who engage in activities for their own personal development rather than for specific gains or rewards (Macey & Schneider, 2008). Autotelic individuals were shown to be open to new challenges, persist in challenging tasks, and ready to engage (Macey & Schneider, 2008). Lastly, conscientiousness as part of Trait Engagement included both industriousness (hard working, ambitious, confident, and resourceful) and order (Macey & Schneider, 2008). Macey and Schneider (2008) described when viewed through a proactive lens, conscientiousness would be expected to correlate with measure of contextual performance and organizational citizenship behavior.

34

<u>Workplace Conditions</u>

Macey and Schneider (2008) contended that engagement in the workplace was a result of factors beyond simple satisfaction at work or basic loyalty shown to an employer, as those characteristics had been used to measure engagement in the past. Macey and Schneider (2008) stated, " . . . although "satisfaction" surveys that ask employees to describe their work conditions may be relevant for assessing the conditions that provide for engagement (state and/or behavioral), they do not directly tap engagement . . ." (p. 8). Conceptually, this study viewed workplace conditions as basic employee needs that ultimately influence larger outcomes, but were antecedent to Psychological State Engagement. Factors addressed in workplace conditions were *organizational values, community, trust and justice,* and *leadership.* Organizational values guide the perspective and actions of an organization. Dose (1997) proposed work values were, " . . . evaluative standards relating to work or the work environment by which individuals discern what is 'right' or assess the importance of preferences . . ." (p. 227-228). Finnegan (2007) found commitment (factor of Psychological State Engagement) was predicted by the employees' perception of organizational values, thus supporting this study's conceptual framework in which factors of workplace conditions are antecedent to, and influenced, Psychological State Engagement. Community is another factor of Workplace Conditions. Burroughs and Edy (1998) defined community as it relates to the work environment stating, "A workplace community is identifiable both as a geographic locality and as formal and informal networks of individuals who share a common association . . ." (p. 510). According to Burroughs and Eby (1998),

factors impacting workplace community are coworker support, emotional safety, sense of belonging, spiritual bond, team orientation, and truth telling. Burroughs and Eby (1998) operationalized the importance of community in the workplace stating, "Employees with a sense of community recognize that the organization meets their needs and the needs of their families, provides them with an enhanced quality of life, and expects them to be responsible citizens in the organization as well as in the larger society . . ." (p. 510).

Trust, another factor contributing to Workplace Conditions, is critical to the success of most business, professional, and employment relationships (Lewicki & Bunker, 1996). Boon and Holmes (1991) proposed trust is ". . . a state involving confident positive expectations about another's motives with respect to oneself in situations entailing risk . . ." (p. 194). Justice in the workplace, following Budd (2004), is a balance between equity and voice. Equity refers to a fairness of rewards and the administration of employment policies and voice is the ability of employees to have meaningful input into workplace decisions both individually and collectively (Budd, 2004). Lastly, leadership in an organization is responsible for cultivating and maintaining culture, thus a conditional component of the workplace.

Summary

Contemporary leadership research has shifted the understanding of leadership away from early theories that suggested leadership potential was tied to an individual's heritage or specific personality traits. Today, leadership approaches such as transformational leadership are less focused on the leader, and have shifted to focus on

developing followers.

Leaders have the ability to influence the organizational climate, and thus directly impact the level of employee engagement. High level of employee engagement ranked third among factors likely to contribute to organizational success and engaged employees are believed to increase innovation, productivity, and bottom-line performance (Harvard Business Review, 2013).

Chapter 3: Methods

<u>Introduction</u>

Chapter 1 presented research that suggest employee engagement is a top business priority and an essential element to produce desirable business outcomes. Chapter 1 also presented the history of employee engagement beginning with William Kahn's introduction of the concept of personal engagement in the workplace in the 1990's. The GWA (2006) also identified employee engagement as a significant predictor of desirable organizational outcomes such as customer satisfaction, retention, productivity, and profitability.

Despite findings in favor of employee engagement as a top business priority, employee engagement remained an ambiguous concept with a sparse and diverse theoretical and empirical foundation (Macey & Schneider, 2008). Coincidentally, fewer than one of every five workers were considered to be actively engaged in their work (Buckingham & Coffman, 2000). Macey and Schneider (2008) proposed that employee engagement included components such as Trait engagement, Psychological State Engagement, and Behavioral Engagement. Chapter 1 concluded by defining the research problem in this study to identify and describe the relationship among Workplace Conditions and three dimensions of employee engagement.

Chapter 2 provided an overview of leadership theories, specifically describing the Great Man Theory, Trait Theories, and more recently researched Transactional and Transformational Theories. Chapter 2 also described the connection between leadership and organizational performance, why organizations measure performance and employee engagement, and further discussed employee engagement as a construct. The chapter concluded by detailing a conceptual model and described each dimension of employee engagement measured in this study.

Chapter 3 presents how this research study was designed, the population and sampling, instrumentation, the data collection process, and how the data were analyzed.

Research Design

Descriptive studies are conducted to obtain data concerning the current status of a phenomona, and to help provide answers to certain questions associated with a particular research problem. The research problem in this study was to identify and describe the relationship among Workplace Conditions and three dimensions of employee engagement (i.e. Trait Engagement, Psychological State Engagement, and Behavioral Engagement). The purpose of this study was to describe and better understand how components related to the dimensions of employee engagement relate to individual performance and ultimately organizational performance. Using descriptive study methodology, this research collected data from Concept Services, LTD to yield recommendations for practice.

Descriptive studies collect data for a detailed analysis, but one limitation of descriptive studies is that the results are specific to a certain time and place and cannot be used to discover a definitive answer or to disprove a hypothesis. Therefore, findings from this study cannot be used to describe other populations at a different point in time. This study only describes the level of engagement among Concept Services, LTD employees at the time of data collection.

Population and Sampling

The population for this study was Concept Services, LTD, a business development and lead generation organization. The President of the organization at the time of data collection founded Concept Services, LTD in 2002. Since that time, and notably within recent years, Concept Services, LTD experienced internal growth. At the end of 2010, Concept Services, LTD had 17 employees; however, by the end of 2012 they had grown to 37 employees, and in November 2015 Concept Services, LTD surpassed 100 employees. Concept Services, LTD has also grown from an infrastructure standpoint as employees are distributed between three separate office buildings referred to as "campuses." Concept Services, LTD was founded and currently operates from headquarters in Medina, Ohio.

Concept Services, LTD is primarily a new business development and lead generation organization. Concept Services, LTD described their services on their website stating, "We work directly with our client's sales force and provide them with an integrated solution for managing the front-end part of the sales process. Our services

include prospecting, cold-calling, managing and qualifying inbound leads from your website or phone, customer care surveys and more, all for the purpose of uncovering new business opportunities . . ." (Careers, n.d.). Concept Services, LTD also offers services in Customer Relationship Management (CRM) design and implementation and driver recruitment for trucking companies. The primary industries Concept Services, LTD services are supply chain, material handling, construction equipment, as well as a variety of professional services organizations.

Concept Services, LTD has an organizational structure of a leadership team, Business Unit Directors, Account Managers, and Business Development Managers. Business Unit Directors oversee each campus and report to the President and Vice President. Account Managers oversee a group of Business Development Managers and report to Business Unit Directors.

Conceptual Model

The following conceptual model was created as a result of a meta-analysis of the literature to reflect a graphical illustration of the employee engagement phenomena. Employee engagement is one factor that contributes to organizational outcomes and success. A Harvard Business Review (2013) survey gathered responses on eight factors likely to bring success, and high level of employee engagement ranked tied for third as most important to overall organizational success. According to the HBR (2013) survey, the eight factors most likely to bring success, in ranked order of importance were: high level of customer service, effective communications, high level of employee engagement,

strong executive leadership, efficient productivity, continuous quality improvement, and strong sales and marketing capabilities. These factors are represented in Figure 1 (see page 30). High level of employee engagement conceptually represents "Behavioral Engagement." Psychological State Engagement is antecedent to Behavioral Engagement and Trait Engagement and Workplace Conditions are conceptually antecedent to the Psychological State of Engagement, reflected in both Figures 1 and 2. Figure 2 identifies components related to each factor of employee engagement. Figure 2 also identifies desirable organizational outcomes that are potential results of a high level of employee engagement. Desirable organizational outcomes are: customer satisfaction, customer retention, employee retention, productivity, and profitability.

Instrumentation

The instrument used in this study was a survey-questionnaire derived from multiple sources as well as statements designed specifically for this study that addressed Macey and Schneider's (2008) proposed dimensions of employee engagement (Psychological State Engagement, Behavioral Engagement, Trait Engagement, and Workplace Conditions). In addition to the statements used to assess the dimensions of employee engagement, eight demographic items were included. The questionnaire used a Likert-type response scale including: strongly disagree, disagree, neither agree or disagree, agree, strongly agree.

Statements used in the study's employee engagement questionnaire to measure the Psychological State of Engagement and Behavioral Engagement were derived from

Schaufeli and Bakker's (2003) Utrecht Work Engagement Scale (UWES). Schaufeli and Bakker (2003) argued that work engagement referred to a more persistent and pervasive affective-cognitive state characterized by vigor, dedication, and absorption (see definitions). The UWES, a self-report questionnaire, was developed to measure those aspects of work engagement. The UWES asked participants to identify how often they had feelings associated with each statement, however for this study participants were asked to assess their level of agreement or disagreement with each statement.

The Eight statements (items 1-8) used to assess the Psychological State of Engagement were as follows:

1. I find my work full of meaning and purpose.

2. I feel strong and vigorous when I am working.

3. I am enthusiastic about my job.

4. My job inspires me to do my best.

5. I feel happy when I am working intensely.

6. I am proud of the work that I do.

7. My job is challenging to me.

8. I get carried away when I am working.

The Seven statements (items 9-15) used to assess Behavioral Engagement were as follows:

9. I am physically energized when I am at work.

10. Time passes quickly when I am at work.

11. When I am working, I forget everything else around me.

12. When I get up in the morning I feel like going to work.

13. I can continue working for long periods of time.

14. I find it difficult to detach myself from my job.

15. I always persevere at my job, even when things do not go well.

Original statements were created specifically for this study designed to measure Trait Engagement. Macey and Schneider (2008) argued that trait engagement served as a predisposition that framed organizational experiences and determined individual behavioral responses to those experiences, thus conceptually antecedent to an employee's psychological state of engagement.

The Seven statements (items 16-22) used to assess Trait Engagement were as follows:

16. My colleagues perceive me as conscientious.

17. My supervisor would describe me as hard working.

18. My friends view me as ambitious.

19. I am confident in my abilities.

20. My co-workers appreciate my resourcefulness.

21. I am a more proactive, than reactive person.

22. I often take the initiative to get a job done.

Statements used in the employee engagement questionnaire to measure Work Conditions were derived from Gallup's Q^{12} Meta-Analysis (2006). Harter et al. (2006) stated, "The Q^{12} measures the actionable issues for management – those predictive of attitudinal of attitudinal outcomes such as satisfaction, loyalty, pride and so on . . . " (p. 10). Management has the ability to influence and control workplace conditions, thus was

perceived as predictive and conceptually antecedent to an employee's Psychological State Engagement.

The Seven statements (items 23-29) used to assess Workplace Conditions were as follows:

23. I know what is expected of me at work.

24. I have the materials and equipment I need to do my work right.

25. In the last seven days, I have received recognition or praise for doing good work.

26. There is someone at work who encourages my development.

27. The mission or purpose of my company makes me feel my job is important.

28 My associates or fellow employees are committed to doing quality work.

29. In the last six months, someone at work has talked to me about my progress.

The survey questionnaire was pilot tested for internal consistency by computing a Cronbach's alpha coefficient based upon data collected from Ohio State University Extension employees. The pilot test assured reliability of the survey questionnaire instrument before Concept Services, LTD was surveyed.

Data Collection Process

Concept Services, LTD provided an email list that guided the data collection process. An introductory email message was sent to 108 potential respondents in the morning on the data the data were collected. The purpose of the introductory email was to describe the study to Concept Services, LTD employees and what they might expect from

their participation in the study. The introductory email also informed employees they would be receiving a follow-up email around noon on the same day containing a secure link to a Qualtrics questionnaire where they would have the opportunity to voluntarily and anonymously participate in the study. The follow-up email contained the link to Qualtrics and informed Concept Services, LTD employees the link would first take them to an informed consent page where the questionnaire would begin if they agreed to the conditions of the questionnaire and understood their rights as a potential research participant. Two business days following the initial invitation to participate in the study another follow-up email message was sent to Concept Services, LTD employees inviting them to participate in the study.

The data were collected anonymously through Qualtrics and utilized the "Prevent Ballot Box Stuffing" feature to prevent respondents from taking the survey more than once.

Data Analysis

Results of the descriptive analysis were reported by research question. Demographic characteristics were used to describe the gender, highest level of education, and work history among the Concept Services, LTD employee respondents. Pearson correlation coefficients were computed to determine if significant relationships existed among each of the four factors of employee engagement. When interpreting correlations, the following Davis' (1971) convention was used:

46

Convention for Describing Magnitude[a]	
R	Descriptor
1.00	Perfect
0.70 – 0.99	Very High
0.50 – 0.69	Substantial
0.30 – 0.49	Moderate
0.10 – 0.29	Low
0.01 – 0.09	Negligible

Table 1. Conventions for Describing the Magnitude of Relationships
[a]Davis, J.A. *Elementary Survey Analysis.* Englewood, NJ: Prentice Hall, 1971.

Data for each research question were analyzed separately. Research question one was: How do employees perceive workplace conditions as part of engagement? Question one corresponded to questionnaire items 23-29. Each of these items used a Likert-type response scale ranging from strongly disagree, disagree, neither agree or disagree, agree, or strongly agree. Results to these items were interpreted on a scale ranging from 1-5 in which: 1 = strongly disagree, 2 = disagree, 3 = neither agree or disagree, 4 = agree, 5 = strongly agree.

Research question two was: How do employees perceive their personal traits as part of engagement? Question two corresponded to questionnaire items 16-22. Each of these items used a Likert-type response scale ranging from strongly disagree, disagree, neither agree or disagree, agree, or strongly agree. Results to these items were interpreted on a scale ranging from 1-5 in which: 1 = strongly disagree, 2 = disagree, 3 = neither agree or disagree, 4 = agree, 5 = strongly agree.

Research question three was: How do employees perceive their psychological state as part of engagement? Question three corresponded to questionnaire items 1-8. Each of these items used a Likert-type response scale ranging from strongly disagree,

disagree, neither agree or disagree, agree, or strongly agree. Results to these items were interpreted on a scale ranging from 1-5 in which: 1 = strongly disagree, 2 = disagree, 3 = neither agree or disagree, 4 = agree, 5 = strongly agree.

Research question four was: How do employees perceive their behavior as part of engagement? Question four corresponded to questionnaire items 9-15. Each of these items used a Likert-type response scale ranging from strongly disagree, disagree, neither agree or disagree, agree, or strongly agree. Results to these items were interpreted on a scale ranging from 1-5 in which: 1 = strongly disagree, 2 = disagree, 3 = neither agree or disagree, 4 = agree, 5 = strongly agree.

Research question five was: What are the relationships among workplace conditions, three dimensions of employee engagement, and the overall level of employee engagement? Correlation coefficients were computed to determine if significant relationships existed between the four factors of employee engagement and overall employee engagement. Regression analysis was also utilized to identify the proportion of variance explained by the four employee engagement factors with overall engagement as the dependent variable.

Chapter 4: Findings

<u>Introduction</u>

Previous research on employee engagement measured factors believed to influence the extent of employee engagement in the workplace. Gallup's Q^{12} Workplace employee engagement instrument measured employee engagement primarily from the perspective of the work environment, which related to organizational values, community, trust, justice, and leadership. Organizational leaders, managers, and supervisors make decisions directly impacting the employees' work environment utilizing results from Gallup's Q^{12} instrument. Specific decisions based on the Q^{12} could be related to expectations of employees, materials and equipment, employee recognition, professional development, and organizational mission and purpose.

Other measures of employee engagement, such as the UWES Work and Well-being Survey, measured employee engagement from a psychological and behavioral perspective. The UWES Work and Well-being Survey primarily assessed absorption, dedication, and vigor, thus answering questions related to employees' work-related state of mind and the behaviors produced as a result.

Macey and Schneider (2008) argued that personality traits were an additional factor that could impact employee engagement. Certain personality types may prove to be

49

more successful in certain work roles than others, which theoretically could aid employers in the recruiting process and potentially reduce employee turnover.

Due to multiple factors theoretically impacting employee engagement, Macey and Schneider (2008) proposed that employee engagement included components labeled Trait Engagement, Psychological State Engagement, and Behavioral Engagement. This study examined Macey and Schneider's (2008) components of engagement as well as the workplace conditions identified by the GWA to better understand how each component related to overall employee engagement.

The population for this study included employees at Concept Services, LTD, a new business development and lead generation organization. The survey questionnaire was distributed to 108 potential respondents at Concept Services, LTD. The potential respondents included all employees from each of the three campuses and included the leadership team, Business Unit Directors, Account Managers, and Business Development Managers.

This chapter presents findings related to the following research questions that were developed to guide this study:

1. How do employees perceive workplace conditions as part of engagement?

2. How do employees perceive their personal traits as part of engagement?

3. How do employees perceive their psychological state as part of engagement?

4. How do employees perceive their behavior as part of engagement?

5. What are the relationships among workplace conditions, three dimensions of employee engagement, and the overall level of employee engagement?

<u>Demographics</u>

Initially, 108 Concept Services, LTD employees were invited to voluntarily participate in this study by completing an online Qualtrics questionnaire electronic survey. Sixty-six subjects completed the employee engagement portion of the survey, which resulted in a 61% response rate. Demographic questions were included in the survey questionnaire to better understand the characteristics of the respondents. Of the 66 survey respondents, 33 (53.2%) were male and 29 (46.8%) were female (see Table 2).

Gender	%	f
Male	53.2%	33
Female	46.8%	29

Table 2. Gender of Respondents

To determine the education level of Concept Services, LTD employees were asked to report the highest level of education they had completed. Out of the 66 survey respondents, 62 reported their highest level of education (see Table 3). Twenty (32.2%) of the respondents indicated that high school was their highest level of education, thirteen (21%) of the respondents indicated that an Associate's degree was their highest level of education attained. Twenty-six (42%) of the respondents indicated a Bachelor of Science or a Bachelor of Arts was their highest level of education, and three (4.8%) of the respondents indicated a Master of Science or Master of Arts was their highest level of education. None of the respondents had completed a doctorate or professional degree.

51

Highest Level of Education	%	*f*
High School	32.2%	20
Associates	21%	13
B.S./B.A.	42%	26
M.S./M.A.	4.8%	3
Doctorate/Professional	0.0%	0

Table 3. Education Profile of Respondents

Respondents were asked to indicate the total number of months they had been in their current position. Out of the 66 survey respondents, 61 reported the number of months they had been working in their current position with results ranging from 0 months to 168 months. Table 4 presents frequencies and percentages related to the number of months each respondent had been employed in their current position at Concept Services, LTD. Three employees reported they have been in their current position for zero months, indicating they were recently hired into their position with Concept Services, LTD. One person reported they had been in their current position for 168 months (i.e. 14 years). However, most of the respondents (i.e. 38 or 62.3%) reported they had been in their current position with the company between 12 and 24 months.

Months in Current Position	%	f
0	4.9%	3
1	3.3%	2
3	8.2%	5
4	1.6%	1
5	1.6%	1
6	11.5%	7
9	1.6%	1
12	34.4%	21
14	1.6%	1
18	9.8%	6
21	1.6%	1
24	14.8%	9
36	1.6%	1
48	1.6%	1
168	1.6%	1

Table 4. Number of Months in Current Position

The mean number of months employees had been in their current position was

15.4 months with a standard deviation of 21.8 months (see Table 5).

	M^a	SD
Months in Current Position	15.4	21.8

Table 5. Number of Months in Current Position – Mean and Standard Deviation

Respondents were also asked to indicate the total number of months they had

been employed by Concept Services, LTD. 61 respondents out of the 66 total employee

engagement survey respondents provided a response for the total number of months they

had been employed at Concept Services, LTD. The results ranged from 0 months to 240

months. The mean number of months of employees at Concept Services, LTD was 29.6 months with a standard deviation of 46.9 months (see Table 6).

	M^a	SD
Total months at Concept Services, LTD	29.5	46.9

Table 6. Total Number of Months at Concept Services, LTD

Respondents were also asked to provide data regarding their total number of years of work experience. Of the 66 survey respondents, 58 reported data about their total number of years of work experience and the results ranged from 0 years to 40 years. The mean number of years of work experience for Concept Services, LTD employees was 12.6 years with a standard deviation of 10.1 years (see Table 7).

	M^a	SD
Total years of work experience	12.6	10.1

Table 7. Total Number of Years of Work Experience

Lastly, respondents were asked about their current marital status. Response options to this demographic item were 'single', 'married', and 'other.' Of the 66 survey respondents, 61 reported data regarding their current marital status and 35 (57.3%) were single, 23 (37.7%) were married, and 3 (5%) indicated 'other' as their marital status (see Table 8).

Marital Status	**%**	*f*
Single	57.3%	35
Married	37.7%	23
Other	5%	3

Table 8. Marital Status of Respondents

Reliability

Instrument reliability was measured using Cronbach's coefficient alpha test, which was part of the IBM SPSS analytics software. Cronbach's coefficient alpha measure internal consistency of the data collection instrument, or how well the proposed dimensions of employee engagement produced similar results. A coefficient alpha of .70 or higher is a generally accepted threshold in social science research regarding instrument reliability. Each dimension of employee engagement measured in this study's survey questionnaire produced a coefficient alpha above that threshold (see Table 9).

Dimension of Engagement	Items	Cronbach's Alpha
Workplace Conditions	7	0.82
Trait Engagement	7	0.84
Psychological Engagement	8	0.90
Behavioral Engagement	7	0.79
Composite	29	0.94

Table 9. Cronbach's Alpha Test of Internal Consistency

Findings for Research Question One

Research question one pertained to the respondent's perception of workplace conditions as a factor of employee engagement. Out of the 108 invitations sent to Concept Services, LTD employees, 64 individuals completed the employee engagement portion of the survey, which resulted in a 59% response rate. Seven Likert-type items addressed workplace conditions on the employee engagement questionnaire. Each statement asked respondents to indicate whether they strongly disagreed, disagreed, neither agreed or disagreed, agreed, or strongly agreed. Table 10 presents a summary of

the data provided by respondents regarding their perceptions of workplace conditions at

Concept Services, LTD.

Workplace Conditions	Min.	Max.	M^a	SD
I know what is expected of me at work.	2	5	4.44	0.64
I have the materials and equipment I need to do my work right.	2	5	4.22	0.90
In the last seven days, I have received recognition or praise for doing good work.	1	5	3.86	1.17
There is someone at work who encourages my development.	1	5	4.05	1.03
The mission or purpose of my company makes me feel my job is important.	1	5	4.02	1.08
My associates or fellow employees are committed to doing quality work.	1	5	3.67	0.93
In the last six weeks, someone at work has talked to me about my progress.	1	5	4.08	.95
Overall Construct			4.05	0.67

Table 10. Workplace Conditions.

Responses were coded: 1 = Strongly Disagree, 2 = Disagree, 3 = Neither Agree or Disagree, 4 = Agree, 5 = Strongly Agree

Responses to statements regarding workplace conditions ranged from strongly

disagree to strongly agree, but the overall construct mean of 4.05 indicated employees

tended to agree with the statements comprising this construct. The respondents produced

the highest mean and lowest standard deviation for the item about knowing what was

expected of them at work among the Workplace Conditions construct. Employees

produced the second highest mean for the item about having the materials and equipment

needed to do the right work with a response mean of 4.22. The item related to receiving recognition or praise within the last seven days for doing work produced the lowest mean within this construct of 3.86 and largest variance at 1.17.

Findings for Research Question Two

Research question two pertained to the respondents' perception of their personal traits as a factor of employee engagement. Out of the 108 invitations sent to Concept Services, LTD employees, 64 individuals completed the employee engagement portion of the questionnaire, which resulted in a 59% response rate. Seven Likert-type items addressed personal traits on the employee engagement survey. Each statement asked respondents to indicate whether they strongly disagreed, disagreed, neither agreed or disagreed, agreed, or strongly agreed. Table 11 presents a summary of the data provided by respondents regarding their perception of their personal traits at Concept Services, LTD.

Trait Engagement	Min.	Max.	M^a	SD
My colleagues perceive me as conscientious.	1	5	3.94	0.77
My supervisor would describe me as hard working.	2	5	4.22	0.72
My friends view me as ambitious.	2	5	4.18	0.73
I am confident in my abilities.	3	5	4.54	0.56
My co-workers appreciate my resourcefulness.	3	5	4.14	0.79
I am a more proactive, than reactive person.	3	5	4.22	0.67
I often take initiative to get the job done.	3	5	4.42	0.58
Overall Construct			4.23	0.50

Table 11. Trait Engagement.

Responses were coded: 1 = Strongly Disagree, 2 = Disagree, 3 = Neither Agree or Disagree, 4 = Agree, 5 = Strongly Agree

Out of the four constructs measured in the questionnaire, Trait Engagement was the highest rated construct by Concept Services, LTD employees producing the highest overall mean of 4.23 and the lowest overall standard deviation at 0.50. Employees reported they were confident in their abilities, proactive, and took initiative to get the job done. Employees also indicated that their supervisor viewed them as hard working and that friends would describe them as ambitious. Only one employee strongly disagreed that colleagues perceived the respondent as conscientious, which was the only strongly disagree response produced by a respondent for any of the seven Trait Engagement statements.

<u>Findings for Research Question Three</u>

Research question three pertained to employees' perception of their psychological state as a factor of engagement. Out of the 108 invitations sent to Concept Services, LTD employees, 66 individuals completed the employee engagement portion of the survey, which resulted in a 61% response rate. Eight Likert-scale questions addressed the psychological state on the employee engagement survey. Each statement asked respondents to indicate whether they strongly disagree, disagree, neither agree or disagree, agree, or strongly agree. Table 12 presents a summary of the data provided by respondents regarding their perception of their psychological state at Concept Services, LTD.

Out of the four constructs measured in the questionnaire, Psychological State Engagement produced the second lowest overall construct mean of 3.86 and highest standard deviation of 0.82. Of the eight statements, employees expressed greater agreement about being proud of the work they did, (as a measure of dedication), with a mean response of 4.32 and the lowest standard deviation of the construct at 0.93. Other measures of dedication such as, finding their work full of meaning and purpose, the job inspiring employees to do their best, and finding the job challenging were also rated higher than other items within the Psychological State Engagement construct. Employees tended to neither agree or disagree with the item about becoming carried away when they are working, which measures absorption, or being happily engrossed in work.

59

Psychological State of Engagement	Min.	Max.	M^a	SD
I find my work full of meaning and purpose.	1	5	3.89	1.05
I feel strong and vigorous when I am working.	1	5	3.73	1.02
I am enthusiastic about my job.	1	5	4.11	1.04
My job inspires me to do my best.	1	5	4.00	1.08
I feel happy when I am working intensely.	1	5	4.00	1.11
I am proud of the work that I do.	1	5	4.32	0.93
My job is challenging to me.	1	5	3.74	1.28
I get carried away when I am working.	1	5	3.12	1.16
Overall Construct			3.86	0.82

Table 12. Psychological State Engagement.

Responses were coded: 1 = Strongly Disagree, 2 = Disagree, 3 = Neither Agree or Disagree, 4 = Agree, 5 = Strongly Agree

Findings for Research Question Four

Research question four pertained to employees' perception of their behavior as a factor of engagement. Out of the 108 invitations sent to Concept Services, LTD employees, 66 individuals completed the employee engagement portion of the survey, which resulted in a 61% response rate. Seven Likert-type items addressed behavioral engagement on the employee engagement questionnaire. Each statement asked respondents to indicate whether they strongly disagree, disagree, neither agree or

disagree, agree, or strongly agree. Table 13 presents summarized data provided by

respondents regarding perceptions of their psychological state at Concept Services, LTD.

Behavioral Engagement	Min.	Max.	M^a	SD
I am physically energized when I am at work.	1	5	3.18	1.14
Time passes quickly when I am at work.	1	5	3.59	1.18
When I am working, I forget everything else around me.	1	5	3.11	1.13
When I get up in the morning I feel like going to work.	1	5	3.42	1.11
I can continue working for long periods of time.	1	5	3.86	1.02
I find it difficult to detach myself from my job.	1	5	2.88	1.27
I always persevere at my job, even when things do not go well.	2	5	4.17	0.76
Overall Construct			3.46	0.73

Table 13. Behavioral Engagement.

Responses were coded: 1 = Strongly Disagree, 2 = Disagree, 3 = Neither Agree or Disagree, 4 = Agree, 5 = Strongly Agree

Behavioral Engagement produced the lowest overall mean of the four engagement

dimensions and the second highest standard deviation. Concept Services, LTD employees

strongly agreed that they persevered at their job, even when things did not go well, but

they did not find it difficult to detach themselves from their job. The item asking

respondents if they found it difficult to detach themselves from their jobs produced the

lowest level of agreement among the four dimensions of employee engagement measured

in this study. More respondents reported some level of disagreement, 23 (34.8%)

disagreed, and 8 (12.1%) strongly disagreed with this item, which was more than any other item on the questionnaire. Respondents also tended to neither agree or disagree on other items such as being physically energized while working, time passing quickly when working, forgetting everything else while working, and feeling like going to work when they get up in the morning.

Comparing the results of each factor, Table 14 reports the mean and standard deviation of each factor.

Factor	Factor M^a	Factor SD
Workplace Conditions	4.05	0.67
Trait Engagement	4.23	0.50
Psychological State	3.86	0.82
Behavioral Engagement	3.46	0.73

Table 14. Factors Means and Standard Deviations

Reiterating the results from Research Question 1 through Research Question 4, Trait Engagement produced the highest mean and lowest standard deviation. Workplace conditions produced the second highest mean and second highest standard deviation. Psychological State Engagement produced the second lowest mean and highest standard deviation. Behavioral Engagement produced the lowest mean and second highest standard deviation.

Findings for Research Question Five

Question five was focused on determining if significant relationships existed among the factors of employee engagement and the overall level of employee engagement. Pearson correlation coefficients were computed to measure the strength of the relationship between each dimension of employee engagement assessed in this study.

The data presented in Table 15 reveal a significant correlation (at the .01 confidence level) among each of the four dimensions of employee engagement. Table 15 also reports that each of the four dimensions of employee engagement were highly correlated with Overall Engagement.

	Overall Engagement	Workplace Conditions	Psychological State Engagement	Behavioral Engagement	Trait Engagement
Overall Engagement	1				
Workplace Conditions	0.84**	1			
Psychological State Engagement	0.91**	0.70**	1		
Behavioral Engagement	0.91**	0.66**	0.72**	1	
Trait Engagement	0.67**	0.40**	0.32**	0.56**	1

Table 15. Pearson Correlation showing significance of relationship between each of employee engagement and overall engagement.
**Correlation is significant at the .01 level (2-tailed)

Behavioral Engagement and Psychological State Engagement produced a correlation coefficient of 0.72. In addition, the Workplace Conditions and Psychological State Engagement dimensions produced a correlation coefficient of 0.70. The Workplace Conditions and Behavioral Engagement dimensions produced a correlation coefficient of 0.66. The Behavioral Engagement and Trait Engagement, along with the Behavioral Engagement and Trait Engagement correlations coefficients were 0.56. Trait Engagement and Workplace Conditions dimensions produced a moderate correlation coefficient of 0.40. And finally, Trait Engagement and Psychological State Engagement produced a

63

moderate correlation and the lowest overall correlation coefficient of 0.32. Figure 3 is a

graphic representation of the factor relationships produced from Research Question 5.
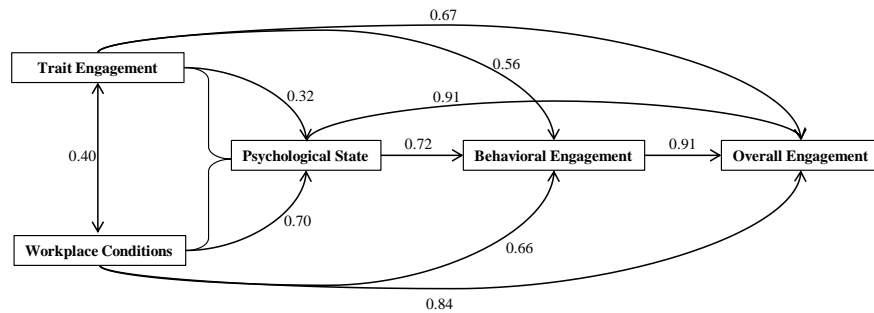

Figure 3. Illustration of Factor Relationships

Lastly, SPSS Model Summary was utilized to provide information about the

ability to account for the total variation in overall employee engagement (the dependent

variable) using the four employee engagement factors as predictor variables (Table 16).

64

Model	R	R Square
1	0.91[a]	0.83
2	0.96[b]	0.93
3	0.97[c]	0.97
4	1.00[d]	1.00

Table 16. Stepwise Regression Analysis

a. Predictors: (Constant), Behavioral Engagement

b. Predictors: (Constant), Behavioral Engagement, Psychological State Engagement

c. Predictors: (Constant), Behavioral Engagement, Psychological State Engagement, Workplace Conditions

d. Predictors: (Constant), Behavioral Engagement, Psychological State Engagement, Workplace Conditions, Trait Engagement

e. Dependent Variable: Overall Engagement

Behavioral Engagement was the factor that explained the largest proportion of variance associated with the Overall Engagement variable, accounting for 83% of the total variance. Psychological State Engagement was entered in the second step of the prediction model and added 10% to the explained variance, followed by Workplace Conditions (4%) and Trait Engagement (3%) explaining 100% of the variance. Collectively, the four employee engagement factors were able to account for 100% of the variance associated with the Overall Engagement variable.

<u>Major Findings</u>

Based on the results of this study the following major findings were revealed:

1. Respondents strongly agreed they know what was expected of them at work and that they had the materials and equipment to do their work right.

2. Trait Engagement was the highest rated factor of employee engagement. Respondents agreed that they were confident in their abilities, perceived themselves as proactive, and took initiative to get their job done.

3. Behavioral Engagement was the lowest rated among the four employee engagement factors.

4. Psychological State of Engagement produced the second highest mean and highest standard deviation, although respondents generally agreed with items related to dedication within the Psychological State factor.

5. Respondents generally agreed with Psychological State statements however, they also reported not being carried away when they were at work and not finding it difficult to detach themselves from their jobs.

6. Respondents neither agreed nor disagreed to being physically energized while working, time passing quickly when working, forgetting everything else while working, and feeling like going to work when they get up in the morning.

7. Each of the four factors of employee engagement were significantly related to the Overall Engagement variable.

8. There was a significant relationship between Behavioral Engagement and Psychological State Engagement.

66

9.	There was a significant relationship between Psychological State Engagement and Work Conditions.

10.	Behavioral Engagement is the factor of employee engagement that explained the greatest proportion of the variance associated with the Overall Engagement variable. However, the Psychological State Engagement, Workplace Conditions, and Trait Engagement factors also accounted for a significant proportion of the variance associated with the Overall Engagement variable.

Summary

Findings of this study were presented and summarized in this chapter. Five research questions provided the organizing framework for the findings presented. Findings included demographic characteristics of the respondents, the highest and lowest rated dimensions of employee engagement, and significant relationships among the factors of employee engagement.

Chapter 5: Discussion

<u>Introduction</u>

Highly engaged employees invest more of themselves and are willing to expend more of their discretionary effort to help their employer succeed than employees who are less engaged. The GWA (1992-99) identified employee engagement as a significant predictor of desirable organizational outcomes such as customer satisfaction, retention, productivity, and profitability. Gallup's March 2016 (Adkins, 2016) report on U.S. employee engagement reported that only 34.1% of U.S. workers were considered to be "engaged" in their work. Despite March 2016 producing the highest percentage of "engaged" workers since Gallup began tracking workplace engagement in January 2011, month-to-month gains or deficits were minimal and 49.5% of employees were "not engaged" and 16.5% were "actively disengaged." Organizations able to engage a higher percentage of their employees will have a competitive advantage over their competition and experience more desirable organizational outcomes.

Overall, this study found that respondents strongly agreed they knew what was expected of them at work, they had the materials and equipment to do the work right, and they were confident in their abilities. The study also found that although employees generally agreed with items related to dedication to their job, many respondents felt

neutral toward feeling physically energized while working. There was a significant relationship between the respondents Behavioral Engagement and Psychological State Engagement scores as well as between their Psychological State Engagement and Work Conditions. Ultimately, Behavioral Engagement explained the greatest proportion of the variance associated with the Overall Engagement variable.

Major Findings

1.   Respondents strongly agreed they know what was expected of them at work and that they had the materials and equipment to do their work right.

2.   Trait Engagement was the highest rated factor of employee engagement. Respondents agreed that they were confident in their abilities, perceived themselves as proactive, and took initiative to get their job done.

3.   Behavioral Engagement was the lowest rated among the four employee engagement factors.

4.   Psychological State of Engagement produced the second highest mean and highest standard variation, although respondents generally agreed with items related to dedication within the Psychological State factor.

5.   Respondents generally agreed with Psychological State statements however, they also reported not being carried away when they were at work and not finding it difficult to detach themselves from their jobs.

6.   Respondents neither agreed nor disagreed to being physically energized while working, time passing quickly when working, forgetting everything else while working, and feeling like going to work when they get up in the morning.

7.   Each of the four factors of employee engagement were significantly related to the Overall Engagement variable.

8.   There was a significant relationship between Behavioral Engagement and Psychological State Engagement.

9.   There was a significant relationship between Psychological State Engagement and Work Conditions.

10.   Behavioral Engagement is the factor of employee engagement that explained the greatest proportion of the variance associated with the Overall Engagement variable. However, the Psychological State Engagement, Workplace Conditions, and Trait Engagement factor also accounted for a significant proportion of the variance associated with the Overall Engagement variable.

Discussion

Based on the data collected and analyzed from the employee engagement questionnaire, significant relationships existed between the four factors of employee engagement. Significant relationships also existed between each factor of employee engagement and Overall Engagement. The relationships supported the conceptualization of Trait Engagement and Workplace Conditions as antecedents to Psychological State Engagement, of Psychological State Engagement as antecedent to Behavioral

70

Engagement, and of Behavioral Engagement as antecedent to Overall Engagement. The correlation coefficients also supported the conceptual model in which Behavioral Engagement $(r = 0.91)$ and Psychological State Engagement $(r = 0.91)$ revealed the most significant relationships with Overall Engagement. Work Conditions $(r = .084)$ produced the third highest relationship with Overall Engagement, and Trait Engagement $(r = .067)$ revealed the smallest (yet significant) relationship.

The data supported the conceptual model that suggested Overall Engagement is most influenced by employees' behavior and their psychological state. Based on the data, supervisors should focus on engaging employees behaviorally and psychologically to maximize engagement outcomes. However, leaders and supervisors have the least amount of direct control over employees' psychological states and behaviors. Thus, leaders and supervisors should focus their attention as it relates to employee engagement on factors they are able to directly impact via their actions and decisions. The factors leaders and supervisors most directly impact are Trait Engagement and Workplace Conditions, which influence Psychological State Engagement and Behavioral Engagement.

Supervisors can directly impact many of the items associated with Workplace Conditions, which were shown to influence Psychological State Engagement. Defining expectations and clarifying the outcomes that are to be achieved are basic employee needs (Harter, Schmidt, Killham, & Asplund, 2006) and respondents agreed that they knew what was expected of them at work. Employees having access to the necessary materials and equipment is also important to maximize their productivity and efficiency

71

(Harter, Schmidt, Killham, & Asplund, 2006). Most of the respondents in this study agreed that they had the materials and equipment needed to do their work. Respondents also tended to agree with items related to mission and purpose, progress, and development encouragement. According to Harter et al. (2006), how employees are coached can influence their perception of their future with the company. Establishing a structured time to discuss progress, achievements, and goals is important for both parties. Buckingham and Coffman (2000) found the most important relationship an employee has at an organization is the relationship with their immediate supervisor. Overall, workplace conditions produced positive responses from most of the Concept Services, LTD employee respondents and supervisors should recognize their ability to impact this factor of employee engagement.

Based on the results, Concept Services, LTD employees expressed the highest level of agreement with items related to Trait Engagement. Respondents agreed that they were confident in their abilities, that they took initiative to get their job done, and that they were more proactive than reactive at work. Respondents also agreed that their supervisor would describe them as hard working, their friends viewed them as ambitious, and that their colleagues appreciated their resourcefulness. Relatively strong agreement with Trait Engagement items supported a proactive personality, autotelic personality, and conscientiousness as personality traits of Concept Services, LTD employees. Proactive personality was characterized by a general tendency to influence the workplace, and was correlated with sales success (Macey & Schneider, 2008). Autotelic personalities are open to new challenges, persistent, and ready to engage (Macey & Schneider, 2008).

72

Conscientiousness is displayed by industriousness and order, characterized by employees who were hard working, ambitious, confident, and resourceful (Macey & Schneider, 2008). Hiring managers have the ability to impact engagement from a personality trait perspective through their selection of new employees and the promotion and retention of existing employees.

Based on the data, hiring managers and immediate supervisors are most able to influence employee engagement via focusing on the factors of Trait Engagement and Workplace Conditions.

Conclusions

Defining expectations are a basic need for employees and therefore should be considered a basic responsibility for supervisors and managers to fulfill. Based on the results of this study, it appeared that Concept Services, LTD managers were clearly defining expectations and employees knew what was expected of them in their work. Concept Services, LTD managers also seem to be providing employees with the materials and equipment they need to do their work right. This is an important requisite to maximizing performance and efficiency, and it indirectly demonstrates to employees that their work is valued (Harter, Schmidt, Killham, & Asplund, 2006). Employee respondents in this study agreed that the mission of Concept Services, LTD makes their job important, thus signifying that management has been successful in helping employees see how their work relates and contributes to the purpose of the organization and its outcomes. Based on these results, employees tended to agree there was someone at work

73

who encouraged their development, and that managers were successfully providing opportunities for individual development.

Concept Services, LTD employees perceived themselves as conscientious, which is related to ambition, confidence, and resourcefulness. Results also revealed that respondents displayed proactive personalities, which has been shown to correlate with sales success (Macey & Schneider, 2008). Based on these results, respondents appear to be open to new challenges, persistent in fulfilling challenging tasks, and ready to engage, all of which are characteristics of autotelic personalities. Given that the respondent's perception of their personalities aligns with their mindset at work and their behaviors, Concept Services, LTD appears to hire candidates who are confident, resourceful, open to new challenges, persistent, and ready to engage; characteristics that have been shown to be important for sales roles.

Based on the results of this study, Concept Services, LTD employees appear to embrace a sense of dedication to their work. Dedicated employees strongly identify with their work because they experience it as meaningful, inspiring, and challenging (Schaufeli & Bakker, 2003). Respondents generally were somewhat neutral in regard to measures of absorption in their work. Absorption is characterized by being fully concentrated and happily engrossed in one's work, whereby, time passes quickly and one has difficulty detaching from their work. The results revealed that although respondents were dedicated to their work, they were less likely to be so fully immersed in their work that time passed quickly and they forget everything else around them.

Among Behavioral Engagement measures, Concept Services, LTD employees reported a strong sense of perseverance, even when things did not go well. This was the highest measure of vigor, while other measures of vigor suggested that respondents exhibited less energy, zest, and stamina while they were working.

Overall, the employee engagement questionnaire returned results that were generally skewed toward the agreement. Respondents in this study rated measures of the workplace on the higher end of the agreement scale, which reflects positively on organizational values, community, trust, and leadership. These results affirmed the conceptual model that placed Workplace Conditions as antecedent to Psychological State Engagement and Behavioral Engagement. Organizational leaders can directly influence this factor of employee engagement that precedes other factors by defining expectations, providing necessary materials and equipment, frequently recognizing good work, encouraging development, and connecting organizational mission to specific job roles.

Respondents also perceived their personalities to be conscientious and proactive which implies that Concept Services, LTD has been successful in hiring candidates who are willing to take initiative in their work and accept challenges. Respondents also revealed a strong sense of dedication, reflecting positively on organizational commitment within the Psychological State Engagement factor. Despite qualities of dedication and initiative, respondents were more neutral about being immersed in their work and their ability to detach from their work. This may imply that the employees may be developing feelings of burnout associated with their work, which may eventually lead to exhaustion, cynicism, and reduced professional efficacy (Schaufeli & Bakker, 2003). Thus, the

75

Behavioral Engagement results raised questions related to the duration with which employees can sustain high levels of work engagement. While other dimensions of employee engagement related to workplace conditions, personality traits, and psychological state may predict positive behavioral outcomes, sustaining high levels of engagement for long of periods of time may be difficult to achieve.

<u>Recommendations</u>

Leadership involves the ability to positively influence and cultivate a positive work environment conducive to high levels of engagement among employees. Concept Services, LTD immediate supervisors should understand that the relationship they have with their employees is the most important relationship regarding an employee's productivity and duration of employment within the organization (Buckingham & Coffman, 2000). Immediate supervisors should prioritize Workplace Conditions items that relate directly to the relationship between supervisor and employee. For example, immediate supervisors should continue support of employee requests for needed materials and equipment, and connect those requests to important business outcomes. The leadership team and Business Unit Directors should also strive to understand how each person prefers to be recognized, as employees rarely report that they suffer from too much recognition (Harter, Schmidt, Killham, Asplund, 2006).

Respondents tended to neither agree nor disagree that their fellow employees were committed to doing quality work. According to the Q^{12} Meta-Analysis (2006), "Managers can influence the extent to which employees respect one another by selecting

conscientious employees, providing some common goals and metrics around quality, and increasing associates' frequency of opportunity for interaction . . ." (p. 13). Results showed respondents perceived themselves as possessing qualities associated with a proactive personality, conscientiousness, and the autotelic personality. Concept Services, LTD should continue to seek to employ candidates with a proven history of qualities such as influencing their work environment, industriousness, open to new challenges, persistent in challenging tasks, and are ready to engage. Hiring managers are responsible for impacting Trait Engagement as a factor that is antecedent to Overall Engagement via selecting new employees and promoting current employees into the right positions.

Respondents generally expressed a sense of significance and dedication to their work, but tended to report less agreement with measures of vigor and absorption. Concept Services, LTD managers should be aware of potential burnout among the ranks of their employees. Managers can help reduce burnout through task variety, performance feedback, and performance based advancement opportunities.

Overall, for Concept Services, LTD to maximize Overall Engagement they should focus on the role hiring managers and immediate supervisors. The relationship between immediate supervisor and employees is the one variable that can be modified to affect change in employee engagement on an ongoing basis.

Implications

Multiple factors influence and contribute to overall employee engagement. Organizational leaders should recognize achieving and sustaining high engagement

77

among a high percentage of employees requires valuing each dimension of employee engagement described in this study.

Engaging employees is a continuous pursuit that begins with the recruitment process and continues throughout the term of the employment. Aligning the recruitment process to seek employee personality traits that have been shown to succeed in specific work roles may help predict work engagement, but other factors such as the work environment, access to materials and equipment, organizational policy, recognition, performance feedback, and professional development should be prioritized throughout the work envirnoment.

Organizations able to more fully engage their employees will experience a competitive advantage from a human capital perspective and reduce costs associated with outcomes such as employee and customer dissatisfaction and employee turnover.

Topics for Further Research

This study provides insight into how various dimensions of employee engagement influence overall employee engagement. Results from this study were based on a single organization in which employees worked in multiple office (i.e. campus) locations. Future research should replicate this study with other businesses that vary from Concept Services, LTD in terms of size, structure, and/or industry. Based upon findings of this study and limitations associated with this study, the following suggested topics for further research are offered:

1. To what extent is employee engagement related to various specific organizational outcomes (i.e. customer retention, employee retention, profitability)?

2. How are demographic characteristics related to the various dimensions of employee engagement?

3. Does employee engagement vary among the various layers of workers in the hierarchy of an organization?

4. What are the indicators of employee engagement that can be used in the employee selection and screening process?

Summary

Employee engagement has grown significantly as a construct since William Kahn first introduced personal engagement in the workplace in the 1990's. Kahn suggested that employee engagement was impacted by individual and contextual sources of meaningfulness, safety, and availability. Employee engagement has garnered scholarly attention, and research has evolved to identify other factors beyond Kahn's claims to influence employee engagement. This study was based upon research that found employee engagement to be a desirable condition comprised of attitudinal and behavioral components. This study measured workplace conditions, personality traits, psychological states, and behaviors as factors of employee engagement. Respondents in this study were generally skewed towards agreement regarding engagement, which suggests that Concept Services, LTD employee needs were being met and the employees felt a sense of dedication to the organization.

Organizations can utilize information resulting from this study to impact the recruitment process, work environments, training programs, and professional development opportunities. Knowledge about employee engagement, and the underlying factors, can lead to more successful recruitment and retention, thus ultimately leading to more desirable business outcomes and a competitive advantage for all types of businesses.

References Cited

Adkins, A. (2016). U.S. employee engagement reaches new high in march. Retrieved May 15, 2016, from http://www.gallup.com/poll/190622/employee-engagement reaches-new-highmarch.aspx

Adkins, A., (2015). U.S. employee engagement unchanged in november. Retrieved December 10, 2015, from http://www.gallup.com/poll/187595/employee-engagementunchanged-november.aspx

Anderson, A. R. (2015). The characteristics of a true leader. Retrieved November 2, 2015 from http://forbes.com/sites/amyanderson/2015/03/01/the-characteristics-of-a true-leader/#187b57a95bf7

Anitha, J. (2013). Determinants of employee engagement and their impact on employee performance. *International Journal of Productivity and Performance Management, 63,* 308-323.

Avolio, B. J., Walumbwa, F. O., & Weber, T. J. (2009). Leadership: Current theories, research, and future directions. *Annual Review of Psychology, 60,* 421-449.

Bass, B. M. (1990). From transactional to transformational leadership: Learning to share the vision. *Organizational Dynamics,* 19-31.

Batista-Taran, L .C., Shuck, M. B., Guiterrez, C.C., & Baralt, S. (2009). The role of leadership style in employee engagement. *Proceedings of the Eighth Annual College of Education & GSN Research Conference* (p. 15-20). Miami: Florida International University.

Bakker, W. & Leiter, M. (2010). *Work Engagement: A Handbook of Essential Theory and Research.* New York, NY: Psychology Press

Bennis, W. (1959). Leadership theory and administrative behavior. *Administrative Science Quarterly. 4.* 259-301.

Boon, S. D. & Holmes, J. G. (1991). The dynamics of interpersonal trust: Resolving uncertainty in the face of risk. *Cooperation and prosocial behavior (p. 190-211).* Cambridge: Cambridge University Press.

Boyne, G. (2002). Public and private management: What's the different? *Journal of Management Studies, 29,* 97-118.

Buckingham, M., & Coffman, C. (2000). *First, break all the rules: What the world's greatest managers do differently.* New York, NY: Simon & Schuster.

Budd, J. W., (2004). *Employment with a Human Face: Balancing Efficiency, Equity, and Voice.* New York: IRL Press.

Burroughs, S. M., Eby, L. T., (1998). Psychological sense of community at work: A measurement system and explanatory framework. *Journal of Community Psychology,26,* 509-532.

Careers. (n.d.). In *Concept Services, LTD.* Retrieved May 6, 2016, from http://www.conceptservicesltd.com/careers/

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

Crant, M. J., Seibert, S. E., & Kraimer, M. L. (1999). Proactive personality and career success. *Journal of Applied Psychology, 84,* 416-427.

Day, D. V. & Antonakis, J. (2012). *The nature of leadership.* SAGE.

Dose, J. J. (1997). Work values: An integrative framework and illustrative application to organizational socialization. *Journal of Occupational and Organizational Psychology, 70,* 219-240.

Finegan, J.E. (2000). The impact of person and organizational values on organizational commitment. *Journal of Occupational and Organizational Psychology, 73,* 149-169.

Ghafoor, A., Qureshi, T. M., Khan, M. A., & Hijazi, S. T. (2011). Transformational leadership, employee engagement, and performance: mediating effect of psychological ownership. *African Journal of Business Management, 5,* 7391 -7403).

Harter, J. K., Schmidt, F. L., & Keyes, C. L. (2002). Well-being in the workplace and its relationship to business outcomes: A review of the gallup studies. In Keyes, C. L. & Haidt, J., *Flourishing: The Positive Person and the Good Life* (pp. 205- 244).Washington DC: *American Psychological Association.*

Harter, J. K., Schmidt, F. L., Killham, M. A., & Asplund, M. A. (2006). Q^{12} Meta Analysis. Omaha, NE. The Gallup Organization.

Macey, W. H., & Schneider, B. (2008). The meaning of employee engagement. *Industrial and Organizational Psychology, 1,* 2-20.

Maslach, C., Schaufelli, W. B., & Leiter, M. P. (2001). Job burnout. *Annual Review of Psychology,* 49, 24-33.

Mone, E., Eisinger, C., Guggenheim, K., Price, B., Stine, C. (2011). Performance management at the wheel: driving employee engagement in organizations. *Journal of Business and Psychology, 26,* 205-212.

The Impact of Employee Engagement on Performance (2013). Retrieved September 14, 2015, from https://hbr.org/resources/pdfs/comm/achievers/hbr_achievers_report_sep13.pdf

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

Kahn, W. A. (1992). To be full there: Psychological presence at work. *Human Relations, 45,* 321-49.

Kellen, V. (2003). Business performance measurement: At the crossroad of strategy, decision-making, learning and information visualization. Retrieved November 10, 2015 from www.kellen.net/bpm.htm

Kouzes, J. & Posner, B. (2012). *Leadership Challenge, fifth edition: How to Make Extraordinary Things Happen in Organizations.* John Wiley And Sons.

Lebas, M. & Euske, K. (2002). A conceptual and operational delineation of performance. (in Business Performance Measurement: Theory and Practice). Neely. editor. Cambridge University Press.

Lewicki, R. J., Bunker, B. B. (1995). Developing and maintaining trust in work relationships. *Trust in Organizations: Frontiers of Theory and Research.* (114-120). Thousand Oaks, CA. SAGE Publications, Inc.

Powell, W. & Steinberg, R. (2006). *The nonprofit sector: A research handbook.* New Haven: Yale University Press.

Ram, P., & Prabhakar, G. V. (2011). The role of employee engagement in work-related outcomes. *Interdisciplinary Journal of Research in Business, 1,* 47-61.

Richard, R. J., Devinney, T. M., Yip, G. S., & Johnson, G. (2009). Measuring organizational performance: Towards methodological best practice. *Journal of Management, 35, 719-804.*

Schaufeli, W. B. & Bakker, A. B. (2003). Utrecht work engagement scale. *Occupational Health Psychology Unit Utrecht University.*

Schaufeli, W. B., Bakker, A. B., Salanova, M. (2006). The measurement of work engagement with a short questionnaire. *Educational and Psychological Journal, 66,* 701-716.

Wiley, J. W. (2010). The impact of effective leadership on employee engagement. *Employment Relations Today, 10,* 47-52.

Appendix A: Survey Instrument

Employee Engagement Survey Questionnaire

The following statements are used to measure your level of engagement in your work. Please read each statement carefully and circle the response that reflects your level of agreement, where: 1 = Strongly Disagree, 2 = Disagree, 3 = Neither Agree or Disagree, 4 = Agree, and 5 = Strongly Agree

Statement	Strongly Disagree	Disagree	Neither Disagree or Agree	Agree	Strongly Agree
1. I find my work full of meaning and purpose.	1	2	3	4	5
2. I feel strong and vigorous when I am working.	1	2	3	4	5
3. I am enthusiastic about my job.	1	2	3	4	5
4. My job inspires me to do my best.	1	2	3	4	5
5. I feel happy when I am working intensely.	1	2	3	4	5
6. I am proud of the work that I do.	1	2	3	4	5
7. My job is challenging to me.	1	2	3	4	5
8. I get carried away when I am working.	1	2	3	4	5
9. I am physically energized when I am at work.	1	2	3	4	5
10. Time passes quickly when I am at work.	1	2	3	4	5
11. When I am working, I forget everything else around me.	1	2	3	4	5
12. When I get up in the morning I feel like going to work.	1	2	3	4	5
13. I can continue working for long periods of time.	1	2	3	4	5
14. I find it difficult to detach myself from my job.	1	2	3	4	5
15. I always persevere at my job even when things do not go well.	1	2	3	4	5
16. My colleagues perceive me as conscientious.	1	2	3	4	5
17. My supervisor would describe me as hard working.	1	2	3	4	5
18. My friends view me as ambitious.	1	2	3	4	5
19. I am confident in my abilities.	1	2	3	4	5
20. My co-workers appreciate my resourcefulness.	1	2	3	4	5
21. I am a more proactive, than reactive person.	1	2	3	4	5
22. I often take the initiative to get a job done.	1	2	3	4	5
23. I know what is expected of me at work.	1	2	3	4	5
24. I have the materials and equipment I need to do my work.	1	2	3	4	5
25. In the last seven days, I have received recognition or praise for doing good work.	1	2	3	4	5
26. There is someone at work who encourages my development.	1	2	3	4	5

27. The mission or purpose of my company makes me feel my job is important.	1	2	3	4	5
28. My associates or fellow employees are committed to doing quality work.	1	2	3	4	5
29. In the last six months, someone at work has talked to me about my progress.	1	2	3	4	5

Demographic Information

1. Number of years in current position: _____

2. Total years employed in organization: _____

3. Total years of work experience: _____

4. Current employment status: ☐ Part-time   ☐ Full-time

5. Highest level of education:

☐ High School

☐ Associates

☐ B.S./B.A.

☐ M.S./M.A.

☐ Doctorate/Professional

6. Work related professional certification(s) (please specify)

_____

7. Gender: ☐ Male   ☐ Female

8. Current marital status: ☐ Single   ☐ Married   ☐ Other