

Employee engagement and the impact on productivity in a South African FMCG company

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Abstract

Disengaged employees typically cost corporations an estimated \$350 billion annually. The negative effects on productivity could be caused by negative interpersonal behaviours that lower employee engagement. It was found that only thirteen percent (13%) of worldwide employees are fully engaged at work. In addition, twice as many are so disengaged that this negative behaviour is spread to other employees. Alternatively, leaders who incorporate strategic employee engagement behaviours experience higher employee productivity, further reinforcing the notion that organisational productivity is largely determined by employees' efforts and levels of engagement. Cost of disengaged employees in the South African context has not been determined. It can be safely stated that with productivity levels being amongst the worst in developing economies, disengaged employees are costing the economy a substantial amount of money, which translates to over-priced products, which in-turn leads to un-competitiveness. In this challenging operational environment in South African organisations, getting employees to willingly move in a unified direction is not an easy task. Moreover, getting them to remain engaged to the task at hand, is even more challenging. This study uses a case study methodology to evaluate employee engagement in a fast-moving consumer goods environment. The results show a high correlation of employee engagement with successful, sustainable and productive organizations. This in-turn forms the foundation for organizations to leverage human capital into a truly competitive advantage. Disengaged employees negatively affect productivity and overall organizational performance. Therefore, employers can undertake to create an environment that invariably fosters and stimulates employee engagement.

Keywords

Employee engagement, productivity, FMCG, operational

1. Introduction

The company that forms the focal point of this research has manufacturing facilities that are a mixture of high mechanisation and manual operations. The organisation spent a substantial amount of capital on securing best in class equipment to effectively remove the barriers of entry into this specific market segment. The distribution facilities, on the other hand, are extremely labour intensive with most tasks being executed manually. The company operates in a highly unionized environment with some sites having up to three unions. The manufacturing facility in Gauteng is the flagship site and houses their largest chilled and ambient distribution centre and the second largest production facility in the group.

1.1 Problem statement

Nwannebuife (2017) argues that most businesses and organizations have failed to recognize the importance of engagement and motivation as factors that enhance or improve employee performance as well as organizational productivity levels. They go hand in hand with intrinsic factors such as employee well-being, relationships with co-workers, relationships with managers and organizational policies, or extrinsic factors such as training and development, good working conditions, compensation and career advancement. Green (2016) defines productivity as a ratio to measure how well an organization converts input resources such as labour, materials, machines and money into goods and services. In the context of the above argument, the Clayville site has seen a steady decline in productivity over the last three years. This has been accompanied by an increase in the operational cost which has invariably affected organizational profitability. A key financial productivity indicator used by the company is called cent per litre. It basically takes the fixed cost of operation and divides it by the volume produced for the corresponding period.

1.2 Main aim of the study

The aim of the study is to evaluate employee engagement and the impact on productivity at a South African Fast-Moving Consumer Goods Company. This will be achieved through utilizing validated research instruments to assess whether a positive relationship exists between employee engagement and productivity. This will create a platform for robust debate amongst senior management to internalize the findings and for leaders to explore mechanism to improve the engagement of their followers and in so doing, improve productivity and bottom-line performance.

1.3 Objectives of the study

- i. To assess the current levels of engagement among employees at the company's Gauteng operation.
- ii. To determine the impact of engagement on employee productivity.
- iii. To make recommendations to the organization and other relevant stakeholders on mechanisms to improve employee engagement.

2. Literature Review

2.1 Factors Influencing and Driving Engagement

According to Patro (2015) recruitment and selection is an important first step and refers to the entire on-boarding process for new employees joining the organisation. This is invariably the first impression that employees have about the company and sets the tone for future engagements. The levels of professionalism, structure and approach will also give an indication of organisational culture. At this very early stage, organisational fit can be determined. Van Heerden (2015) argues that job demands can also include situational factors such as role ambiguity, role conflict, stressful events, heavy workload and work pressure, pressure to make critical and immediate decisions, being assigned more responsibility, and a requirement to meet specific deadlines.

Van Heerden (2015) argues that specific job characteristics and design can contribute to the individual's understanding of the meaning of their work, thereby increasing feelings of responsibility and knowledge of work which contribute to engagement. In addition, the design of the job related to skills variety and autonomy are also important determinants of organisational commitment. According to Patro (2015), job design is yet another factor that invariably influences engagement. It refers to the structure of the job in terms of content, methods and relationships of the job in order to meet organisational objectives. It effectively involves integrating job responsibilities or content and certain qualifications that are required to perform the task effectively. In addition, it clearly outlines responsibilities and also assists in attracting the right candidates to the right job.

According to Patro (2015), career development opportunities is also considered an integral driver of employee engagement. It refers to the opportunities that employees have to further their career aspirations within the company. It could include growth in their current profession, but also touches on areas outside the employees' primary job function. This however still needs to be aligned to organisational strategy. Van Heerden (2015) argues that employees will be more engaged in their work if it is perceived that the organisation is providing opportunities to enhance their skills and abilities, and to manage their careers. Changes in professional development opportunities are positively associated with an increase in employee engagement.

Kular, Gatenby, Rees, Soane and Truss (2008) found career development has the ability to influence employee engagement levels by providing employees with opportunities to develop their abilities, acquire new skills and gain knowledge to ultimately realise their potential. Managers striving to create a clear career path and attainable goals, create a positive appreciation within each team member.

Patro (2015) is critical in the view that leadership is probably one of the pillars of having an engaged workforce and is seen as an enabler to employee engagement. Transformational leadership often creates the environment that automatically fosters high levels of commitment, dedication and most importantly, discretionary effort on the part of employees, which in essence drives engagement. Van Heerden (2015) posits that the relationship with management drives employee engagement and refers to the overall organisational support and speaks to managerial support, social support, communication, role clarity, and participation in decision- making.

Singh (2016) lists the following as key drivers of engagement:

- Trust & integrity between the employee and the organisation
- Nature of the job
- Line of sight between employee performance and company performance
- Career growth opportunities being provided to the employees
- Pride about the company
- Behaviour of the co-workers or team members
- Employee development
- Recognition to the employee with the notion that not all the employees are motivated by money

Govindappa and Manjula (2015) claim that work-life balance is also viewed as a key driver of employee satisfaction. Adequate attention to engagement strategies will increase the organizational effectiveness in terms of higher productivity, profits, quality, customer satisfaction, employee retention and increased adaptability. Patro (2015) claims that job Satisfaction was initially thought off as being the same as engaged, subsequent literature has shown otherwise. Job satisfaction refers to the feeling of contentment or a sense of accomplishment which an employee derives from their job.

Patro (2015) claims that communication refers to the platforms and levels of communication within the business environment that keeps all employees abreast of what is transpiring in the organisation. This element links closely to transparency and no employee wants to associate themselves with an organisation that is not transparent. With the advent of social media, these platforms form an integral part of an organisations communication strategy. By focusing on the above elements, organisations can harness the power of their employees to improve the overall performance and productivity.

Benefits of Engaged Employees

Employee engagement can be achieved through the creation of an organisational environment where positive emotions such as involvement and pride are encouraged, thus resulting in improved organisational performance, lower employee turnover and better health (Sarangi and Nayak 2016). High engagement leads to higher financial performance, productivity, customer satisfaction and lower manpower turnover. Employee engagement is a critical part of organisational success. The impact of engagement or disengagement can manifest itself through productivity, organisational performance, outcomes for customers, employee retention rates and organisational culture. In view of the current competitive talent markets, business leaders have appreciated that a highly engaged workforce can ensure

an organisation realizes an increase in innovation, productivity and bottom-line performance while reducing costs related to hiring and retention. Employees that are devoted, capable and engaged are a priceless asset in an organisation, especially in the context of the global market. Business leaders know that having a high-performing workforce is essential for growth and survival and have recognized that an extremely engaged workforce can increase innovation, output and performance (Taurus, 2015).

With organizations increasingly forced to do more with less, tapping into the discretionary effort offered by engaged employees becomes important for business success. Engaged workers perform better because they are proactive, set higher goals, are intrinsically motivated, show pro-social behaviour, experience positive emotions and are healthy. Employee engagement is one of the fundamental keys to organizational success. It is not employee happiness or employee satisfaction as often misunderstood by most managers. A happy and satisfied employee will not guarantee improved performance at the workplace. Engaged employees are motivated to contribute to organizational success and are able at the same time to enhance their own sense of well-being. By doing so, they tend to pass this behaviour onto their teams, which invariably uplifts the entire workforce (Taurus, 2015).

2.2 Dimensions of Engagement

Taurus (2015) states that engagement has a number of dimensions and it's important for employers to understand the different dimensions of engagement in different parts of their business. The four dimensions of employee engagement are:

Physical - The physical dimension of engagement is manifested by the exertion of effort by employees in their jobs. A conceptualization of the exertion of energies into one's role that captures Khan's physical dimension is that of effort. Effort has been associated with duration, intensity and direction.

Cognitive – The cognitive dimension of employee engagement is manifested by the investment of personal energies. Research shows that cognitive labour manifest in two ways, namely. attention and absorption. The needs of businesses to maximize the inputs of employees have also contributed to the interest in engagement.

Affective - In the affective dimension of employee engagement, employees are engaged in their role and exhibit behaviours that indicate their investment of personal energies and emotions. The highest investment of personal energies into role performance is one that involves emotions and at this level, individuals are fully present in their task through an emotional connection between themselves and their work.

Behavioral – states that an individual's emotional experience at work often results from feelings of enthusiasm, pride and hostility. It also suggests that organizations can improve employee engagement by focusing on the behaviours of employees.

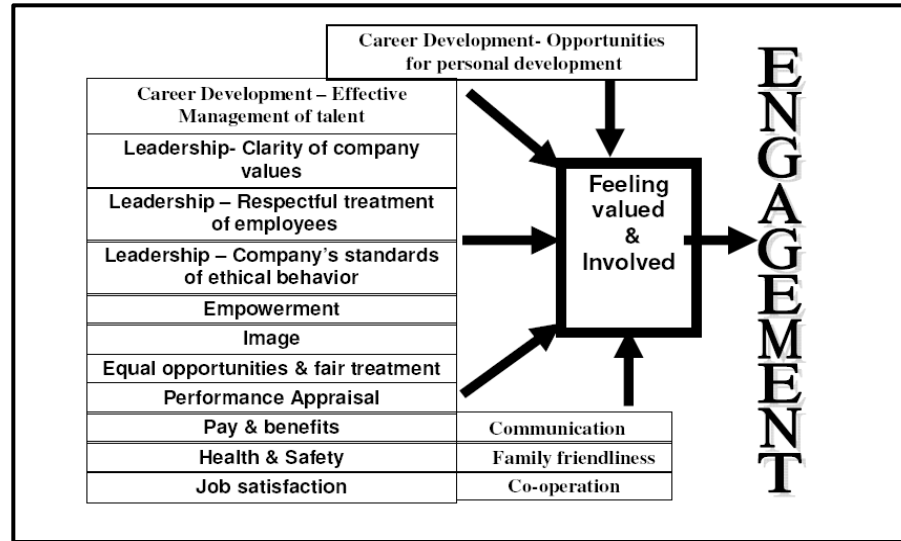


Figure 1 Dimensions of Employee Engagement
Source: Kumar (2012)

Figure 1 above reflects Kumar's (2012) view on the fifteen dimensions of engagement. Once again, the view is that when addressed collectively, it leads to employees feeling their contributions are valued, which in-turn leads to high levels of engagement.

2.3 Productivity

Loke (2001) defines productivity as the contribution made towards an organization's end result in relation to the amount of resources consumed. It measures both quantitative and qualitative factors such as goal attainment and work accomplished. Agarwal and Adjirackor (2016) state productivity is about how well people combine resources such as raw materials, labour, skills, capital, equipment, land, intellectual property, managerial capability and financial capital to produce goods and services. Bhatti and Qureshi (2007) argue that productivity can be seen as a measure of performance that encompasses both efficiency and effectiveness. It can also be referred to as the ratio of output or production capacity of the workers in an organization. It is the correlation that exists between the quantity of inputs and outputs from a clearly defined process.

Productivity can be referred to as the quantity of work that is attained in a unit of time by means of the factors of production. These factors include technology, capital, entrepreneurship, land and labour. It is the link between inputs, outputs and increases when an increase in output occurs with a lesser than comparative increase in input. It also occurs when equal amount of output is generated using fewer inputs (Nwannebuife, 2017).

Chase (2007) states that productivity is a common measure of how well a country, industry, or business unit is using its resources or factors of production to achieve organizational objectives. Since operations management focuses on making the best use of the resources available to a firm, productivity measurement is fundamental to understanding operation and its related performance. In its broadest sense, productivity is defined as outputs divided by inputs.

In industrial engineering, productivity is generally defined as the relation of output to input, that is produced goods from consumed resources. Kinyua (2007) provides a useful explanation of productivity as related to manufacturing by stating that productivity means how much and how well an organization produces from the resources used. If more or better goods are produced from the same resources, this translates to an increase in productivity. On the other hand, if the same goods are produced from lesser resources, this also translates to an increase in productivity.

Singh, Motwani and Kumar (2000) argue that gains in productivity are one of an organizations major weapons to achieve cost and quality advantages over their competition. In spite of the fact that productivity is seen as one of the most vital factors affecting a company's competitiveness, many researchers argue that productivity is relegated to second rank and neglected or ignored by those who influence the production process. It has been argued that productivity represents one of the most important variables governing economic production activities.

The literature review contextualizes the important role employee engagement plays in terms of improving productivity and the consequential impact on organizational performance. In the last ten years, there has been a significant move towards better understanding the phenomenon of engagement. Leaders have also realized that the only sustainable, competitive advantage an organization has, is the people that drive the business on a daily basis. Technology is no longer deemed to be a competitive advantage as earlier touted by leading manufacturing organizations. What is equally pleasing, is the notion that employee engagement and the success thereof, doesn't lie in the hands of the HR business partners, but rather the front line leaders and managers that make up the bulk of any manufacturing company.

The theory relating to employee engagement is deep seated in numerous motivational theories that have been tested in many business situations. Subsequent models postulated by renowned researchers and authors bears testimony to the vast amount of work that has been done in the past few years on employee engagement. Once again, highlighting the importance this subject has brought to the business environment.

3. Methods

Saunders (2009) posits five broad research philosophies. These include; positivism, critical realism, interpretivism, postmodernism and pragmatism. He further states that positivism relates to the philosophical stance of the natural scientist and entails working with an observable social reality to produce law-like generalisations. Further clarification reveals that positivism refers to the importance of what is posited, that is given and this emphasises the positivist focus on strictly scientific empiricist method designed to yield pure data and facts uninfluenced by human interpretation or bias.

The positivistic approach would be the most appropriate philosophy for the research undertaken as it relies on quantitative data that is believed to be more reliable than qualitative research. Quantitative research is often argued to be more scientific in its methods than qualitative research and thus more trustworthy. In addition, this philosophy provides objective information that the researcher can use to make scientific assumptions. Relating back to the research objectives of assessing employee engagement and the impact on productivity, positivism follows a well-defined structure during studies and discussions. Based on the respondents' feedback, assumptions can be made and correlations drawn on the levels of engagement and subsequent impact on productivity. The structure followed in this philosophy also gives little room for variance and drastic variable change, thus making the study more accurate.

The research strategy followed a positivistic research strategy. According to Research-Methodology (2018), positivism adheres to the view that only factual knowledge gained through observation, including measurement, is trustworthy. In positivism research, the role of the researcher is limited to data collection and interpretation in an objective way. In these types of studies, research findings are usually observable and quantifiable. Positivism depends on quantifiable observations that lead to statistical analyses. Surveys have been set up to align to the research objectives and the literature review. Based on the above definition, it is abundantly clear that this approach would best suit the research objectives as the primary data collection ties in with human experience in terms of how the respondents view the current state or environment of the organisation which invariably impacts employee engagement.

The research follows the probability sampling plan and the simple random method. A sample is the group of people who take part in the investigation or is subject to the research. There are 148 employees within the C1 to D5 Band in the Production and Warehouse Department. The research focused on 130 employees falling within the Patterson Grade C1 to D5. This equates to eighty seven percent (87%) of the population and would be statistically acceptable for a representative sample size. In addition, the Likert Scale method was used to enable the researcher to deduce engagement or disengagement based on their views on the levels to which they agree or disagree with the environment necessary for employee to remain engaged. This means that the results are generalizable and can thus be applied to the greater population. For the purpose of this research project the UWES Survey was used.

According to De Bruine (2013), the UWES survey has been designed to measure work engagement according to the dimensions relating to vigour, dedication and absorption. This 17-item scale, known as UWES 17, has been validated and utilised extensively to determine the levels of employee engagement. In addition, the UWES also brings to light the concept of burnout as being the opposite of engagement. It also follows that employees will experience work engagement and burnout as being opposite psychological states, whereby the former has a positive quality and the latter a negative quality. Both need to be considered as principally independent of each other. This means that, at least theoretically, an employee who is not burned-out may score high or low on engagement, whereas an engaged employee may score high or low on burnout. The UWES utilizes three scales to determine the level of work engagement, namely vigour, dedication and absorption. It is a test of how to measure work engagement both on an individual and on group level. The mean scale score of the three UWES sub-scales is computed by totaling the scores on the particular scale (vigour, dedication and absorption) and dividing the sum by the number of items of the sub-scale involved. A similar procedure is then followed for the total score. Hence, the UWES yields three sub-scale scores and/or a total score that results in an answer between 0 and 6 (Boikanyo, 2015). The scoring method is based on the 7 levels of answers indicated by the responses and scored as whole numbers. Thereafter the total number of responses per category were computed and by using statistical method, the spread across the categories was determined and consequently, levels of engagement determined.

4. Results

Table 1 : Cronbach's Alpha showing internal consistency

Cronbach's alpha	Internal consistency
$0.9 \leq \alpha$	Excellent
$0.8 \leq \alpha < 0.9$	Good
$0.7 \leq \alpha < 0.8$	Acceptable
$0.6 \leq \alpha < 0.7$	Questionable

Table 2: Cronbach's Reliability for UWES

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.911	0.912	17

Table 1 and Table 2 indicates the classification and actual score for Cronbach's Alpha. The score is > 0.9 , therefore the questionnaire is excellent in measuring employee engagement.

	Vigour	Dedication	Absorption	Combined
Actively Disengaged	1,9%	0,0%	1,9%	0,0%
Disengaged	78,5%	76,6%	79,4%	85,0%
Engaged	19,6%	23,4%	18,7%	15,0%
Total	100,0%	100,0%	100,0%	100,0%

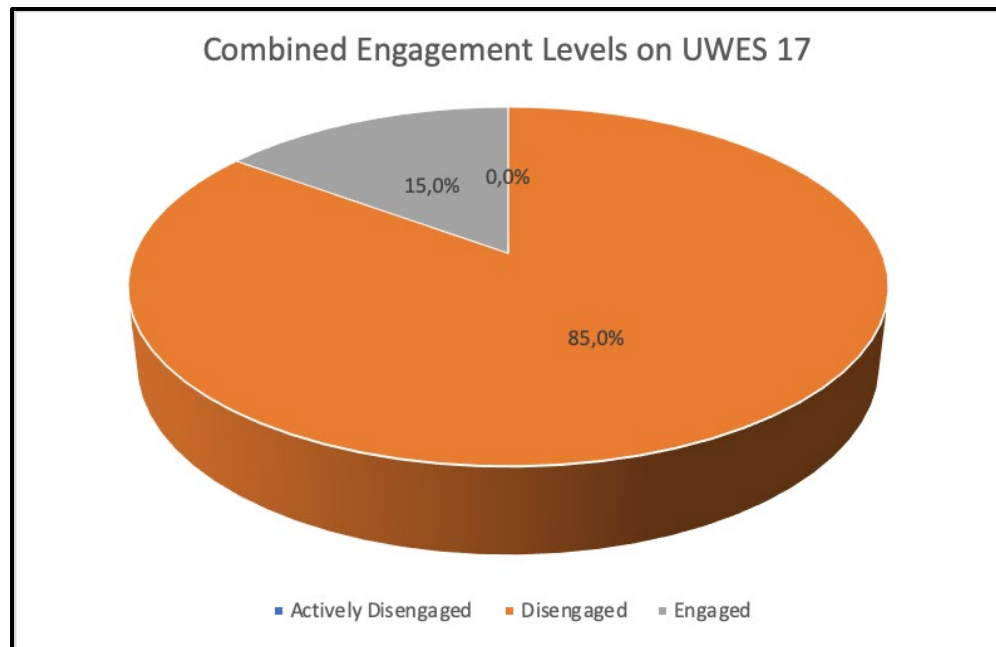


Figure 2: Combined Engagement Score on UWES 17

Table 2 and Figure 2 above shows consistency across all the levels of engagement in terms of the percentage of respondents in each category. The percentage engagement ranges from 15,9% to 23,4%. The engagement scores for all the 17 questions are summarised in the pie chart above. In summary, 85% of the respondents are dis-engaged, while 15.0% are engaged. There are no actively disengaged respondents when scores are combined across all three categories.

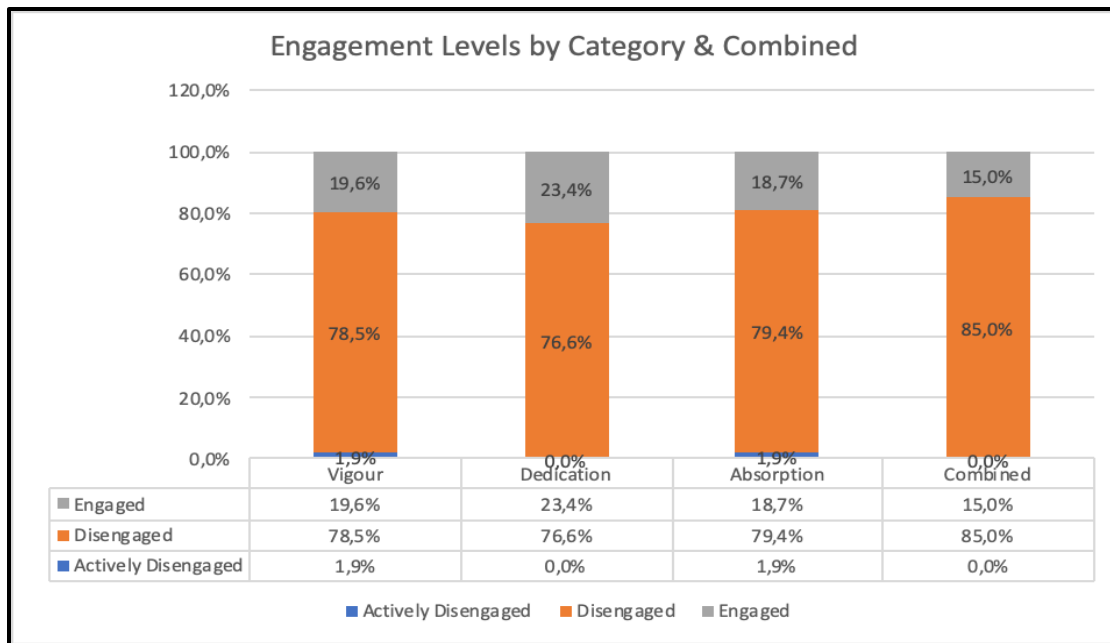


Figure 3: Average Engagement Levels by Category for UWES 17

The seventeen questions on the UWES survey were consolidated into three categories; namely Vigour, Dedication and Absorption. Figure 3 above gives a summary of the average engagement score for each category. The 17 questions were consolidated and allocated into the categories as follows:

- Vigour: Question 1, 4, 8, 12, 15
- Dedication: Question 2, 5, 7, 10, 13
- Absorption: Question 3, 6, 9, 11, 14, 16, 17

Data analysis for the Vigour category show 19.6% of the sample are engaged, while 78.5% are disengaged. In addition, 1.9% of the respondents are actively disengaged. The Dedication category shows that 23.4% of the sample are engaged, while 76.6% are disengaged. In addition, this category shows no actively disengaged employees. The Absorption category shows 18.7% of the sample are engaged, while 79.4% are disengaged. In addition, 1.9% of the respondents are actively disengaged. The combined score for engagement shows that 15% are engaged while 85% are disengaged and no actively disengaged employees. This is attributed to the higher average scores across some categories that affect the overall levels.

Table 3. ANOVA Test for Employment Duration

		Sum of Squares	df	Mean Square	F	Sig.
Average of Score (Vigour)	Between Groups	7.120	4	1.780	3.275	.014
	Within Groups	55.442	102	.544		
	Total	62.562	106			
Average of Score (Dedication)	Between Groups	7.941	4	1.985	4.174	.004
	Within Groups	48.516	102	.476		
	Total	56.457	106			

Average of Score (Absorption)	Between Groups	6.519	4	1.630	2.625	.039
	Within Groups	63.332	102	.621		
	Total	69.851	106			
Average of Score (Combined)	Between Groups	6.916	4	1.729	3.889	.006
	Within Groups	45.348	102	.445		
	Total	52.264	106			

Post-hoc tests are an integral part of ANOVA. When you use ANOVA to test the equality of at least three group means, statistically significant results indicate that not all of the group means are equal. However, ANOVA results do not identify which particular differences between pairs of means are significant. Use post-hoc tests to explore differences between multiple group means.

Tukey's post-hoc test was carried out to figure out where the differences in the means occurred. The post hoc results showed that the mean for those who have worked for 0 to 3 years differed significantly from those who had worked for 11 to 15 years. The difference occurred in vigour, dedication, absorption and overall mean score.

Table 4. Mean Score for Employment Duration

Employment Duration	Average of Score (Vigour)	Average of Score (Dedication)	Average of Score (Absorption)	Average of Score (Combined)
0 TO 3 YRS	4.440	4.608	4.4229	4.4903
4 TO 10 YRS	3.892	4.185	4.0220	4.0330
11 TO 15 YRS	3.695	3.800	3.6735	3.7229
16 TO 20 YRS	4.071	4.114	4.1122	4.0993
> 20 YRS	4.086	4.067	4.1020	4.0848
Total	4.043	4.176	4.0748	4.0978

A review of the scores in Table 4 above, shows the mean for the 0 to 3 years category is higher than 11 to 15 across all the broad categories. The 0-3 years have more vigour, dedication and absorption compared to the 11 to 15 years. Also their overall engagement is more than the 11 to 15 years.

Chi-Square Test for Independence

A chi-square test for independence was carried out on the demographic variables against the engagement status for each broad category and the overall engagement status. The 5 categories of engagement were collapsed into 3 categories namely, actively disengaged, disengaged and engaged. Additionally a post hoc analysis was done to establish where the association is whenever it exists. This was done using adjusted standardised residuals. These are z-scores on the standard normal distribution. A value of the score which is more than 1.96 in magnitude is statistically significant. It indicates that a cell has a value which is different from the expected value under the null hypothesis of no independence.

The following variables showed significant association:

- Vigour and Employment Duration:

The p-value was 0.004 which is less than 0.05. The adjusted standardised residuals indicate that those employed for 0-3 years had a higher than expected frequency of being engaged. Therefore they are more engaged. For those with more than 20 years their frequency in the disengaged category is lower than expected.

- Dedication and Qualification: The p-value is 0.016 which indicates significant association. The adjusted standardised residuals indicate that those with high school qualification are more likely to be actively disengaged while those with tertiary education are less likely to be actively disengaged.
- Dedication and Employment Duration: Results show that the 0-3 years are more dedicated and less likely to be disengaged.
- Absorption and Employment Duration: There is significant association between these variables. 0-3 and more than 20 years are more absorbed in their work and the 16-20 years are not engaged.
- Overall Engagement and Qualification: Results indicate that those with high school are actively disengaged based on all the 17 questions.
- Overall Engagement and Employment Duration: 0-3 and more than 20 years showed engagement overall based on all the 17 questions.

UWES 17: Interpretation and Discussion

According to de Bruin, Hill, Henn and Muller (2013), the UWES 17 tool has been designed to measure work engagement according to three dimensions. They include vigour, dedication and absorption. Vigour and dedication are considered core dimensions of work engagement, whereas absorption is considered a consequence of work engagement. In keeping with the above, the scores from the study were consolidated into the three categories to assess engagement levels by category and a combined score to assess overall engagement levels.

Vigour: According to Boikanyo (2012) individuals who score high on vigour are usually considered to have much energy and stamina when working, whereas those who score low on vigour have less energy and stamina as far as their work is concerned.

1.9% of respondents are actively engaged. This means that these employees have effectively checked-out and are not making any positive contribution to the company or its objectives. They tend to negatively influence co-workers to follow suite. These employees are extremely dangerous and if their attitudes are not changed or if they are not worked out of the system, it would cause long term damage for the company. It was found that 78.5% of respondents are disengaged. These levels may seem high, but in the global context, it's aligned to what is seen in the market. These employees are effectively getting on with their daily tasks in a mundane way and will at no stage exert any additional discretionary effort to improve themselves, the team or the organisation. Unfortunately, they are in the majority, but if management is able to get the environment correct by focussing on drivers of engagement, these employees can move to the engaged category.

It is found that 19% of respondents are engaged. These employees are the ones driving the business to excellence. They are energized, innovative problem solvers and constantly looking for way to improve themselves and the company. Their motivation is normally driven by intrinsic factors, but they are also able to work in a less than favourable environment in an effort to change the status quo. The challenge for management would be to analyse the behaviour of this group and try to replicate this to other groups to migrate more employees to being engaged. Schaufeli and Bakker (2006) state that vigour is characterised by high levels of energy and mental resilience, the willingness to invest effort in one's work and persistence even in the face of difficulties

Dedication: Boikanyo (2012) posits that those who score high on dedication are considered to be able to strongly identify with their work because it is experienced as meaningful, inspiring, and challenging. They also usually feel enthusiastic and proud about their work. Those who score low feel neither enthusiastic nor proud about their work. In this category, there are no actively disengaged employees. There are no actively disengaged employees in this category. This bodes well for the company as it shows employees show some level of commitment. On the other hand, 76.6% of respondents are disengaged. This effectively means that a large percentage of employees are not deriving a sense of significance from their work, feeling enthusiastic and proud about their job or feeling inspired or challenged by it (Schaufeli and Bakker, 2006).

Once again, these employees will not exert any discretionary effort to improve themselves or the company. They will be satisfied with maintaining the status quo and not generating innovative ideas to resolve challenges within the company. They will be constantly on the look-out for opportunities outside the company and thus contribute to high staff turnover. Other behaviour associated with employees that are not dedicated is that they will not have anything positive to say about the company.

On the other hand, 23.4% of the respondents are engaged in this category. These employees are true ambassadors of the company and will seek every opportunity to show their high levels of commitment. Their positive attitude is

sometimes infectious, and they try to encourage and motivate fellow employees to achieving the high levels of success. They often sacrifice personal time in an attempt to ensure the company improves. Dedicated employees will often communicate well in their teams and show high levels of pro-activeness. They are also self-motivated and remain loyal to the company, mission and purpose. With these traits, the company is able to leverage off the 23.4% dedication levels and utilize these employees in a constructive way to influence team members and other in the organisation.

Absorption: Schaufeli & Bakker (2006) state that absorption, is characterized by being fully concentrated and happily engrossed in one's work, whereby time passes quickly and one has difficulties with detaching oneself from work. Boikanyo (2012) states that individuals who score high on absorption feel that they usually are contentedly captivated in their work in that they have difficulty detaching from it because it carries them away. Those who score low on absorption do not feel engrossed or immersed in their work; neither do they have difficulty to detach from it.

It is found that 1.9% of respondents are actively disengaged. These employees are waiting for time to pass by and the work day seems long and tiresome. Consequently, their energy levels are low and they don't contribute to any team tasks. They sometimes try to de-rail efforts of excellence by the engaged employees. These employees should be removed from the system as their continued presence will impact the performance of their teams and the rest of the company. On the other hand, 18.7% of respondents are engaged in this category. These employees are fully engrossed in their daily tasks and tend to forget everything around them. Their passion and drive is palpable and a great sense of happiness is evident when they work intensely. They often forget to take breaks as they don't want to lose momentum to get the job done.

In summary, the combined scores show 85% of respondents are disengaged and 15% are engaged. The good news is that on average, there are no actively disengaged employees. Schaufeli & Bakker (2006) states that engaged teams were able to acquire more job resources compared to the teams that were less engaged, which in its turn had a positive impact on the level of engagement of the individual team members. In addition, engagement is not restricted to the individual, it may crossover to others thus leading to what has been labelled as collective engagement. Thus, the company under review can build on the 85%.

Compared to global averages, the company is in a slightly better off position as there are no actively disengaged employees. The challenge would be to create the environment that moves the disengaged employees to the engaged category and develop those individuals in the engaged category to push further ahead and lead the rest of the teams.

Other discussion points from the UWES survey reveal:

- Those who worked for 0-3 years are more engaged compared to 11 to 15 years (Across all categories, that is, vigour, absorption, dedication).
- Those employed for 0-3 years had more vigour.
- Those with high school are more actively disengaged.
- Those employed for 0-3 years are more dedicated.
- The 0-3 years and more than 20 years are more absorbed into their work.
- Overall 0-3 and >20 years are more engaged.

The Chi-Square test for UWES 17 reveals statistical similar results to what was achieved for the Q12 questionnaire. Respondents in the 0 to 3 year employment duration group showed higher engagement scores on the vigour category. Once again ratifying the point that new employees coming into the organisation do so with higher levels of enthusiasm and energy and want to prove themselves to their colleagues and management. In addition, the test also shows a close relationship between dedication levels and educational qualifications, where respondents in the tertiary education group are more engaged than the respondents with a high school qualification.

In addition, Robinson, Perryman and Hayday (2004) argue that the decline in engagement levels as length of service increases represents a big challenge to organisations. The knowledge and experience of long-serving employees are of enormous value to the organisation, but their relatively low engagement levels are perhaps blunting the potential impact these individuals could make.

A review of the ANOVA test for UWES 17 does not indicate significant difference in demographic items and engagement levels. This indicates a fairly constant level of engagement or disengagement across the various demographic categories. This is indicative of a vast majority of employees doing just enough on a daily basis to stay out of trouble. Once again, the discretionary effort is missing and they will not willingly propose solutions to resolve challenges to improve the organisational performance.

5. Discussion of results

5.1 Invest in Structured Training and Development Plans and Career Discussions

An area that comes across quite vociferously in the literature review and primary research, is training and development. Employees are quite passionate about receiving and being exposed to the necessary training interventions that will enable them to perform at their very best. This sentiment is echoed by various other researchers that have been referenced. The view is that a minimum of two percent (2%) of the site's fixed cost budget should be set aside for training and development. Closely related to training and development is the notion of a structured career path analysis. In addition, the career path discussions must be shared with the employees to ensure they have line of sight in terms of their future within the organisation. Thus organisations must have structured programs in place to improve the skills set of their workforce. In addition, budgets for training and development must not be sacrificed in the face of cost pressures. The view is that an empowered workforce will ultimately improve organisational performance. This in turn will contribute to higher levels of employee engagement and thus improve overall productivity and profitability.

5.2 Conducive and Enabling Organisational Culture

Culture is often defined as the way things are done in an organisation. It's the un-written rules and ways of working that often translates into success or failure. Some leaders regard culture as an intangible asset, that if harnessed and utilized correctly, can propel any organisation beyond the realms of what was thought to be impossible.

Elements of organisational culture that have an impact on employee engagement include:

- a) **Transparency and Communication:** These are important elements of organisational culture. It effectively set the tone for the methodologies that will be followed during information sharing. Transparent communication on any level is often seen as imperative and necessary. In its absence, there is a tendency for those affected to fill in the gaps and make assumptions, thus it can be disastrous for the organisation. Moreover, communication is one of the critical success factors in creating an ideal environment which gets the best out of employees and facilitates commitment and experiences of the people in it.
- b) **Diversity and Inclusion:** Diversity and inclusion have come through as important tenants of fostering high engagement. This facet has not gained much momentum in the SA context. Given the value encapsulated in having a diverse and inclusive workforce, there are definite opportunities for SA companies to capitalize on entrenching this as a key component of the HR recruitment and retention strategy. Thus a key recommendation for the company would be to assess the current make-up of decision makers in terms of diversity (especially at senior management or executive levels) and bring through talent that has been grown organically.
- c) **High Performance Culture:** A high performance culture entails setting objectives (both individual and team) that are challenging and push the boundary in terms of getting employees to develop creative solutions to achieve organisational objectives. This tends to get the best out of teams and individuals. By nature, people want to perform and show their best, thus aligning to this innate human trait coincides perfectly with a high performance culture. To this end, the recommendation is for the company to get a basic performance management system in place for blue collar staff that effectively occupy the Patterson Grade A1 to B4. These employees make up the largest percentage of the organisation and having them aligned to a high performance culture will most certainly yield positive results.
- d) **Learning Organisation:** This aspect refers to allowing staff to learn by making mistakes. The greatest learning often take place when people make mistakes. Albert Einstein sums this up in his quote; he who has not made a mistake, has not tried anything new and thus has not learnt. The recommendation would be for the organisation to entrench this approach at all levels and accept that sometimes mistakes would be made, but use the opportunity to extract learning from the situation. The term knowledge based learning comes to mind and effectively means organic learning within the organisation, which is documented and shared with new comers to the organisation.
- e) **Entrepreneurial Spirit:** Running a department as a mini-business tends to empower the leader and his team to take full responsibility for the outputs and in doing so, improve the overall performance of the organisation. Teams tend to find innovative solutions to the daily challenges and thus drive continuous improvement and value add to the consumer. An important aspect to note is that this sort of approach has its challenges in many organisations, especially listed companies, as they tend to be bogged down by policy and procedures. It's important for the leadership to get the balance right between systems and process without killing the entrepreneurial spirit of the workforce.

5.3 Entrench Transformational Leadership

The importance of transformation leadership came across as a key ingredient to fostering high levels of employee engagement. To this end, it's imperative that the HR team have very specific criteria that is required for leadership positions. A mistake that is often made by both HR and Line Management is that they often promote employees with high technical abilities into leadership positions. The belief is that the person will eventually be able to improve the performance of the team or department by technically supporting the team members. More often than not, this tactic back-fires and these highly competent technical specialists are not able to adequately deal with people issues and are thus deemed to be incompetent. A specific skill set is required to lead people and as such it brings the age old debate pertaining to the question if leaders are born or created.

To this end, both HR and line management should carefully select and appoint leaders that will grow the teams and leaders below them to create a virtuous circle of organic leadership, that is, creating leaders from within the organisation. A more stringent and somewhat rigorous interview process can be used to determine the best candidate. This would also entail the use of psychometric testing to establish the emotional intelligence (EQ) of the incumbent as well as situational role playing exercises. Culture fit is another challenge faced by new employees coming into the organisation. Once again, HR management should lead the process to ensure the incumbent is a suitable fit with the organisational culture.

In addition to the above, it's imperative that leaders have regular dialogues with junior managers and budding leaders. This however must not be an academic session, but rather focus on getting the message across in terms of performance. Celebrate where performance exceeds the target and where it does not, put in place clearly defined actions to improve. Have regular follow-up sessions to support the team and leaders to set employees up for success.

5.4 Integrate Employee Engagement as a Pillar of the HR Strategy

An essential element of the research points to the need for senior or executive management to make employee engagement a priority and as such, incorporate it as a key pillar to the HR strategy. This effectively shows senior management commitment for the program and consequently, they will provide the necessary resources in terms of finance and structures to facilitate the development and deployment of the strategy that will continuously assess, improve or maintain high levels of employee engagement.

The literature review is strewn with examples showing when organisations incorporate employee engagement as a key component of the HR strategy, they stand a better chance of the program delivering on the set objectives. An important point to note is that an engagement survey is just one part of an engagement strategy. In order to design and implement an effective engagement strategy, it requires input and buy-in from employees, leadership and other stakeholders. To improve the chances of success, the engagement strategy must be linked to relevant organisational outcomes and demonstrate how engagement positively affects business metrics. By creating a culture of engagement, tangible results can be delivered, which will in-turn improve bottom-line results for the organisation. To this end, the recommendation is for the company to revise their HR strategy by including employee engagement as a key pillar. In addition, the necessary resources should be provided to improve the chances of success.

5.5 Develop and Implement Employee Wellness Programs

The organisation should seriously consider implementing an integrated employee wellness program. The benefits of such programs have been clearly articulated in literature review of the research project. Healthier the members of the programme are, the better they feel, the better they benefit from the programme, thus offering real encouragement for behaviour change, which translates to sustainable change. The benefits of a wellness culture extend beyond the work environment as employees at these companies are less likely to face significant barriers to managing their health and wellness in other social spaces. Employees report substantially better results in terms of fitness, weight management and perhaps most notably, overall happiness, well-being and engagement. These programs provide employees with a wide selection of individual components to help achieve greater levels of employee engagement and as such, their individual goals tend to align with the company's mission, goals and values.

6. Conclusion

The conclusion is that the company review employee requirements and develop a CWP to improve the overall wellness of the workforce, which will see a subsequent improvement in organisational productivity. These programs are by far not a “one size fits all”, thus HR management should embark on a detailed fact-finding mission to establish the current state and plan accordingly. The research has affirmed the relationship between employee engagement and organisational performance. Evidence from both primary sources and the literature review categorically align improved business performance to employee engagement. They seem to form a symbiotic relationship and one can't exist without the other. One can always argue that organisational performance is determined by other factors such as economic conditions, availability of technology, changes in customer or consumer preference and it would be difficult to refute this argument. What this research has shown is that organisations stand a much better chance of creating sustainable performance if their workforce is highly engaged. For the organisation in question, the researcher has made sound recommendations for management to consider as key aspects of their HR strategy. Armed with this information, the leadership can seek to improve the levels of engagement at the operational site and if implemented correctly, they should see an improvement in overall organisational performance. This strategy can be used as a blueprint to execute across other operational sites.

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Biography

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