A CRITICAL REVIEW OF LITERATURE ON EMPLOYEE ENGAGEMENT CONCEPT

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ABSTRACT

Employee engagement has continued to receive increased attention in the recent past. Interest in this concept has been encouraged by the fact that it is not just enough for employee to report to work but also to be passionate about the work. Studies have also shown that when employees are engaged their productivity increase. This study carries out a critical review of literature on employee engagement concept in order to establish both conceptual and empirical gaps.

Key words: Employee Engagement, Leadership, Social Support, Job Characteristics, Communication

1. BACKGROUND OF THE STUDY

Employees are considered as an important resource in any organization. Globally there has been an increase in talent war and therefore each organization has to ensure that apart from attracting the best talent they are able to retain these talented employees. Retaining employees in an organization is however also not enough as one may have the best talent but the employees may not be passionate about their work.

Pandita and Bedarkar (2014) notes that one of the toughest challenges facing Chief Executive officers (C.E.Os), Human Resources (HR) and business leaders of many organizations is to ensure that when their employees report to work every day they not only do it physically but mentally and emotionally. This means that organization must ensure that their employees are engaged so that they are able to contribute positively towards achieving the organizational goals.

Kahn(1990) who is considered as the father of employee engagement movement defines it as “harnessing of organization members’ selves to their work roles; in engagement people employee and express themselves physically, cognitively and emotionally during role performances”(pg 694). By this Kahn implied that an employee has to be present both physically and psychologically when performing organizational roles.

Meere (2005) describes three levels of engagement: a) Engaged-Employees who work with passion and feel a profound connection to their organization .They drive innovation and move the organization forward. b) Not engaged- employees who attend and participate at work but are time serving and put no passion or energy into their work and, c) Disengaged –employees who are unhappy at work and who act out their unhappiness at work. According to Meere (2005) these employees undermine the work of their engaged colleagues every time. It is therefore important for an organization to assess the levels of engagement of its employees so that they can take the necessary intervention to boost morale and productivity of their employees.

Several studies have confirmed that there is actually a relationship between employee engagement and organization performance. For example study by Tower, Perin, USA (2003, 2007) linked the same to customer impact and financial results, Harter, Schmidt and Hayes (2002) showed a link to productivity and profitability while a recent Kroth and Boverie (2013) noted that engaged employees are passionate about their work which results to excitement, enthusiasm and productivity.

Though there is this link between employee engagement and organization performance, studies have
also shown that in most organizations, only a few employees are actually engaged. A study by Gallup in different parts of the world on level of engagement provides an alarming scenario of low engagement levels in different countries. For example, Gallup (2004) revealed the following: in Thailand only 12% of the employees were engaged while 82% were actively disengaged and 6% disengaged. In Australia, China, Japan, New Zealand and Singapore similar Gallup studies have found the levels of engagement to be 18%, 12%, 9%, 7%, and 9% respectively (as cited in Kular et al. 2007). A recent study by a global consulting firm found that four employees out of ten are not engaged worldwide (AON Hewitt Report 2012).

This statistics show need for organization to look at employee engagement with a lot of weight since boosting employees’ engagement levels can give an organization a competitive advantage over the others. There is therefore need to identify the key drivers of employee engagement and initiate necessary interventions in order to improve engagement levels among the employees.

2 LITERATURE REVIEW

Though there are many factors that influence employee engagement this study paper reviews a few from previous researches. Factors discussed are leadership, social support, communication and job characteristics

2.1 Leadership

Ologbo and Saudah (2011), note that employees need to be confident with their organization and this confidence can be built through reliability of the leadership. Trust in leader, support from the leader, and creating a blame-free are considered as components of psychological safety, a condition proposed by Kahn, which leads to employee engagement (Xu and Thomas Cooper, 2010).

A study by Papalexandris and Galanki (as cited in Pandita and Bedarkar 2014) identified two factors that are positively linked with engagement namely, management and mentoring behaviors such as imparting confidence to followers, power sharing, communication, providing role clarification and articulation of vision which could be characterized as inspirational, visionary, decisive and team-oriented. Men (2015) notes that although studies have revealed significant effects of authentic leadership on employee engagement, these effects are usually mediated by factors such as employee-organization relationships, internal reputation, and transparent communication.

2.2 Social support

Social support refers to support employee get from colleagues and supervisors. Social support from colleagues and supervisors has been found to have a positive association with engagement (Ologbo and Saudah, 2007, Schaufeli and Salanova, 2007). It has also been found that supportive colleagues and proper feedback from supervisors increases the likelihood of being successful in achieving work goals (Bakker and Demerouti, as cited in Sakovska, 2012). Schaufeli and Bakker (2004) assert that social support satisfies employees’ need to belong.

Study by Kahn (1990) suggested that supportive and trusting interpersonal relationships as well as supportive management promoted psychological safety. It revealed that employees feel safe in work environments that are characterized by openness and supportiveness. Supportive environment according to Kahn (1990) allows members to experiment and to try new things and even fail without fear of consequences. May et al. (2001) found that supportive supervisor relation was positively related to psychological safety.

According to Ram and Prabhakar (2011), two variables that are likely to capture the essence of social support are perceived organization support and perceived supervisor support. Perceived organizational support (POS) refers to the employees’ beliefs that an organization values their contributions and cares about their well-being (Rhoades and Eisenberger, 2002). Kahn (1990) asserts that the amount of support and care employees’ perceive to receive from organization influences their psychological safety, and enables them to employ their selves without fear of negative consequences.

Rhoades’ et al. (as cited in Ram and Prabhakar 2011), note that POS make employees feel obligated to help organization reach its objectives. This feeling of having an obligation towards the organization leads to increased engagement. However, they suggest that in order for the organization to benefit from this feeling of obligation then the organization needs to establish a context in which this obligation becomes a favorable relationship with the organization.

Perceived supervisor support refers to the way employees feel about the help they get from their supervisors. Rhoades and Eisenberger (2001), state that because employees tend to view their supervisor orientation toward them as indicative of the organization support. Therefore perceived supervisor support is likely to be an important predictor of employee engagement (Ram and Prabhakar, 2011). Maslach et al. (2001) found that a lack of supervisor
support was an important factor linked to burnout. Though studies have shown connection between social support and engagement, study by Saks (2006), did not find a significant connection between perceived supervisor support and employee engagement.

2.3 Communication

Internal communication is an organization practice, which effectively conveys organizational values to all employees and thus, obtains their support in reaching organizational goals (Pandita and Bedarkar, 2014). Ologbo and Saudah (2011) note that employees need clarifications if they are to do their work well while Hakanen et.al. (2006) indicate that availability of information was positively related to engagement, as access to information increases the chances that the task at hand will be completed successfully and that work goals will be achieved. However a study by Men (2015) revealed that contrary to expectation, transparent communication did not directly and significantly influence engagement. Such effects were fully mediated by employee-organization relationships and internal reputation. Men (2015) concluded that, by nurturing quality employee-relationships, transparent communication indirectly drives employee engagement.

According to Thomas and MacDiarmid (as cited in Cawe 2006) organizational structure and reporting roles need to reinforce openness and dialogue with easy access to tools and forums where employee are listened to without fear of reprisal. They further posit that employees that step tentatively into this dialogue for the first time need to be rewarded with action by management, respect for their input as well as with a follow up in each and every moment.

2.4 Job characteristics

Kahn (1990) posited that psychological meaningfulness can be achieved from task characteristics that provide challenging work, variety allow the use of different skills, personal discretion and the opportunity to make important contributions. Kahn (1992) also states that employees, who are involved in jobs which are high on the core job characteristics, are more likely to be engaged.

Castellano (2015) notes that employees react positively to five core dimensions: skill variety, task identity, task significance, autonomy, and feedback. He further states that there is evidence from research that employees who work in jobs high in these dimensions show high work motivation, satisfaction and attendance. Job enrichment has been found to positively related to meaningfulness, and that meaningfulness, mediated the relationship between job enrichment and engagement (May et.al., 2004).

In conclusion it is important to note that the factors that influence employee engagement vary from region to region and from sector to sector and from time to time. It is therefore important that the organizations identify which factors specifically need to be addressed in their specific organizations. Thorten (as cited in Cawe 2006) notes that there are many factors influencing engagement and they differ from one company to another and therefore, in order for engagement to be successful, it must be tailored to the objectives and culture of each organization.

2.5 Theoretical framework

This study relates employee engagement concept to three theories namely Self determination theory, Social exchange theory and Job demand model.

2.5.1 Self Determination Theory (SDT)

The self determination theory (SDT) was developed by researchers Edward L. Deci and Richard M. Ryan in 1985. SDT identifies two forms of motivation that is intrinsic motivation and extrinsic motivation. Intrinsic motivation refers to doing an activity for its own sake out of enjoyment and interest while extrinsic motivation refers to doing an activity for instrumental reasons (Meyer and Gagne’ 2008). According to SDT, extrinsic motivation can reflect a desire to gain rewards or avoid punishment (external regulation), boost ones ego or avoid feelings of guilt (introjections), attain a valued personal goal (identification) or express one sense of self (integration).

Identification and integration together with intrinsic motivation are considered forms of autonomous regulation. External regulations together with introjections are considered forms of controlled regulation. According to Deci and Ryan (2000), autonomous regulation has been demonstrated to lead to higher levels of performance, persistence, initiative and creativity. Meyer and Gagne’ (2008), assert that the concept of autonomous regulation overlaps with Macey and Schneider conceptualization of state engagement (satisfaction, involvement, and empowerment), and that the behavioral outcome associated with autonomous regulation, corresponds with what Macey and Schneider (2004) describe as behavioral engagement (extra role behavior, proactivity, role expansion).

According to SDT, the key to autonomous regulation is satisfaction of basic psychological needs for competence, autonomy and relatedness. Need satisfaction is an important mediator in the relation between environmental influences e.g. job
characteristics, leadership and autonomous regulation (Gagne’ and Deci, 2005).

Meyer and Gagne’ (2008), note that SDT helps to explain not only engagement but also the psychological states and behavioral reactions that can result in the absence of engagement. This is because people often react to loss of autonomy by rebelling against the source (Koestner and Losier, 1996). Meyer and Gagne’ (2008) posit that for many years, SDT has been used to guide the measurement of engagement relevant variables e.g. need satisfaction, motivation states, psychological and behavioral outcomes. They assert that SDT can be readily applied in the development of measures of the various facets of engagement identified by Macey and Schneider (2004), (i.e. trait, state, behavior,) as well as other foci of engagement (e.g. job, organization).

Meyer and Gagne’ (2008), state that SDT provides a theoretical explanation for consequences of mismanagement of engagement for instance, efforts to build engagement that threaten rather than satisfy needs, (e.g., by challenging employees beyond their current level of competence or requiring commitment that interferes with relationships).

2.5.2. Social Exchange Theory (SET)

Social exchange theory (SET), evolved from Thorndike’s (1932, 1935) reinforcement theory and Mill’s marginal utility theory (1923). It arose out of the philosophical traditions of utilitarianism, behaviorism, and neoclassical economics. Early SET arose out of the work of sociologists (Blau, 1964; Homans, 1961; Thibaut & Kelley, 1959) who focused on the rational assessment of self-interest in human social relationships.

SET stipulates that obligations are generated through a series of interactions between parties who are in a state of reciprocal interdependence (Kular et. al., 2008). A basic principle of SET is that relationships evolve overtime into trusting, loyal and mutual commitments as long as the parties abide by certain rules of exchange (Crospranzano and Mitchel, 2005). Such rules tend to involve reciprocity or repayment rules, so that the action of one party leads to a response or action by the other party. Crospranzano and Mitchel (2005) further note that Social exchange theory suggests that individuals who perceive the presence of reciprocity in their social relationships are more likely to feel satisfied with and maintain such relationships.

Robinson et.al. (2004) indicated that employee engagement is a two way nature of relationship, whereby the organization works on engaging the employees who respond by choosing the level of engagement to offer back. Therefore employee engagement has its explanation in SET since it represents a reciprocity or two way relationship. Schaufeli (2013) states that when employees receive particular resources from their organization (e.g., decent pay, recognition, opportunities of development) they tend to respond in kind and repay the organization.

Saks (2006) therefore suggests that one way for individuals to repay the organization is through engagement. That is employees’ engagement levels will depend the resources they receive from the organization. Schaufeli (2006) posit that when the organization fails to provide these resources, individuals are more likely to withdraw and disengage themselves from their roles, which eventually might result in burn out.

2.5.3. The Job Demand Resources Model

Schaufeli, (2013), notes that many studies on work engagement have used the Job-Demand Resources Model (JD-R Model) as an explanatory framework. This model was established by Demerouti, Bakker, De Jonge, Janssen and Schaufeli (2001a)

The JD-R Model assumes that work engagement results from inherently motivating nature of resources, whereby two types of resources are distinguished; Job resources, which are defined as those aspects of the job that are functional in achieving work goals, reduce job demands , or stimulate personal growth and development.(e.g., performance feedback, job control and social support from colleagues )

Personal resources , which are defined as those aspects of the self that are associated with resiliency and that refer to the ability to control and impacts one’s environment successfully (e.g., self efficacy ,optimism ,and emotional stability). According to the JD-R Model, resources energize employees, encourage their persistence, and make them focus on their efforts. That is resources foster engagement in terms of vigor (energy), dedication (Persistence), and absorption (focus) (Schaufeli, 2013).

JD-R Model also assumes that in its turn engagement results to positive outcomes such as job performance .JD-R Model, posit that work engagement mediates the relationship between job and personal resources on the one hand and positive outcomes on the other (Schaufeli ,2013).

JD-R Model also postulates that when the resources are poor this may lead to burnout. Therefore there is need for organizations to ensure that relevant resources are available to employees in order to avoid burn outs. According to this model strenuous job demand would also lead to burn out. The JD-R model
also shows that job demands might increase work engagement. However Schaufeli (2013), notes that this is only true for those job demands that have the potential to promote mastery, personal growth, learning and goal attainment.

2.6 Empirical Review

From the review of literature, most studies on employee engagement have looked at the level of engagement among employees, factors influencing engagement and relationship between engagement and organizational outcomes. This paper has sampled empirical studies on engagement for the last ten years.

Cawe (2006) studied the factors influencing employee engagement. This study found out that employee engagement strategy, the culture of engagement, leadership and management, talent mindset, communication and knowledge sharing and organization reputation and branding as important factors influencing employee engagement in South Africa.

Ram and Prabhakar (2011) did a study on the role of employee engagement in work-related outcomes. This study confirmed the relationship between employee engagement and perceived organizational support, perceived supervisor support, total rewards, and perception of distributive justice.

A study by Sakovska (2012) looked at importance of employee engagement in business environment. This study was interested to find out the levels of engagement and the factors that hinder engagement the study found out that low level of engagement was contributed by low perceived organizational support, low perception of procedural justice and poor communication.

The three studies focused on identifying the factors affecting engagement. The findings by Ram and Prabhakar (2011) and Sakovska (2012) were similar however the latter had an additional factor of total rewards. On the other hand study by Cawe (2006) had identified other factors which are talent mindset, knowledge sharing, and organization reputation and branding which the two studies did not focus on. These three studies focused only on the direct effects of the factors on engagement but did not consider either mediating or moderating effects on engagement.

Bakar (2013) study focused on three concepts i.e. empowering leaders’ behavior, high performance work practices and role of religiosity on engagement. One important aspect of this study was its multi level approach on studying engagement that is studying it at individual, organizational and societal levels. The study was also interested in finding the whether religiosity plays a moderating role between empowering leadership behavior and employee engagement. The study found out that empowering leader’s behavior has the highest effect on employee engagement. High performance work practices were positively related to engagement and religiosity particularly among Muslims had positive effect on engagement. The study also found out that religiosity moderated the relationship between empowering leadership behavior and engagement. The findings also revealed that religiosity does not moderate the relationship between high performance work practices and employee engagement.

Kangure, Wario and Odhiambo (2014) study focused on the relationship between job characteristics (job clarity, job autonomy, job significance and job performance) and employee engagement. The study results revealed that job clarity, job autonomy, job significance and job performance, have a positive significant relationship with employee engagement. The overall results also revealed that job characteristics explain 95.2% of employee engagement among state corporations in Kenya. This study only focused on direct relationship between the variables under study.

Men (2015), study was concerned with how employees engagement is associated with other outcome variable of employee - organization relationships and how it is driven by organizational contextual factors of authentic leadership and transparent communication. This study looked at both direct and indirect effects of authentic leadership and transparent communication on engagement. The study found out that engagement is positively influenced by quality employee – organizations relationships (i.e. employee trust, control, mutuality, commitment and satisfaction). It also found out that the effects of transparent communication and authentic leadership on engagement were mediated by employee – organization relationships and internal reputation.

The study by Bakar (2013) and Men (2015) imply that apart from factors that directly influenced engagement there are also other factors that influence engagement indirectly and therefore need to conduct studies which consider also moderating/mediating effects.

Oduo and Gatunga (2015) did a study focusing on effects of teamwork and perceived organization support on media industry. The study findings revealed a positive effect of team work and perceived organizational support on engagement. The study also found that there was no clarity on the nature/levels of work engagement, teamwork and
perceived organizational support in the media houses. The study focused only on the direct relationship between engagement team work and perceived organizational support.

3 RESEARCH METHODOLOGY

The studies reviewed mostly used either qualitative, quantitative or mixed method. Data collection techniques mostly used was questionnaires while those who used both questionnaires and interviews. The researcher proposes the need to combine the two instruments in order to compare the results. In sampling methods there those studies that used non probability sampling. The researcher proposes need to used probability sampling in order to avoid biasness.

3.1 Summary of Conceptual and Empirical Gaps

3.2 Proposed Conceptual Framework

Following the literature review the researcher was able to identify the following gaps which he intends to fill. Firstly, all the researches reviewed did not have both mediating and moderating variables. The researcher therefore proposes to include the two in his conceptual framework.

Secondly, the concept of religiosity was studied by Bakar (2013) in a Muslims dominated country the researcher intend to study the same variable in a context where Muslims are not dominant to see whether it will still affect employee engagement positively.

Thirdly all the researches reviewed collected data either from the management/ professionals or from employees. The researcher therefore proposes to include all relevant stakeholders as respondents.

4 CONCLUSION AND RECOMMENDATIONS

From the reviewed literature it has been noted that conceptualizations of employee engagement vary depending on the perspective that one is taking. A proper conceptualization is necessary to enable appropriate interventions in order to boost levels of employee engagement in organizations.
Since factors affecting employee engagement may be different from one organization/industry to the other and from one country to the other it is important that specific studies are conducted in those contexts in order to provide tailored solutions. It is also evident that some factors may affect engagement directly or indirectly and therefore making it necessary for studies geared towards identifying direct and indirect effects are done in order to ensure right interventions are undertaken.

REFERENCES


