The influence of leadership on employee engagement within a volatile, uncertain, complex and ambiguous (VUCA) environment

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Abstract

VUCA represents a constantly changing environment - a set of timeless circumstances that challenge a leader’s ability to make decisions, develop plans and execute these plans flawlessly on a daily basis. This research focused on the influence of leadership, organisational values and organisational change on employee engagement within a volatile, uncertain, complex and ambiguous (VUCA) environment. The construct leadership was further examined using two hierarchical levels, employee’s line manager and employee’s senior leaders to deepen the understanding of the influence these levels of leadership have on employee engagement.

A quantitative research approach was followed wherein a non-random convenience sample (N = 969) of permanent staff operating within the Retail Operations Specialities function of South Africa’s largest non-food retailer participated in the study. Regression analysis was conducted to determine the strength of the relationship between the dependent (employee engagement) and independent variables for each research question. An analysis of variance (ANOVA) test was conducted to analyse the differences among group means and their associated procedures.

Employee’s senior leaders were found to have a stronger influence on employee’s engagement levels in comparison to employee’s line managers. In addition the study found that the application of organisational values have a positive influence on employee engagement whilst organisational change was found to have the strongest influence on employee engagement explaining 41.2% of the variance in employee engagement. The findings of the study challenges the current body of research by identifying that within a VUCA environment when employee’s leave the organisation they leave their senior leaders not their line managers.
Keywords

Employee Engagement, senior leaders, line manager, VUCA
Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Zameer Ahmed 9th November 2015
Name Date Signature
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1. Introduction

1.1 Background and Research Problem

VUCA is an acronym representing the prominent dangers of volatility, uncertainty, complexity, and ambiguity, and it represents the context in which leaders and their organisations view current conditions and how they anticipate operating in their future state (Bernstein, 2014).

Horney, Pasmore, and O'Shea (2010) argue that leaders are faced with the challenge of how best to lead in a VUCA world since many of the previous rules are not applicable in this era where people connections matter. Kellerman (2012) found that the leadership industry is “self-satisfied, self-perpetuating, and poorly policed” and that majority of subordinates believe that their leaders are not authentic or capable of leading them.

Studies have found that leadership sets employee engagement in motion (Buckingham & Coffman, 1999; Harter, Schmidt, & Hayes, 2002; Saks, 2006). According to Chaudhary, Rangnekar, and Barua (2013), the genius and complete capability of the brightest employee will never be manifested unless they are engaged. Saks (2006) found that engaged employees display feelings of job satisfaction, organisational commitment, and organisational citizenship behaviour and they are less likely to leave their current employment. Loehr (2005) indicates that the ratio between engaged to dis-engaged workers drives the financial outcomes and influences profitable growth within an organisation.

The Organisation for Economic Co-Operation and Development (OECD) conducted a survey on South Africa in which the following findings were identified:

1. Although South Africa is progressing, it is still failing to fully reach its substantial potential
2. The macroeconomic policy mix has not adequately supported growth whereas it has authorised significant budget deficits to continue
3. The collaboration between weak competition in product markets and dysfunctional labour markets continue to restrain and aggravate unemployment
4. Education is a desperate problem
5. A greater use of market instruments can assist in dealing with long-term environmental trials at minimum cost and with restricted demands on limited administrative capacity (OECD, 2013).

In considering the above findings along with the economic challenges and electricity supply constraints in South Africa, it is evident that South African organisations are operating within a volatile, uncertain, complex and ambiguous (VUCA) environment. Volatile, because of the xenophobic violence; uncertain, due to the electricity supply; complex of labour laws and the ambiguous of the political environment are all challenges that are experienced in South Africa. These challenges have led to major job losses over the past 7 years with South Africa’s unemployment rate averaging 25% over this period, as is represented by Figure 1.

**Figure 1: South Africa Unemployment Rate** (Statistics South Africa, 2015)

![South Africa Unemployment Rate](source: www.tradeshedconomics.com | Statistics South Africa)

Towers Watson (2014a) conducted a global talent management and reward study in which they indicate that 35% of employers report that turnover is rising whilst the global workforce study (Towers Watson, 2014b), indicates that there is a divide between the employee and employers view on retention which emerges in a number of areas namely; trust and/or confidence in senior leadership, job security and length of commute. Furthermore, it was found that as little as 4 in every 10 employees are regarded as highly engaged indicating an opportunity for improvement (Towers Watson, 2014b).

Employee engagement is based on concepts like job satisfaction, employee commitment and organisational citizenship behaviour; but it is broader in scope and is a stronger predictor of positive organisational performance (Kompaso & Sridevi, 2010). This clearly
shows the two way relationship between employer and employee in contrast to the three earlier constructs: job satisfaction, employee commitment and organisational citizenship behaviour (Kompaso & Sridevi, 2010). An engaged employee is conscious of the obligations on him towards the goals of the business as well as to encourage his fellow employees to aid in achieving organisational goals (Anitha, 2014).

1.2 Research Motivation

The work environment, leadership, team and co-worker relationships, training and career development, compensation/remuneration, organisational policies and procedures as well as workplace wellbeing are all factors that drive employee engagement (Anitha, 2014). Evidently, most of the factors that drive employee engagement are non-financial in nature and relate to people (Sridevi & Markos, 2010). People, then, are that single factor that cannot be replicated or plagiarised by competitors and are regarded as being the most priceless and treasured asset if correctly managed and engaged (Anitha, 2014). Thus, engaged employees can be seen as a competitive advantage to organisations operating within a VUCA environment particularly in organisations who have dedicated leaders who are able to realise the required level of engagement at the least possible cost to the organisation (Sridevi & Markos, 2010).

Kahn (1990) indicates that employee engagement describes how employees apply themselves behaviourally during their role either physically, cognitively or emotionally. Gallup (2014) described three types of engagement levels namely engaged, not engaged and disengaged. Studies conducted by (BlessingWhite, 2013; Gallup, 2014) showed similar findings in defining engagement levels. These studies found that engaged employees are preferred by organisations to deliver on the organisation’s objectives, because disengaged employees inject negativity to their colleagues and are unsupportive in delivering on the organisation’s goals and not engaged employees show little passion, little energy and spend time without any accomplishment. Bhuvanaiah and Raya (2014) indicate that just as it is possible for an engaged employee to gradually move to a state of disengagement, it is also possible for a disengaged employee who is supported by the organisation to move to a state of engagement.

Buble, Juras, and Matic (2014) indicate that an organisation cannot be successful without skilful leadership, without motivation and engagement. Although the popular commentary on employee engagement is that leaders are required to create engaged
employees, only a few researchers have examined the relationship between leadership and employee engagement (Aryee, Walumbwa, & Hartnell, 2012; Tuckey, Dollard, & Bakker, 2012; Xu & Thomas, 2011). These studies found that leadership behaviours exhibited by transformational leaders are the best predictors of employee engagement.

Robert (2012), argues that leaders have little authority over the performance of the organisation, however, based on their positions of power they can shape the culture of the organisation, its beliefs, values and behaviours. Burns (1978) believes that all leaders could be categorised by a leadership style dependent on their liking for transactions with versus transformation of subordinates (Kuhnert & Lewis, 1987).

Research by Bass (1985), and Bass, Avolio, Jung, and Berson (2003) identified that the four components of (1) transformational leadership are idealised influence, where followers trust and identify with their leaders; (2) inspirational motivation, where leaders provide meaning and challenge in subordinates’ work; (3) intellectual stimulation, where followers are able to be innovative and creative in a safe environment that is free of blame; and lastly (4) consideration for the individuals, where leaders provide individual support specific to employees needs for growth and development. Xu and Thomas (2011) emphasise that these components have clear links with engagement constructs which is supported by leadership literature which is further supported by Judge and Piccolo (2004) who claim that there is a positive correlation between transformational leadership and follower job satisfaction and motivation.

In their assessment of the readiness of leadership to face challenges within the VUCA world, the Global Leadership Forecast (2015) found that 40% of leaders are incapable of meeting the challenge of ‘Volatility’, 32% of meeting the challenge of ‘Uncertainty’, 36% of meeting the challenge ‘Complexity’ and 31% of meeting the challenge of ‘Ambiguity’. The report further emphasised that CEOs have highlighted that VUCA world issues are the top priorities which they need to navigate. Organisations who have leaders with the expertise to deal with the VUCA world and the challenges it brings are 3.5 times more prone to step in to meet the challenges of a VUCA world than those organisations whose leaders lack this expertise (Global Leadership Forecast, 2015).
1.3 Purpose of the Study

Existing literature (Kahn, 1990) has highlighted the importance of employee engagement and has identified that there is a link between leadership and employee engagement (Aryee, Walumbwa, and Hartnell, 2012; Tuckey, Dollard, and Bakker, 2012; Xu and Thomas, 2011). Based on the changing landscape of the global environment through macro-economic factors, organisations are now operating within a VUCA world which has changed the dynamics for leaders in driving organisational performance. As many as 25% of organisations report that their leaders do not have the capabilities required to manage the challenges and opportunities within a VUCA world (Global leadership Forecast, 2015).

In addition limited literature focusing on the influence of different levels of leadership on employee engagement. Atwater and Brett (2006) investigated subordinate, peer and supervisor feedback and engagement whilst (Dale Carnegie, 2012a, 2012b) provided insight on the influence senior leaders and direct supervisors have on employee engagement. These studies found that 80% of employees who were unsatisfied with their immediate supervisor were disengaged (Carnegie, 2012b), whilst 70% of employees who lacked confidence in the capabilities of their senior leader were not fully engaged (Carnegie, 2012a).

In summary, the identified literature highlights the importance of businesses within the VUCA environment to ensure that their employees are engaged and that strong leadership is a definite way to achieve this.

The purpose of this study is therefore to understand the influence of leadership on employee engagement within a VUCA environment. The study will focus on two levels of leadership, viz. employees’ line manager and employees’ senior leaders. Based on the limited literature available this study seeks to add to the body of knowledge on the link between leadership and employee engagement focusing on different levels of leadership operating within a VUCA environment.

For the purposes of this study, line manager leadership is defined as the leader whom the employee reports to on a day to day basis whilst senior leaders are defined as the collective leadership team above the employees line manager in the organisational hierarchy.
2. Literature Review

2.1 VUCA

VUCA became a recognised acronym in the late 1990’s with its origins in the U.S. military (Bernstein, 2014). VUCA is not about a finite moment in time, a specific era, nor a set of circumstances that can be studied and responded to within a set timeframe; rather VUCA represents a constantly changing environment - a set of timeless circumstances that challenge a leader’s ability to make decisions, develop plans and execute these plans flawlessly on a daily basis (Bernstein, 2014).

Doheny, Nagali, and Weig (2012) indicate that in numerous industries, a mounting surge of volatility, uncertainty, and business complexity is agitating markets and altering the nature of competition. Following the recession, the business environment has become a replica of the VUCA world and is providing innovative, exhilarating and inspiring opportunities together with greater turmoil in terms of the expectations of clients, constraints in pricing, rising competition, and further complications across the procurement and provision of services (Kinsinger, 2014).

The VUCA world can be described as a world filled with both dangers and opportunities (Johansen & Johansen, 2007). Leaders must reframe these VUCA dangers in order to realise opportunities, however, in order to capitalise on these opportunities it is imperative to understand the VUCA dangers (Johansen & Johansen, 2007; Johansen, 2009; 2012). VUCA dangers refer to security, economic, market and workforce conditions across our global environment which represent the context that leaders and their organisations view current conditions and anticipate operating in in their future state (Bernstein, 2014). The components of VUCA are often present in certain combinations; for instance, a new product market might be both volatile and ambiguous, or expansion into a new territory in the midst of sweeping governmental change might be both complex and uncertain (Bennett & Lemoine, 2014a).

2.1.1 Understanding Volatility

Shaffer and Zalewski (2011, p.66) describe volatility as the “dynamic quality of the context for decision making” adding that “continuously updated reports and data
transform the definition of the situation in the mind of the decision maker”. Bennett and Lemoine (2014b) define volatility as an environment that experiences relatively unstable change. A volatile environment is characterised as a situation where “the challenge is unexpected or unstable and may be of unknown duration, but it’s not necessarily hard to understand and knowledge about it is often available” (Bennett & Lemoine, 2014a, p.1). Business risks are continuously changing, creating an environment of volatility with technology being a primary contributor to volatility because of the rapid change in knowledge creation and communication (Shaffer & Zalewski, 2011). The volatility of a VUCA environment is often described as chaotic which illustrates that speed is not the only prominent trait of change, but change also brings uncertainty, complexity and ambiguity as well (Shaffer & Zalewski, 2011).

2.1.2 Understanding Uncertainty

Uncertainty is characterised by Bennett and Lemoine (2014a) as a situation where the basic causes and effects are known and change is possible, but not given; and is defined as the likelihood that plans will be realised (Shaffer & Zalewski, 2011). New realities are created as events do not follow recognised models and assumptions in a VUCA environment (Shaffer & Zalewski, 2011). An organisation operating within a VUCA environment is affected by both internal and external factors. These factors contribute to the uncertainty experienced by organisations.

2.1.3 Understanding Complexity

The post-industrial economy has experienced many developments which have added many complications since World War II such as globalization, population growth, environmental problems, cultural diversity, economic uncertainties, and technological transformation (Shaffer & Zalewski, 2011). A complex situation can be overwhelming to process as it has numerous interrelated segments and variables in addition to certain information being available or predicted (Bennett & Lemoine, 2014a, p.1). Shaffer and Zalewski (2011, p.66) point out “that causal factors or social forces at work in the situation are often competing with one another” and “decision makers must often weigh the competing influences and make informed guesses about which forces will ultimately sway the outcome of critical events”.

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2.1.4 Understanding Ambiguity

Shaffer and Zalewski (2011), define ambiguity as the unknown implications of one or more factors in a situation and indicate that decision makers will be not be able to assess whether a change is good or bad. These decision makers may be able to make equally reasonable arguments for the possibility of either good or bad outcome. Within a VUCA environment, the application of the predominant wisdom or paradigm creates inconsistencies that are strange and unsettling. Individuals are confronted with predicaments, impasses, brain teasers, and contradictions instead of being challenged with familiar problems that have identifiable solutions based on the application of suitable methods (Allen & Coates, 2009). In ambiguous situations, causal relationships are entirely unclear and no standards exist (Bennett & Lemoine, 2014a).

Table 1 provides a summative view of all the constructs that form part of the VUCA environment along with examples for each of the VUCA constructs.

<table>
<thead>
<tr>
<th>Volatility</th>
<th>What it is</th>
<th>An Example</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Relatively unstable change; information is available and the situation is understandable, but change is frequent and sometimes unpredictable.</td>
<td>Commodity pricing is often quite volatile; jet fuel costs, for instance, have been quite volatile in the 21st century.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Uncertainty</th>
<th>What it is</th>
<th>An Example</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A lack of knowledge as to whether an event will have significant consequences; cause and effect are understood, but it is unknown if an occurrence will establish significant change.</td>
<td>Anti-terrorism initiatives are generally plagued with uncertainty; we understand many causes of terrorism, but not exactly when and how they could spur attacks.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Complexity</th>
<th>What it is</th>
<th>An Example</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Many interconnected parts forming an elaborate network of information and procedures; often multiform and convoluted, but not necessarily involving change.</td>
<td>Moving into foreign markets is frequently complex; conducting business in new countries often entails navigating a difficult web of tariffs, laws, and regulations.</td>
</tr>
</tbody>
</table>
The VUCA world is all about change, including both dangerous splits and positive innovation where exciting strategies are hidden in the volatilities, uncertainties, complexities, and ambiguities (Johansen & Johansen, 2007). Bob Johansen in his interview with (Euchner, 2013) indicates that a leader’s ultimate dilemma is to take the VUCA world and change it from a threatening thing, into a world that is not only threatening, but also laden with opportunity.

### 2.2 Engagement

In the roles people perform they can use varying extents of themselves be it physically, cognitively, or emotionally even as they balance the boundary between who they are and the roles they perform (Kahn, 1990). The more people perform their roles within these boundaries, the more inspiring their performances are and the more satisfied they are with the organisation (Kahn, 1990).

Kahn (1990), indicates that group theorists have documented that people are integrally unsure about being affiliates of ongoing groups and systems and search for protection by moving towards their memberships and pulling away from both seclusion and engulfment. These pulls and pushes are people’s adjustments within their role which allows them to manage both internal uncertainties and external settings (Kahn, 1990). Kahn (1990) developed the terms personal engagement and personal disengagement which refer to the actions people bring in or leave out from their individual selves during work role performances.

Kahn (1990, p.694), defined personal engagement as the “harnessing of organisation members’ selves to their work roles” and personal disengagement as the “uncoupling of selves from work roles”. Goffman (1961) defined engagement as the “spontaneous involvement in the role” and a “visible investment of attention and muscular effort”.

<table>
<thead>
<tr>
<th>Ambiguity</th>
<th>A lack of knowledge as to ‘the basic rules of the game’; cause and effect are not understood and there is no precedent for making predictions as to what to expect.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The transition from print to digital media has been very ambiguous; companies are still learning how customers will access and experience data and entertainment when given new technologies.</td>
</tr>
</tbody>
</table>

Engaged employees have high levels of vigour, are excited about their work (Bakker & Demerouti, 2008) and engage and articulate themselves physically, cognitively, and emotionally during role performances (Kahn, 1990). Employees who demonstrate these traits also display attributes of work engagement which (Schaufeli, Salanova, Gonzalez-Roma, & Bakker, 2002) define as a satisfying work-related state of mind that is characterised by vigour, dedication, and absorption. Bakker and Demerouti (2008), expand on these characteristics indicating that vigour is personified by high energy and mental resilience while working. Dedication refers to being strongly involved in one’s work and feeling a sense of worth, passion, and challenge. Absorption is characterised by being fully focused and happily immersed in one’s work, whereby time passes swiftly and one has difficulties with removing oneself from work (Bakker & Demerouti, 2008).

Kahn (1990) added that three psychological engagement situations are essential for an employee to be engaged: meaningfulness (work elements), safety (social elements, including management style, process, and organisational norms) and availability (individual distractions) (Anitha, 2014). May, Gilson, and Harter (2004), explored the causes and arbitrating effects of these three psychological engagement conditions in a Midwestern American insurance company wherein the results revealed that all three psychological conditions revealed significant positive relations with engagement. Table 2 provides a graphical representation of the results of the May, Gilson & Harter (2004) study.

Table 2: Positive and Negative Predictors of Psychological Conditions

<table>
<thead>
<tr>
<th>Positive Predictors</th>
<th>Psychological Conditions</th>
<th>Negative Predictors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Enrichment</td>
<td>Meaningfulness</td>
<td></td>
</tr>
<tr>
<td>Role Fit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rewarding Co-Worker</td>
<td>Safety</td>
<td>Adherence to Co-Worker norms</td>
</tr>
<tr>
<td>Supportive Supervisor</td>
<td></td>
<td>Self-Consciousness</td>
</tr>
<tr>
<td>Relationship</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The study found that meaningfulness was positively predicted by job enrichment and role fit; safety was positively predicted by rewarding co-worker and supportive supervisor relations and negatively predicted by adherence to co-worker norms and self-consciousness; and psychological availability was positively predicted by resource availability and negatively predicted by participation in outdoor activities (Anitha, 2014).

Gallup (2002) identified three types of employees namely engaged, not engaged and actively disengaged employees and highlighted that employees who consistently attempt to perform at their highest levels and are creative are recognised as engaged employees. Employees who only concentrate on their responsibilities but do not focus on the goals of the organisation are recognised as not engaged employees (Gallup, 2002) whilst non-performing employees who actively discourage performing employees in the organisation are recognised as threatening individuals and identified as actively disengaged employees (Krueger & Kilham, 2006). Krueger and Kilham (2006) further advise that actively disengaged employees are capable of undermining the work of their team in addition to being dispassionate. During disengagement people remove and defend themselves physically, cognitively, or emotionally during role performances (Kahn, 1990). Work characteristics and work environment situations are the main reasons given for people being disengaged (Chaudhary, Rangnekar, & Barua, 2013).

It is therefore important for organisations to understand the percentage of their engaged employees in contrast to the percentage of not engaged or disengaged employees as this will allow leadership within organisations in a VUCA environment to address the levels of disengagement in the organisation.

2.2.1 Determinants and Drivers of Employee Engagement

Anitha’s (2014) study combined components that contributed towards Kahn’s three psychological conditions of employee engagement. These factors were empirically tested and found to be valid factors of employee engagement. Figure 2 represents seven factors that facilitate employee engagement.
Figure 2: Factors Facilitating Employee Engagement

1. **Work environment** was established as a significant factor that determined the engagement levels of the employee. Deci and Ryan (1987) specify a supportive working environment can be created through showing concern for employees’ needs and emotions, offering positive feedback, advising employees to make their concerns heard, advancing skills development and providing solutions to work related problems management.

2. **Leadership** is seen as the second most significant factor to inform employee engagement. When employees consider their work as significant and important, it hints at their interest and engagement (Anitha, 2014). Effective leadership and perceived support make up the leadership factor measure of leadership effectiveness.

3. **Team and co-worker relationship** emphasises explicitly the social congruence facet of employee engagement (Anitha, 2014) where members experiment and attempt new things without fear of costs (Kahn, 1990). Thus employee engagement is expected to be high where employees have good relationships with their respective co-workers.

4. **Training and career development** aids employees to focus on a specific work aspect as the more training the employees receive the more their confidence builds up, which in turn motivates employees to be more engaged in their jobs (Anitha, 2014).
5. **Compensation or remuneration** involves financial and non-financial rewards and is a crucial feature of employee engagement (Anitha, 2014). When employees receive rewards and recognition from their organisation they feel obligated to perform with high levels of engagement which indicates a result of the perception of the benefits they receive (Kahn, 1990; Saks (2006)).

6. Various studies have highlighted the significance of organisational policies and procedures which supports flexible work arrangements that help in balancing an employee’s work and home environments (Anitha, 2014). These organisations have a higher likelihood of their employees being engaged.

7. **Wellbeing** is defined by (Rath & Harter, 2010, p27) as “all the things that are important to how we think about and experience our lives” which supports the view that wellbeing is an important measure for evaluating the effect organisations have on employees (Anitha, 2014).

These factors provide a clear indication that there is a link between leadership, employee’s engagement levels and the environment in which organisations operate. This emphasises the need for the study taking into consideration that a VUCA environment amplifies the changes occurring in the environment.

### 2.3 Leadership

Leadership is a complex concept which has been defined in a number of ways. Madlock (2008) defines leadership as the aptitude to guide followers toward shared goals and as a form of inspiration, yet Zopiatis and Constanti (2010) indicate that although leadership has been one of the most researched areas it is still the least understood. This is supported by Burns (1978) who claims that leadership is one of the most researched and least understood phenomenon on earth.

Roth (2015), indicates there is no silver bullet for leadership success and expands on the different views on leadership effectiveness over the last century. She indicates that initially leadership effectiveness was determined by innate traits referred to as classical leadership, a few decades later the “humanistic leadership” era emerged and towards
the end of the twentieth century the concept of transformational leadership was introduced.

Today, literature on leadership is more prevalent than any time before but despite the plethora of leadership models and theories, what is not always clear is how a great leader actually impacts an organisation’s success (Roth, 2015).

There are clear individual variations in the propensity to lead, however everyone is capable of leading to some degree (Van Vugt, 2006). This can be seen through the history of the world with leaders over the centuries showing their capabilities to lead countries into war, such as Hitler, Napoleon as well as leaders who fight for causes against injustice of regimes such as the Ottoman Empire, British colonialism and apartheid.

It is thus evident that the role of leaders is critical to organisations successfully navigating through the challenges presented by a VUCA world. Leaders have always been required to address the nuances within their environment to achieve their objectives, however, these challenges are now amplified when addressing them in a VUCA environment.

Robert (2012) observes that leaders are often looked at to clarify purpose and values, set direction, build the community and manage change, however although leaders follow best practices it is becoming evident that the performance of the organisation is largely defined by externalities. This emphasises the significance of leader’s capabilities to effectively manage and lead within the VUCA world (Johansen, 2009).

New leadership tests which include developing millennials and multiple generations of leaders, meeting the requirements for leaders with global fluency and flexibility, developing the capability to innovate and motivate others to perform; and obtaining new levels of considerations of fast changing technologies and new disciplines and fields, highlight the different challenges that twenty-first century leaders face compared to those of earlier generations (Canweel, Vishalli, Neveras, & Stockton, 2014). Leaders are vital and efficient elements of an organisation for controlling socioeconomic issues and keeping informed with varying business trends within a VUCA environment (Finkelstein, Hambrick, & Canella, 2010; Northhouse, 2010).

The defiance of followers frequently handicaps the desire of the leaders to build a community (Robert, 2012). The temptation of members who have hidden plans that impede the organisation, to act in their own self-interest is recognised as the classic problem to creating a community (Robert, 2012).
Robert (2012), argues that leaders have little authority over the performance of the organisation, however, based on their positions of power they can shape the culture of the organisation, its beliefs, values and behaviours. This could be achieved by:

1. Recruiting employees who are driven, honourable and have a desire to continuously learn;
2. Creating, communication and living the values of the organisation as this is the base for a successful organisation; and,
3. Rewarding employees who display ideal behaviours such as honesty and excellence in practice.

In order to understand leadership in the context of a VUCA environment, the author will review leadership theories and define which of these theories are most prevalent to leadership during a VUCA time.

2.3.1 Review of Leadership Theories

Bolden, Gosling, Marturano, and Dennison (2003) indicate that early leadership theories were inclined to focus on the characteristics and behaviours of successful leaders and later theories began to deliberate on the role of followers and the contextual nature of leadership. Table 3 provides a summative view of leadership theories.

Table 3: Summary of Leadership Theories (Bolden et al., 2003).

<table>
<thead>
<tr>
<th>Great Man Theories</th>
<th>Based on the belief that leaders are extraordinary people, who are born with distinctive qualities and ordained to lead. The use of the word ‘man’ was deliberate since leadership was initially thought of as a concept which is primarily male, military and Western.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trait Theories</td>
<td>The traits or qualities linked with leadership are plenty and continue to be produced. They appeal to all adjectives which describe some positive or righteous human attribute</td>
</tr>
<tr>
<td>Behaviourist Theories</td>
<td>These focus on what leaders essentially carry out. Different displays of behaviour are examined and classified as ‘styles of leadership’.</td>
</tr>
</tbody>
</table>
### Situational Leadership

This theory recognises leadership as limited to the situation it is being applied to. It also proposes that at different levels of the organisation there could be different leadership styles required.

### Contingency Theory

This focuses on discovering the situational variables which best predict the most suitable or effective leadership style to address the particular circumstances.

### Transactional Theory

This theory focuses on the mutual benefits through which leaders in return for the commitment and loyalty of their followers deliver on the followers expectations.

### Transformational Theory

The focus of this theory is change and the role of leadership in envisioning and effecting the transformation of organisational performance.

For the purpose of this study the author will focus on transactional and transformational leadership theories.

#### 2.3.2 Transactional and Transformational Leadership

Two types of leadership styles, transactional and transformational were identified based on information drawn from literature on traits, leadership styles, leader-member exchange research in addition to his own observations (Burns, 1978; Lowe, Kroeck, & Sivasubramaniam, 1996). Leaders can be categorised depending on their affinity for transactions with subordiantes or transformation of subordinates (Burns, 1978; Kuhnert & Lewis, 1987).

Transformational leadership is when leaders and followers engage with each other in such a manner that they raise each other to a higher level of creativity and honesty, whilst transactional leadership is when contact is instigated with followers by leaders through trading things of value such as rewards and recognition (Burns, 1978; Lowe, Kroeck & Sivasubramaniam, 1996). Burns (1978) reflected that a transformational leader is separate from the transactional leader, which implies that a leader could only adopt one of these styles. Bass (1985) however viewed transformational and transactional leaders as mutually exclusive rather than polar opposites as he understood that both styles may be related to the accomplishment of the organisations objectives (Lowe, Kroeck & Sivasubramaniam, 1996). This implies that a leader could use both transactional and transformational leadership styles. All leaders utilise both transactional
and transformational leadership to a certain degree, but influential leaders use transformational leadership more often than transactional leadership (Breevaart et al., 2014).

Bass (1991), provides the following characteristics of transformational and transactional leaders.

Transformational leaders:
- Charisma: Provides a dream and sense of mission, inspires pride, and earns respect and trust of employees.
- Inspiration: Communicates goals and objectives through the use of symbols to direct efforts and communicates important objectives in clear and transparent ways.
- Intellectual Stimulation: Creates an environment where employees are challenged and are required to display reason, problem solving skills and intelligence is promoted.
- Individualized Consideration: Each employee is given personal attention and are treated as individuals. Coaching and guiding is provided to each individual.

Transactional Leaders:
- Contingent Reward: contract between leader and follower of rewards for performance.
- Management by Exception (active): Taking decisive action where an employee deviates from the rules of the organisation.
- Management by Exception (passive): An intervention only occurs in the event that an employee does not meet expected standards.
- Laissez-Faire: Leadership responsibilities are abandoned and no decision making occurs.

Transformational leadership has been one of the most prevalent leadership approaches used since the 1980s (Northhouse, 2010) and accentuates the significance of the relationship between leaders and followers in managing effective, teamwork-based performance (Bass, 1985). Transactional leadership concentrates on the work-related trade of performance and rewards between follower and leader (Tyseen, Wald, & Spieth, 2014). Transformational leadership enhances transactional management to accomplish higher levels of subordinate performance with the main distinction being the method that
the leader inspires their followers and the types of goals they set (Lowe, Kroeck, & Sivasubramaniam, 1996).

Leaders who adopt a transformational leadership styles versus a transactional leadership style make a larger contribution to the organisation and have better relationships with their supervisors (Bass, 1985). Creating a culture that allows followers to come together around a common purpose of the organisation by attending to the needs of the followers and responding accordingly is the primary role of the leader (Bass, 1985). Transformational leadership behaviours activate several processes which motivate and inspire followers to identify with the leader and the organisation and transforms followers’ self-interests towards organisational targets (Shamir, House, & Arthur, 1993; Abrell-Vogel & Rowold, 2014).

2.3.3 Senior Leadership

Armstrong and Sambamurthy (1999; p306 ) indicate that “senior leadership teams can be viewed as an organisational structure for integrating members’ knowledge”. Organisations are economic structures which allow the knowledge of different individuals to be integrated into producing products and services that are of superior value (Grant, 1996; 2006). Objective knowledge and systems of knowing are two unique features of the structures for knowledge integration (Spender, 1996). Objective knowledge is the definitive, visible knowledge held by individual team members (Spender, 1996). Systems of knowing refer to structures of interaction among team members for sharing their perspective, pooling of knowledge and development of shared understanding (Nahapiet & Ghoshal, 1998). Cohen and Levinthal (1990) indicate that if these two components are taken together they describe the absorptive capacity of senior leadership teams.

Most of the focus of studies and work done on leadership has focused on the leader as an individual in addition to leader-follower relations (Yammarino, Salas, Serban, Shirreffs, & Shuffler, 2012). Taking into account the challenges a VUCA environment places on the work environment, new approaches to leadership that go beyond the leader-follower hierarchical view and recognises the roles of teams, networks and extensive engagements amongst individuals are required (Yammarino & Dansereau, 2008; 2009).
In Hambrick and Mason’s (1984) upper echelons theory, organisations are perceived to be influenced by the values, preferences and experiences of their top managers which result in top management making decisions and taking actions that are in line with their personal preferences and biases. This results in the organisation reflecting top managers personalities, values and beliefs. Expanding on this definition of top management, senior leadership is defined as the collective management team of the Chief Operating Officer (COO), Operations Executive (OE) and Divisional Operations Manager (DOM) who are formal managers of the top management team within the Operations function.

Collective leadership is the collaboration of team members to lead the team by allocating the leadership responsibilities, which can be viewed as an extreme departure from traditional views of leadership (Hiller, Day & Vance, 2006). Hiller, Day, and Vance (2006) found that collective leadership has a positive relation to team effectiveness which in turn has a positive impact on organisational performance.

Yammarino et al. (2012) highlight five collectivistic leadership approaches which reflect the current work in the field of collectivistic leadership. These five collectivistic leadership approaches include team leadership, network leadership, shared leadership, complexity leadership and collective leadership. This study will focus on collective leadership.

In collective leadership, a principal leader or set of leaders, selectively exploit skills and knowledge within a network and across hierarchical levels in the organisation, essentially allocating elements of the leadership role based on the problem experienced. (Yammarino et al., 2012).

Leadership effectiveness measures are both soft (satisfaction, commitment, loyalty, cohesion) and hard (performance, absenteeism, turnover, stress, safety) for leaders, followers, and their units are consequences of leadership (Yammarino et al., 2012), which reflects the engagement levels of employees and the role collective leadership plays in ensuring employees within the organisation are engaged. Naicker (2013) indicates that one of the top drivers for employee engagement is the senior manager’s interest in an employee’s wellbeing.
2.4 Organisational and Personal Values

Values are categorised as beliefs as well as inspirations that influence our lives and is displayed through our conducts and actions (Woodward & Shaffakat, 2014). Although we may not be fully aware of them, values can offer us a deep awareness into our behaviours, our relations with others, and our lenses through which we make decisions (Woodward & Shaffakat, 2014). It is for this reason that organisations and teams regularly deliberate, articulate and focus on their vision, values and culture in building engagement and performance (Woodward & Shaffakat, 2014).

Selznick (1957) wrote that organisations become mature and “institutionalised” only when leaders infuse them with values which allows the organisation to acquire a unique identity and competence which can only be achieved through processes that are developed and implemented by organisational leaders.

Macey and Schneider (2008) indicate that the goals and values of an organisation can be a basis of connection and loyalty that lead people to associate with the organisation and display adaptive behaviours aligned with the organisation’s long term interest.

Organisational identification which concerns the alignment of an employee’s personal values to that of the organisation is a particular form of organisational commitment in that it infers identity fit or identity matching, this is a key issue in the definitions of what the engaged person might experience (Macey & Schneider, 2008).

Leiter and Maslach (2004) indicate that values are the core of a person’s relationship with his/her job as it includes the standards and reasons that initially attracted them to the job. Leiter and Maslach (2004) further indicate that values motivate and connect the employee to the workplace and this connection cannot be swapped for monetary or non-monetary benefits. Srivastava (2011) indicates that the role of personal and work values in influencing work attitude and job outcome is enormous with the result being influenced through changing values in society. In his study, Srivastava (2011) identifies that personal values impact the perception of satisfaction amongst employees in the organisation.

Alignment between personal values and organisational values creates an environment that supports engagement, however, when there is misalignment between personal and
organisational values it could undermine people’s work engagements (Leiter & Maslach, 2004). Based on the gap between individual and organisational value alignment employees make trade-offs between work they want to do and work they have to do (Leiter & Maslach, 2004).

Research has shown that there are two ways of resolving the tension that results from the misalignment of personal values to organisational values. These are:

1. Bring personal expectations in line with those of the organisation (Stevens & O’Neill, 1983)
2. For employees to leave the organisation in search of more fulfilling career opportunities (Pick & Leiter, 1991)

The despair associated with value conflicts and the lengths to which people go to reduce the strain related to such value conflicts are symptomatic of their central role in the burnout and engagement process (Leiter & Maslach, 2004). Brown (1976) advocates that at the employee–manager level a value congruence test should be conducted as a way of improving employee personal work satisfaction and motivation.

Research (Edwards & Cable, 2009; Meglino, Ravlin, & Adkins, 1989; Verquer, Beehr, & Wagner, 2003) indicates that value congruence is a narrow notion defined as the soundness of the labour values in an organisation. This notion is observed as compatibility of the labour value between individuals and organisations, employees and the working team, subordinates and their managers and between candidates for the job and recruiters (Adkins, Ravlin, & Meglino, 1996; Brown & Trevino, 2009; Cable & Judge, 1997; Erdogan & Bauer, 2005)

Value congruence is a significant component of person–organisation fit (Kristof-Brown, Zimmerman, & Johnson, 2005; Verquer, Beehr & Wagner, 2003) which is often perceived as congruence between employees personal values and organisational culture (Gulbovaite & Vveinhardt, 2013). Perera, Khatibi, and Navarathna (2012) expand on this and indicate that person-organisation fit is the compatibility between the individual and the organisation, covering how an individual’s values, interests and behaviour are consistent or compatible with the organisation’s culture as a whole rather than as a specific function or a task.
Gulbovaite and Vveinhardt (2013) highlight that value congruence is a key factor in the formation of personal identification with the organisation that results in a positive attitude towards employees, co-workers and the organisation itself. Research (Cable & DeRue, 2002; Finegan, 2000; Siegall & McDonald, 2004; Van Vianen, 2000; Verquer, Beehr & Wagner, 2003;) confirms that value congruence has positive and negative associations which supports the importance of achieving congruence.

**Figure 3: Value Congruence Associations**

In summary, it can be understood from the fore-mentioned literature that an employee’s positive alignment of personal value to organisational values improves an employee’s workplace well-being which is one of the drivers that facilitates employee engagement.

### 2.5 Organisational Change

Change creates disturbances, forces people to rethink their current and future situations and is an integral part of everyday life (Steigenberger, 2015). The current workplace endures a drastic and accelerated pace of change (Cartwright & Holmes, 2006) and organisations are reorganising, reengineering, downscaling and implementing new technology to attempt to survive and to remain competitive (Vakola, Tsaousis, & Nikolaou, 2004). These ongoing efforts place enormous strain not only on an organisation but also on its employees (Vakola, Tsaousis, & Nikolaou, 2004) which could negatively affect employees in terms of job losses, job uncertainty, ambiguity and
heightened anxiety (Cartwright & Holmes, 2006). Cartwright and Holmes (2006) indicate that the effects of these changes are not compensated for by any organisational benefits.

Employees may respond to change with the intention of positively supporting the change or negatively opposing it (Vakola, Tsaousis, & Nikolaou, 2004). Arnold, Cooper, and Robertson (1995, p. 167) indicate that “attitudes reflect a person’s tendency to feel, think or behave in a positive or negative manner towards the object of the attitude”. Piderit (2000) suggests that an employee’s strong positive attitude to change is necessary for an organisation to succeed whilst an employee’s negative attitudes towards change could ruin an organisation.

At an organisational level (Block, 1999; Doyle, 2002; Gilley, Godek & Gilley, 2009; Kotter, 1995, 1996) have identified poor leadership, lack of management support for change, absence of trust between management and employees, internal conflict for resources, recognition, or rewards, lack of commitment to change, dysfunctional culture, inability or unwillingness to deal with resistance, and lack of consequences for inadequate or poor performance as barriers to change.

Gilley et al. (2009) indicate that individuals are categorised as innovators, early adopters, early majority, late majority and laggards based on their general acceptance to change. Figure 4 provides further understanding of these categorisations.
Research (Gilley et al., 2009; Rogers, 2003; Trader-Leigh, 2002) indicates that individuals who are categorised as late majority or laggards are most resistant to change for the following reasons:

- An individual's attitude towards change
- Fear of the unknown
- Disruption of routine
- Conflict with current culture
- Fear of failure
- Lack of reward for change
- Loss of status, control, power or security

Denning (2005); Gill (2003); Gilley et al., (2009); Sims (2002)) indicate that effective leadership, employee involvement, appropriate communications and motivations by management are some of the elements that can reduce the resistance to change.

Cartwright and Holmes (2006) highlight that organisations require employees to adapt to the needs of the organisation and that it is perhaps now more appropriate for organisations to understand and deliberate the way in which they should respond to the changing needs of their employees. Organisations need to deal with and recognise the deeper requirements of employees to ensure that they remain motivated; because
talented people require meaningful work and if this is not provided to them they will leave (Havener, 1999).

2.5.1 Leading Change

Abrell-Vogel and Rowold (2014) indicate that it is vital that leaders are sympathetic to an employee’s requirements and behave sensitively in building their commitment to change. Leadership makes the difference in ensuring that change is introduced successfully through ensuring that the change is well managed, planned, organised, directed and controlled (Gill, 2003). New demands are being placed on leaders of tomorrow through externalities outside of leaders control (Eisenbach, Watson, & Pillai, 1999) which require strong leadership in terms of focusing people’s energy into specific goals and outcomes (Potter, 2001). It is important that leaders create relationships with each of their employees when there are only minor changes so that employees can rely on their leader’s support during difficult situations (Abrell-Vogel and Rowold, 2014).

Abrell-Vogel and Rowold (2014, p. 903) indicate that “transformational leaders motivate and inspire employees to identify with the leader and the organisation”. Research by Judge and Piccolo (2004) and Lowe, Kroeck, and Sivasubramaniam (1996) highlights that of the different leadership styles, transformational leadership is considered the most successful in employee effectiveness, satisfaction, organisational commitment and extra effort.

An effective change leader tries to create a state of renewal by reviewing where the organisation is currently, deciding where the organisation would like to be in the future and then creating strategies and plans to take the organisation to this future (Potter, 2001). The effective change leader ensures that every employee in the organisation is focused and moving towards the same objective (Gill, 2003). Certain factors have been identified as the keys to successful change which are displayed in Table 4 below.
According to Table 4, leadership is viewed as the most important factor in successful change indicating that “if change is a process of taking an organisation on a journey from its current state to a desired future state and dealing with all the problems that arise along the journey, then change is about leadership as well” (Gill, 2003, p.309). Potter (2001) indicates that this change transition can be brought about by change leaders who focus on building an employee’s confidence, competence and self-esteem and by providing employees the opportunity to experience success as soon as possible through new ways of working.

Whilst organisations and their leaders want sustainable change only few organisations are able to attain it as organisations often go through the motions necessary to bring about change whilst concurrently hoping that its catalyst disappears (Conner, 1992; Gilley, Dixon, & Gilley, 2008). The main explanation for an organisation’s failure to change and innovate is due to the lack of skill and determination that leaders have for ensuring successful implementation of the change (Gilley et al., 2008).

Research has identified the following four barriers to the implementation of successful change by leaders (Bossidy and Charan, 2002; Burke, 1992; Gilley, 2005; Kotter, 1996; Patterson, 1997; Ulrich, 1998):

1. The ability to change how one manages and how the organisation functions;
2. Failure to understand effective change implementation techniques;
3. Lack of management recognition or rewards for those who change; and,
4. The inability to motivate others to change.

Table 4: Keys to successful change (Gill, 2003)

<table>
<thead>
<tr>
<th>Factor</th>
<th>% Mentioning this as important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership</td>
<td>92</td>
</tr>
<tr>
<td>Corporate Values</td>
<td>84</td>
</tr>
<tr>
<td>Communication</td>
<td>75</td>
</tr>
<tr>
<td>Teambuilding</td>
<td>69</td>
</tr>
<tr>
<td>Education and training</td>
<td>64</td>
</tr>
</tbody>
</table>
2.5.2 Change Models

Balogun and Hope Hailey (2004) indicate that around 70% of all change programmes fail which supports (Burns, 2004) suggestion that organisations do not have a valid framework for implementing and managing organisational change. Buchanan and Boddy (1992, p.57) suggest that a leader should be able to “understand and manage the details of the change, control and plan the change managerial and operational aspect, deal with the people in the organisation who are driving and are driven by the process of change”.

Gilley et al., (2009) define early change models as three-step processes that involve diagnosing and preparing an organisation for change, engaging in change and anchoring new ways in the culture. Lewin’s (1951) model of change consists of unfreezing, movement and re-freezing. Lewin (1951) indicates that momentum is built by aligning all stakeholders in introducing the change and planning its implementation. Lewin (1951) explains the process as follows:

- Unfreezing is the process of preparing individuals and organisations for change;
- Movement occurs when individuals participate in change activities; and then,
- Refreezing is the process whereby individuals integrate the change into their daily schedule and new behaviours are solidified and deemed the norm.

Researchers have built on these early models and have developed more extensive models that includes leadership, involvement of employees and more. Kotter (1995) is regarded as one of the most popular models and consists of eight steps which are as follows:

Step 1: Create a sense of urgency – During this step discussions around the current competitor realities are held, in addition to scenario planning that focuses on increasing the need for change.

Step 2: Form a powerful coalition – This is possible through assembling a powerful group of people who can work well together.

Step 3: Create a vision – This can be done by building a vision to guide the change effort together with strategies for achieving this.

Step 4: Communicate the vision – All components of the change journey need to be communicated to various stakeholders. It is essential that a clear communication plan is
created which is supported by the guiding coalition who are required to ensure that they model the new behaviours identified.

Step 5: Empower others to act on the vision – Ensure all barriers to change such as processes, systems and structures are removed to empower people during the change journey.

Step 6: Plan for and create short term wins – Look for and advertise short term visible improvements. Plan these in and reward people publicly for improvements.

Step 7: Consolidate improvement and still produce more change – Promote and reward those able to promote and work towards the vision. Energise the process of change with new projects, resources and change agents.

Step 8: Institutionalise new approaches – Ensure that everyone understands that the new behaviours lead to corporate success.

Bucciarelli (2015) indicates that the stages are not required to be followed sequentially, one can move back and forth depending on the change initiative since change is a fluid process which affects several components and therefore needs to be strategically manoeuvred. Bucciarelli (2015) further indicates that not all stages are present in all change initiatives and not all the stages require the same focus and attention. Ultimately each change initiative is different and it is not always true that following a staged model will lead to a successful implementation of change (Bucciarelli, 2015).

2.6 Organisational Effectiveness

Organisational Effectiveness (OE) is a multifaceted and controversial concept (Oghojafor, Olayemi, Okonji, & Okolie, 2012) and this idea is supported by Upadhaya, Munir, and Bount (2014) who indicate that there are contradictory views among scholars about what organisational effectiveness is and how it should be measured. However, Finn (2013) highlights that scholars are in agreement that organisational effectiveness involves attention to goals, satisfaction of stakeholder and relationship with the external environment.

Iwu, Kapondoro, Twum-Darko, and Tengeh (2015) indicate that there are two views on how organisational effectiveness is measured. The first view highlights that organisational effectiveness is measured in financial terms whilst the second view promotes the idea that there are both financial and non-financial measures of
organisational effectiveness. Non-financial measures include customer satisfaction, quality, productivity, and market share (Upadhaya, Munir, and Bount, 2014). Another constituent of non-financial measures highlighted by (Upadhaya et al., 2014) is employee motivation which has been identified as a component of employee engagement.

Lambe (2007, p 49 - 50) defines organisational effectiveness as “a combination of: the ability to set collective, realistic, and achievable goals; the ability to make detailed plans, organise and manage resources and coordinate actions in pursuit of those goals; a degree of consistency in the extent to which goals are achieved; the ability to make appropriate changes to plans and actions in the light of changes in the environment; and the ability to identify and respond appropriately to opportunities and risks in the environment”.

Baron and Armstrong (2007) assert that an organisation must make good use of its knowledge to ensure organisational effectiveness and that this knowledge needs to be developed, captured and exchanged to create organisational capital, which, according to (Salleh and Ching Choo, 2011) includes a combination of a company’s human, organisational and knowledge resources.

Hamlin, Keep, and Ash (2001) state that for every organisational change, new knowledge, attitudes, skills and habits have to be developed or existing knowledge, attitudes, skills and habits have to be redistributed through the organisation. Hamlin, Keep and Ash(2001) further advise that if skill gaps are not bridged effectively, the organisation will not develop the critical capabilities required to transform successfully from the present state to its desired future state which would reduce the organisations effectiveness in the long term.

2.7 Summary of Literature Review

In this section the theoretical base for this study was analysed to provide a broader understanding of the need for the study. Literature relating to the VUCA environment highlights the challenges facing leaders operating within a VUCA environment. The literature also highlighted the origins of the term personal engagement and personal disengagement (Kahn, 1990), explored further studies on what facilitates employee engagement (Anitha, 2014) and what the consequences of employee engagement are (Saks, 2006). Literature relating to leadership referred to transactional leadership and transformational leadership as the best suited leadership styles in ensuring employees
are engaged (Bass, 1985). Bass (1985) argues that leaders should adopt both transactional and transformational leadership styles, but the best leaders use transformational leadership more often than transactional leadership.

The literature studies also identified a link between employee engagement, and an employee’s work environment and leadership (Anitha, 2014). An employee’s work environment is impacted by both macro and micro factors within the organisation which relates to an employee having to work within a VUCA environment. It is the role of leadership to guide an employee on his/her deliverables in order to achieve the organisation’s objectives. An engaged employee is aware of his responsibility and motivates his colleagues to achieve the organisation’s objectives (Anitha, 2014), therefore the role of leadership is critical to ensuring employees are engaged.

A shift was observed in the literature from traditional leadership studies that focus on leader-follower interactions to more collectivistic leadership. Within the current VUCA environment to expect of an individual leader to cope with all the challenges associated with this environment is unrealistic and that collective leadership is a form of leadership that will better equip organisations to deal with the challenges associated with the VUCA environment.

The literature also assesses the importance of values in an organisation and the impact it has on leadership and in employee engagement. The research highlighted that it is the role of leadership to develop and implement processes that support organisational change and identified the importance of a person-organisation value fit and the impact it has on engagement. The research also illustrated the positive and negative associations of value congruence which indicates the importance of understanding person-organisation fit with regard to employee engagement.

Organisational change literature highlights that 70% of organisational change initiatives fail and these failures are associated with the lack of ability of the leader. Most organisational change failures are attributed to the lack of capability that leaders have to successfully implement the change. The literature highlighted change models that could assist leaders in implementing successful change. The importance of organisational effectiveness was also highlighted i ensuring that organisations lead successful organisational change initiatives.
3. Research Methodology and Design

3.1 Research Questions

The literature review presented in this thesis indicates the importance of employee engagement to organisational performance and provides an understanding that leadership has an enormous impact on the engagement levels of employees within an organisation. In addition the literature further provides us with the characteristics of a VUCA environment, which, when applied to the current political, economic and social challenges experienced in South Africa allows us to understand the volatile, uncertain, complex and ambiguous environment organisations currently operate in.

A cross-organisational study conducted by Towers Perrin (2005) (now known as Towers Watson) over a 12 month period and a meta-analysis conducted by Gallup (2006) provide a clear indication of the impact employee engagement has on an organisation. These studies provided the following findings:

- Organisations with high engagement scored improved operating income by 19.2 % whilst those with low engagement scored declined operating income by 32.7 % (Towers Watson, 2011);
- Companies with high engagement scores also displayed an increase of 13.7 % in net income growth whilst organisations with low engagement scores saw a decline of 3.8 % (Towers Watson, 2011); and,
- Highly engaged employees require an average of 2.7 days sick leave per year compared to disengaged employees who require an average of 6.2 sick leave days per year (Gallup, 2006).

Based on the above arguments and the literature review provided the following research questions were identified.

**Research Question 1:** Does the leadership of an employee’s direct line manager significantly and positively influence employee engagement?

Leadership is a relationship that encourages followers to follow joint objectives that represent the motivations of both leaders and followers (Burns, 1978). Superior performance is possible only by converting follower’s values, attitudes and motives from a lower to a higher plan of stimulation and maturity (Krishnan, 2004). An employees work
experience, performance and emotional being can be positively affected if there is a high quality relationship between the employee and leader. (Krishnan, 2004).

The views expressed in existing literature highlights the role of leaders and underlines the influence leadership has on employee performance. The research question therefore seeks to understand if there is a positive correlation between direct line manager leadership and employee engagement.

**Research Question 2: Does an employee’s senior leadership significantly and positively influence employee engagement?**

It is challenging in today’s organisations for one individual acting alone or with reduced interactions in formal units to bring to bear and display effective leadership based on the speed at which technology changes, the increased complexity, competitive demands, socio economic situations and risks involved in making decisions (Yammarino et al., 2012).

The notion of collective leadership is an extreme departure from traditional views of leadership where the epicentre of collective leadership is not the function of a formal leader, but the collaboration of team members to lead the team by distributing the leadership responsibilities (Hiller, Day, & Vance, 2006). The results of a field study conducted by Hiller et al.(2006) found that collective leadership is positively related to team effectiveness which has a positive impact on organisational performance.

Taking into account the challenges a VUCA environment places on the work environment, new approaches to leadership that go beyond the leader-follower hierachical view and recognises the roles of teams, networks and extensive engagements amongst individuals are required (Yammarino and Dansereau, 2008, 2009). Based on the literature review presented, this study will assess whether collective leadership has a positive impact on employee engagement excluding the role of the employees’ direct line manager.

**Research Question 3: If leaders live organisational values, would this have a positive influence on employee engagement?**

Values are vital elements of organisational culture and influential in defining, guiding and informing behaviours (MacCarthagh, 2008). Berkhout and Rowlands (2007) claimed that organisations whose recruitment processes matches the individual’s values to the organisation’s values are more successful because employees have a higher level of job
satisfaction. Krishnan (2004) defines value congruence as the degree of conformity between the leader’s value system and the follower’s value system which (Meglino, Ravlin, & Adkins, 1989) has found to be extensively related to employee satisfaction and commitment.

Based on these findings the study will assess if there is a positive correlation between employees direct line manager and senior leadership living the organisational values and the levels of engagement of employees

**Research Question 4: Does the implementation of organisational change influences employee engagement?**

The current workplace endures a drastic and accelerated pace of change (Cartwright & Holmes, 2006) and organisations are reorganising, reengineering, downscaling and implementing new technology to try and survive and remain competitive (Vakola, Tsaousis, & Nikolaou, 2004).

An effective change leader tries to create a state of renewal by reviewing where the organisation is now, deciding where the organisation would like to be in the future and then creating strategies and plans to take the organisation to this future (Potter, 2001) ensuring that every employee in the organisation is driving their energies towards the same goal (Gill, 2003).

The study will therefore test whether the implementation of organisational change has a negative impact on employee engagement since disengaged employees will not support the organisational change and will contribute to the failure of the initiative.
4. Research Methodology

The aim of this study is to explore the impact of leadership on employee engagement within a VUCA environment. The organisation on which the study was based on needed to display the characteristics of a VUCA environment. An environment that is considered as VUCA has the following characteristics:

1. Fast pace of change;
2. There is uncertainty regarding the present situation and future outcomes;
3. There is multiplicity of key decision factors; and,
4. There is lack of clarity within the environment.

Edcon was identified as an organisation that fits these requirements. Edcon operates within the retail industry which in its nature is fast paced and continuously changing. There is currently uncertainty within Edcon based on the current debt burdens experienced after the purchase of Edcon by Bain Capital. This creates a complex environment for Edcon to operate within by trying to ensure the profitability of the organisation while at the same time attempting to meet financial requirements set out by the respective banking institution. This creates a lack of clarity of the future for individuals within the organisation.

This study focused on the Retail Operations function within Edcon and will apply to all staff who are employed within the Specialities division. The Specialities division contains the following four business units that participated in the study, namely; Edgars Active, Boardmans, Brands and Red Square.

4.1 Research Design

The research instrument was created through the pooling of questions from best practice engagement surveys that include Towers Watson engagement survey, Gallup Q12 engagement survey (Harter, Schimdt, Kilham, & Agrawal, 2009) and the Corporate Leadership Council(2004) engagement survey. The rating scale used in the questionnaire was based on the five point Likert scale used by Towers Watson.
This study will discuss the causal relationship between leadership and employee engagement within a VUCA environment. According to Bordens and Abbott (2013), a causal relationship is when one variable directly or indirectly influences the other and, changes in the value of one variable directly or indirectly cause changes in the value of a second (Bordens & Abbott, 2013). Studies have shown that a relationship exists between leadership and employee engagement which shows that there is a correlation relationship between leadership and employee engagement (Saks, 2006). A correlational relationship is explained as one where changes in one variable accompany changes in another, however suitable tests have not been done to show that either variable actually causes changes in the other (Bordens & Abbott, 2013). The aim of this study is to investigate the influence of one variable (leadership) on another (employee engagement), which thus emphasizes a causal relationship between these variables.

Kumar (2014) indicates that within a causal study four sets of variables may operate. These variables are:

1. Variables that are responsible for bringing about change in certain phenomena, situations or circumstances (independent variables);
2. Outcome variables, which are the effects, impacts or consequences of a change variable (dependent variables);
3. Variables which affect or influence the link between cause-and-effect variables (extraneous or unmeasured variables); and,
4. Connecting or linking variables, which in certain situations are necessary to complete the relationship between cause-and-effect variables (intervening variables).

This study investigated the influence of leadership (independent variable) on employee engagement (dependent variable) within a VUCA environment (extraneous variable). Factors operating within the VUCA environment (extraneous variable) may affect or change the dependent variable (employee engagement). It is important to remember that the VUCA environment (extraneous variable) was not measured in this study even though it may have impact on the strength of the relationship between the independent (leadership) and dependent (employee engagement) variables in this study (Kumar, 2014).
4.2 Population and Sample

The population of this study included all employees who are employed in the Specialities division within the Retail Operations function of Edcon. This included all permanent employees based in stores and those based at the head office. The Specialities division at the time of the study had 286 stores trading. Table 5 provides the number of stores that participated in the study per Chain within the Specialities Division.

Table 5: Number of Stores Participated

<table>
<thead>
<tr>
<th>Number</th>
<th>Chain</th>
<th>Number of Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Edgars Active</td>
<td>167</td>
</tr>
<tr>
<td>2</td>
<td>Boardmans</td>
<td>35</td>
</tr>
<tr>
<td>3</td>
<td>Brands</td>
<td>36</td>
</tr>
<tr>
<td>4</td>
<td>Red Square</td>
<td>48</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>286</td>
</tr>
</tbody>
</table>

A non-random convenience sample method was used to select the targeted sample group (Kumar, 2014). Bordens and Abbott (2013) define a sample as a small subgroup of individuals chosen from the larger population. Convenience sampling is primarily guided by the convenience to the researcher, this may be due to easy accessibility, geographical proximity, known contacts, ready approval for undertaking the study or being part of a group (Kumar, 2014).

The author of this study is currently employed at Edcon and obtained approval from senior management to administer the questionnaire within the organisation. In addition quota sampling will be used to ensure the sample is representative of the organisation (Kumar, 2014). Participation in this study was on a voluntary basis with employee confidentiality guaranteed through the use of an online survey.

The sample for this study is therefore defined as the following:

- Employees who hold management positions within the Specialities chain within the Retail Operations Division in Edcon. This includes the following businesses:
  - Red Square;
  - Boardmans;
  - Active; and,
  - International Brands.
- Employees who are based in stores and head offices within South Africa;
- Employees who are currently employed within the Specialities chain for six months or longer; and,
- Employees who are in a management role and have access to their own work computer.

The survey was distributed to the sample through the internal communication platform within Edcon called Storecomms. Storecomms allows targeted communication to be sent through to respective stores within the Edcon Group. The communication that was sent out for this research study contained a link that allowed access to the online survey tool housing the questionnaire for this study. The link automatically opened up to the first page of the survey which provided participants with information on the survey as well as guidance that the survey was confidential, anonymous, voluntary and that participants were able to withdraw from the research study at any point in time. This page also provided the contact details of the researcher.

4.3 Unit of Analysis

The unit of analysis for this research is the business unit, that is, the Specialities function in the Retail Operations division in Edcon.

4.4 Data Gathering

This study is a quantitative study and data was collected by means of an online survey which comprised of closed ended questions and was completed by employees that fell within the prescribed sample.

An open invitation was sent out to human resource practitioners to participate in a pilot study of the survey. There were 12 participants who responded to the invite and completed the survey. The participants were asked to provide feedback on the following:

1. How long did it take for you to complete the survey?
2. Were the questions asked in the survey clear?
3. Were the questions asked easily understood?
4. Were you able to understand the five point Likert scale used in the survey?
5. Was the structure of the survey easy to follow?
6. Do you recommend any changes to be made to the survey?

Table 6 provides the results of the pilot survey feedback.

**Table 6: Pilot Survey Feedback**

<table>
<thead>
<tr>
<th>Question</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 How long did it take to complete the survey?</td>
<td>Average time taken to complete the survey was 7.8 minutes. With the longest time being 15 minutes and the shortest time being four minutes</td>
</tr>
<tr>
<td>2 Were the questions asked in the survey clear?</td>
<td>All 12 participants agreed the questions were clear</td>
</tr>
<tr>
<td>3 Were the questions asked easily understood?</td>
<td>All 12 participants agreed the questions were easily understood</td>
</tr>
<tr>
<td>4 Were you able to understand the five point Likert scale used in the survey?</td>
<td>All 12 participants agreed the Likert scale was easily understood</td>
</tr>
<tr>
<td>5 Was the structure of the survey easy to follow?</td>
<td>All 12 participants agreed the structure of the survey was easy to follow</td>
</tr>
<tr>
<td>6 Do you recommend any changes to be made to the survey?</td>
<td>No recommendations were made</td>
</tr>
</tbody>
</table>

Based on the feedback received from the pilot study the time required to complete the survey was changed from six to eight minutes to 10 to 15 minutes.

### 4.5 Data Analysis

Data analysis for the study was conducted as follows:

- Descriptive statistics were conducted on elements such as demographics of the data samples. In addition mean, median, mode and standard deviation descriptive statistics were run for each research question. Trochim and Donnelly (2001) indicate that descriptive statistics provide simple summaries about the sample and the measures.
Inferential statistics were conducted to address the three research questions. Inferential statistics allow for inferences to be made from the data and for making judgements of the probability that an observed difference between groups is a dependable one or one that might have happened by chance (Trochim & Donnelly, 2001).

A Cronbach alpha coefficient test was conducted in order to test the reliability and validity of the data.

Regression analysis was conducted to determine the strength of the relationship between the dependent (employee engagement) and independent variables for each research question.

An analysis of variance (ANOVA) test was conducted to analyse the differences among group means and their associated procedures. The purpose of an ANOVA is to test whether the means of numerous groups are equal.

4.5 Limitations of the study

The following limitations were identified while conducting the study:

1. This study was conducted using a single organisation (Edcon) within the South African retail industry. The study could therefore be viewed as being non-representative of the industry. In addition the results of the study cannot be extended to other industries;

2. The author’s knowledge of the organisation could have resulted in some form of bias which might not have been identified during the course of the study;

3. The study was a quantitative study which creates a limitation on the results as no qualitative feedback could be used to support the study; and,

4. VUCA is a relatively new concept within the organisation that was studied. There is a possibility that although definitions were provided for each variable of VUCA, participants may not have understood the concepts clearly. This assumption is based
on the percentage number of participants who indicated they were ‘Unsure’ when answering Section F of the questionnaire (see Appendix A).
5. Results

5.1 Introduction

This chapter presents the results of the statistical analysis conducted. It includes descriptive statistics on the business units, occupation level of respondents and tenure of the respondents within the organisation. Inferential statistics is also presented in the form of regression analysis and ANOVA conducted for each research question. The reliability of the questionnaire was tested using Cronbachs’ alpha.

5.2 Response Rate

A total of 969 responses were received from a sample of 1150 employees. All employees had access to the internet either through their own work computers or through shared computers available within the stores. The overall response rate was 84.26%.

5.3 Online Survey

The online survey was launched on the 13 of July 2015 and closed on the 24 of July 2015. Daily reminders were sent to all participants through email communication to Store Management. The online survey was administered using the survey tool available at Edcon called SelectSurvey. The use of the online tool served to ensure that employee’s responses remained anonymous.

5.4 Data Cleaning

An excel report was provided by the survey administrator with all responses and each question was coded. Section A, question one was coded using a four point scale with ‘Edgars Active’ = 1, ‘Brands’ = 2, ‘Boardmans’ = 3 and ‘Red Square’ =4. Section A, question two was coded using a two point scale with ‘Non-Management’ =1 and
'Management' = 2. Section A, question three was coded using a three point scale with ‘Less than 2 years’ = 1, ‘Between 2-5 years’ = 2 and ‘More than 5 years’ = 3.

Section B, C, D, E and F had the same coding with 1 = ‘Disagree’, 2 = ‘Tend to Disagree’, 3 = ‘Not Sure’, 4 = ‘Tend to Agree’ and 5 = ‘Agree’.

5.5 Reliability and Validity Tests of the Constructs

Saunders and Lewis (2012) define construct validity as the level to which the data collection method measures what it intended to measure and the research findings are what they state they are. To ensure construct validity the questionnaire was based on previously published measurement tools. These tools include:

1. Towers Watson Employee Engagement survey;
2. Gallup Employee Engagement survey; and,
3. The Corporate Leadership Council Employee Engagement survey.

Saunders and Lewis (2012) indicate that the questionnaire must be assessed to ensure that respondents will be able to answer and understand all questions. This test was conducted through a pilot survey (Table 6).

Saunders and Lewis (2012); Zikmund, Babin, Carr, and Griffin (2013) define reliability as the extent to which the research method and analysis procedures produce consistent results. This was tested for this study using the Cronbach Alpha coefficient developed by Lee Cronbach in 1951. The Cronbach Alpha coefficient measures the internal consistency of the scale used in the questionnaire (Tavakol & Dennick, 2011). The Cronbach Alpha coefficient has a range of zero to one, with one indicating perfect consistency (Mayers, 2013) which infers the higher the alpha coefficient, the more reliable the construct is. Hair, Black, Babin, and Anderson (2010) indicate that a desirable realiability score for the Cronbach Alpha coefficient is 0.70.
According to the information presented in Table 7, the construct line manager leadership is reliable as the Cronbach’s Alpha 0.913 is greater than 0.7. Table 7 also indicates that the construct of senior manager leadership is reliable as the Cronbach’s Alpha is 0.874. Table 7 also reflects that the constructs of organisational change and VUCA are reliable with the former’s Cronbach Alpha 0.872 and the latter’s Cronbach Alpha 0.851. The Cronbach Alpha results indicate that the reliability of the questionnaire is high as all constructs’ Cronbach Alpha coefficients are above 0.7 and closer to 1.

### 5.6 Demographic Data

The descriptive statistical analysis was conducted on 969 responses and conducted on the respondent’s business unit, occupational level in the organisation and tenure in the organisation.

#### Table 8: Business Unit Analysis

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Edgars Active</td>
<td>459</td>
<td>47.4</td>
<td>47.4</td>
<td>47.4</td>
</tr>
<tr>
<td></td>
<td>Brands</td>
<td>188</td>
<td>19.4</td>
<td>19.4</td>
</tr>
<tr>
<td></td>
<td>Boardmans</td>
<td>152</td>
<td>15.7</td>
<td>15.7</td>
</tr>
<tr>
<td></td>
<td>Red Square</td>
<td>170</td>
<td>17.5</td>
<td>17.5</td>
</tr>
<tr>
<td>Total</td>
<td>969</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>
The business unit profile of respondents, shown in Table 8, indicate that 47.4% of respondents were from the Edgars Active, 19.4% from Brands, 15.7% from Boardmans and 17.5% from Red Square.

**Table 9: Occupational Level Analysis**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Management</td>
<td>470</td>
<td>48.5</td>
<td>48.5</td>
<td>48.5</td>
</tr>
<tr>
<td>Management</td>
<td>499</td>
<td>51.5</td>
<td>51.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>969</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 9 indicates that 51.5% of respondents occupy management positions whilst 48.5% of respondents are in non-management positions.

**Table 10: Tenure Analysis**

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>441</td>
<td>45.5</td>
<td>45.5</td>
<td>45.5</td>
</tr>
<tr>
<td>between 2 - 5 years</td>
<td>203</td>
<td>20.9</td>
<td>20.9</td>
<td>66.5</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>325</td>
<td>33.5</td>
<td>33.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>969</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

According to the data in Table 10, the majority of respondents, 45.5% are employed in the organisation for a period of less than two years, whilst the 20.9% of employers are employed in the organisation between two and five years and 33.5% of respondents are employed in the organisation for five years or more.

**5.7 VUCA Analysis**

This study serves to understand the impact of leadership on employee engagement within a VUCA environment. It is therefore important to understand whether the
environment where the study was conducted is representative of a VUCA environment. Respondents were asked to indicate whether they agree that the environment they operate within is representative of the different elements within a VUCA environment.

**Table 11: VUCA Environment Analysis**

**Statistics**

<table>
<thead>
<tr>
<th>In my opinion the work environment where I work is:</th>
<th>Valid</th>
<th>Missing</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volatile</td>
<td>965</td>
<td>4</td>
<td>3.93</td>
<td>1.303</td>
</tr>
<tr>
<td>Uncertain</td>
<td>965</td>
<td>4</td>
<td>3.86</td>
<td>1.272</td>
</tr>
<tr>
<td>Complex</td>
<td>965</td>
<td>4</td>
<td>3.93</td>
<td>1.209</td>
</tr>
<tr>
<td>Ambiguous</td>
<td>965</td>
<td>4</td>
<td>3.78</td>
<td>1.249</td>
</tr>
</tbody>
</table>

According to Table 11, the means of all the items are above 3.5 meaning that in general people tend to agree in all the four questions that the environment in which they are operating in is representative of a VUCA environment. However, the dispersion of the opinions is significant for the standard deviations for all the items are above 1. The details of the frequencies are indicated in Table 12, below.

**Table 12: Frequency Distribution - Volatile**

<table>
<thead>
<tr>
<th>In my opinion the work environment where I work is: Volatile</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Disagree</td>
<td>87</td>
<td>9.0</td>
<td>9.0</td>
<td>9.0</td>
</tr>
<tr>
<td>Tend to disagree</td>
<td>73</td>
<td>7.5</td>
<td>7.6</td>
<td>16.6</td>
</tr>
<tr>
<td>Not sure</td>
<td>112</td>
<td>11.6</td>
<td>11.6</td>
<td>28.2</td>
</tr>
<tr>
<td>Tend to agree</td>
<td>238</td>
<td>24.6</td>
<td>24.7</td>
<td>52.8</td>
</tr>
<tr>
<td>Agree</td>
<td>455</td>
<td>47.0</td>
<td>47.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>965</td>
<td>99.6</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing System</td>
<td>4</td>
<td>.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>969</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
According to the data in Table 12, 47.2% of the respondents agree that their work environment is volatile, 24.7% tend to agree. 11% are unsure and 9% disagree and only 7% tend to disagree with the statement.

**Table 13: Frequency Distribution - Uncertain**

**In my opinion the work environment where I work is: Uncertain**

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>83</td>
<td>8.6</td>
<td>8.6</td>
<td>8.6</td>
</tr>
<tr>
<td>Tend to disagree</td>
<td>66</td>
<td>6.8</td>
<td>6.8</td>
<td>15.4</td>
</tr>
<tr>
<td>Not sure</td>
<td>162</td>
<td>16.7</td>
<td>16.8</td>
<td>32.2</td>
</tr>
<tr>
<td>Tend to agree</td>
<td>247</td>
<td>25.5</td>
<td>25.6</td>
<td>57.8</td>
</tr>
<tr>
<td>Agree</td>
<td>407</td>
<td>42.0</td>
<td>42.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>965</td>
<td>99.6</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

According to the data in Table 13, 42.2% of the respondents agree that their work environment is uncertain, 25.6% tend to agree, 16.8% are unsure, 8.6% disagree and only 6.8% tend to disagree with the statement.
Table 14: Frequency Distribution - Complex

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>61</td>
<td>6.3</td>
<td>6.3</td>
<td>6.3</td>
</tr>
<tr>
<td>Tend to disagree</td>
<td>56</td>
<td>5.8</td>
<td>5.8</td>
<td>12.1</td>
</tr>
<tr>
<td>Not sure</td>
<td>209</td>
<td>21.6</td>
<td>21.7</td>
<td>33.8</td>
</tr>
<tr>
<td>Tend to agree</td>
<td>207</td>
<td>21.4</td>
<td>21.5</td>
<td>55.2</td>
</tr>
<tr>
<td>Agree</td>
<td>432</td>
<td>44.6</td>
<td>44.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>965</td>
<td>99.6</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing</td>
<td>4</td>
<td>.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>969</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

According to the information presented in Table 14, 44.8% of the respondents agree that their work environment is complex, 21.5% tend to agree, 21.7% are unsure and 6.3% disagree and only 5.8% tend to disagree with the statement.

Table 15: Frequency Distribution - Ambiguous

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>78</td>
<td>8.0</td>
<td>8.1</td>
<td>8.1</td>
</tr>
<tr>
<td>Tend to disagree</td>
<td>56</td>
<td>5.8</td>
<td>5.8</td>
<td>13.9</td>
</tr>
<tr>
<td>Not sure</td>
<td>247</td>
<td>25.5</td>
<td>25.6</td>
<td>39.5</td>
</tr>
<tr>
<td>Tend to agree</td>
<td>206</td>
<td>21.3</td>
<td>21.3</td>
<td>60.8</td>
</tr>
<tr>
<td>Agree</td>
<td>378</td>
<td>39.0</td>
<td>39.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>965</td>
<td>99.6</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing</td>
<td>4</td>
<td>.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>969</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

According to the data in Table 15, 39.2% of the respondents agree that their work environment is ambiguous, 21.3% tend to agree, 25.6% are unsure, 8.1% disagree and only 5.8% tend to disagree with the statement.
5.8 Hypothesis Testing

5.8.1 Research Question 1

This research questions seek to assess if the respondent’s direct line manager has a positive influence on whether the respondents are engaged within the context of the study.

Table 16: Descriptive Statistics for Research Question 1

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement</td>
<td>4.62500</td>
<td>.515215</td>
<td>966</td>
</tr>
<tr>
<td>Line manager leadership</td>
<td>4.38583</td>
<td>.958420</td>
<td>966</td>
</tr>
</tbody>
</table>

According to the data presented in Table 16, people generally agree with the statements of employee engagement and line manager leadership because both means are above 4. However, the dispersion of opinions of employee engagement (.515) is lower than the dispersion (.958) of line manager leadership.

Table 17: Model Summary for Research Question 1

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>R</th>
<th>Standard Error of Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.370a</td>
<td>.137</td>
<td>.136</td>
<td>.478910</td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Line manager leadership

According to Table 17, line manager explains 13.7% of the variance in employee engagement meaning 13.7% of the changes observed in employee engagement are caused by the line manager leadership.

Table 18: ANOVA for Research Question 1
Table 19: Regression Analysis for Research Question 1

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Standard. Error</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>3.753</td>
</tr>
<tr>
<td></td>
<td>Line manager leadership</td>
<td>.199</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement

According to the data in Table 19, line manager leadership positively influences employee engagement because Beta value is positive (.370) and p value (.000) is significant (less than .05). In other words, if the line manager leadership improves by 1 unit it will cause employee engagement to also improve by 0.370 unit.

5.8.1.1 Research Question 1: Occupation Analysis

Respondents were asked to indicate whether they occupied either non-management or management roles. The results below provide an analysis of each occupation group and their responses regarding the influence of their direct line manager on their engagement levels.
Table 20: Descriptive Statistics - Occupation

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Mean</th>
<th>Standard. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Management</td>
<td>4.6526</td>
<td>.475347</td>
<td>470</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>4.4356</td>
<td>.948155</td>
<td>470</td>
</tr>
<tr>
<td>Line manager leadership</td>
<td>4.4356</td>
<td>.948155</td>
<td>470</td>
</tr>
<tr>
<td>Management</td>
<td>4.5973</td>
<td>.549380</td>
<td>496</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>4.3387</td>
<td>.966641</td>
<td>496</td>
</tr>
<tr>
<td>Line manager leadership</td>
<td>4.3387</td>
<td>.966641</td>
<td>496</td>
</tr>
</tbody>
</table>

Table 20 highlights that both management and non-management employees generally agree with the statements of employee engagement and line manager leadership because both means are above 4. However, the dispersions of opinions of employee engagement (.475) and (.549) are lower than the dispersions (.948) and (.966) of line manager leadership in both management and non-management groups.

Table 21: Model Summary - Occupation

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Standard. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Management</td>
<td>1</td>
<td>.425a</td>
<td>.181</td>
<td>.179</td>
<td>.430725</td>
</tr>
<tr>
<td>Management</td>
<td>1</td>
<td>.324a</td>
<td>.105</td>
<td>.103</td>
<td>.520318</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Line manager leadership

Among non-management groups, employee's line manager explains 18.1% of the variance of employee engagement (as shown in Table 21), while only 10.5% are explained among the management. This means that line manager leadership has stronger influence on the engagement of non-management employees than it does for management employees.
Table 22: ANOVA - Occupation

**ANOVA**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Management</td>
<td>1 Regression</td>
<td>19.147</td>
<td>1</td>
<td>19.147</td>
<td>103.206</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>86.825</td>
<td>468</td>
<td>.186</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>105.973</td>
<td>469</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>1 Regression</td>
<td>15.659</td>
<td>1</td>
<td>15.659</td>
<td>57.839</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>133.741</td>
<td>494</td>
<td>.271</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>149.400</td>
<td>495</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement
b. Predictors: (Constant), Line manager leadership

Table 22 indicates that the proposed model (which is “Line manager leadership influences employee engagement”) is significant or valid for both groups management and non-management because in both groups sig=.000 (less than .05).

Table 23: Regression Analysis - Occupation

**Coefficients**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>B</th>
<th>Standard Error</th>
<th>Beta</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Management</td>
<td>(Constant)</td>
<td>3.709</td>
<td>.095</td>
<td>.213</td>
<td>.021</td>
<td>.425</td>
<td>38.985</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Line manager leadership</td>
<td>3.799</td>
<td>.108</td>
<td>.184</td>
<td>.024</td>
<td>.324</td>
<td>35.327</td>
<td>.000</td>
</tr>
<tr>
<td>Management</td>
<td>(Constant)</td>
<td>3.799</td>
<td>.108</td>
<td>.184</td>
<td>.024</td>
<td>.324</td>
<td>35.327</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Line manager leadership</td>
<td>3.799</td>
<td>.108</td>
<td>.184</td>
<td>.024</td>
<td>.324</td>
<td>35.327</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement

As shown in Table 23, line manager leadership positively influences employee engagement in both groups. This conclusion results from the fact that both Beta values are positive [(.324); (.425)] and both p values [(0.000); (0.000)] are significant (less than
.05). However, line manager leadership is the stronger predictor of employee engagement for non-management than it is for management because it has the greatest Beta value (.425).

5.8.1.2 Research Question 1: Tenure Analysis

Respondents were asked to indicate the period of their tenure with Edcon. The results below provides an analysis of each tenure group and their responses regarding the influence of their direct line manager on their engagement levels.

Table 24: Descriptive Statistics – Tenure

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Employee Engagement Mean</th>
<th>Standard. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>4.62216</td>
<td>.538514</td>
<td>440</td>
</tr>
<tr>
<td></td>
<td>4.43182</td>
<td>.929323</td>
<td>440</td>
</tr>
<tr>
<td>between 2-5 years</td>
<td>4.69520</td>
<td>.441502</td>
<td>203</td>
</tr>
<tr>
<td></td>
<td>4.56721</td>
<td>.846816</td>
<td>203</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>4.58475</td>
<td>.522611</td>
<td>323</td>
</tr>
<tr>
<td></td>
<td>4.20920</td>
<td>1.034711</td>
<td>323</td>
</tr>
</tbody>
</table>

Table 24 shows that all the three groups (less than 2 years, 2-5 years and more than 5 years) agree with the statements of employee engagement and line manager leadership because all the means are above 4. However, the dispersions of opinions of employee engagement (.538), (.441) and (.522) are lower than the dispersions (.929), (.846) and (1.03) of line manager leadership across the three tenure groups.
Table 25: Model Summary - Tenure

Model Summary

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Standard. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>1</td>
<td>.398&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.159</td>
<td>.157</td>
<td>.494540</td>
</tr>
<tr>
<td>between 2-5 years</td>
<td>1</td>
<td>.334&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.112</td>
<td>.107</td>
<td>.417152</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>1</td>
<td>.337&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.114</td>
<td>.111</td>
<td>.492744</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), Line manager leadership

Table 25 highlights that the greatest variance explained (15.9%) is among the newest (less than two years); followed by those who have been employed for more than five years (11.4%) and lastly those between two and five years (11.2%). These results imply that line manager leadership is the stronger predictor of employee engagement especially among those who have been with the company for less than two years. For those who have been employed for more than two years the strength of the predictions is lower.

Table 26: ANOVA - Tenure

ANOVA<sup>a</sup>

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>Regression</td>
<td>20.187</td>
<td>1</td>
<td>20.187</td>
<td>82.543</td>
<td>.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>107.121</td>
<td>438</td>
<td>.245</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>127.309</td>
<td>439</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>between 2-5 years</td>
<td>Regression</td>
<td>4.398</td>
<td>1</td>
<td>4.398</td>
<td>25.271</td>
<td>.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>34.977</td>
<td>201</td>
<td>.174</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>39.375</td>
<td>202</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than 5 years</td>
<td>Regression</td>
<td>10.008</td>
<td>1</td>
<td>10.008</td>
<td>41.219</td>
<td>.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>77.938</td>
<td>321</td>
<td>.243</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>87.946</td>
<td>322</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Employee Engagement

<sup>b</sup> Predictors: (Constant), Line manager leadership
Table 26 indicates that the proposed model (which is “Line manager leadership influences employee engagement”) is significant or valid for the three categories of tenure because the sig. of each group is equal to .000 (less than .05).

### Table 27: Regression Analysis - Tenure

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>(Constant)</td>
<td>3.600</td>
<td>.115</td>
</tr>
<tr>
<td></td>
<td>Line manager leadership</td>
<td>.231</td>
<td>.025</td>
</tr>
<tr>
<td>between 2-5 years</td>
<td>(Constant)</td>
<td>3.899</td>
<td>.161</td>
</tr>
<tr>
<td></td>
<td>Line manager leadership</td>
<td>.174</td>
<td>.035</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>(Constant)</td>
<td>3.868</td>
<td>.115</td>
</tr>
<tr>
<td></td>
<td>Line manager leadership</td>
<td>.170</td>
<td>.027</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement

Table 27 indicates that direct line manager leadership positively influences employee engagement for the three groups. This conclusion results from the fact that all the Beta values are positive [(0.398); (0.334); and (0.337)] and all the p values [(0.000); (0.000); and (.000)] are significant (less than .05). However, line manager leadership is the stronger predictor of employee engagement especially among those who have been employed for less than two years because it has the greatest Beta value (.398).

### 5.8.2 Research Question 2

This research question seeks to assess if the respondents’ senior management leadership has a positive influence on whether the respondents are engaged or not engaged within the context of the study.
### Table 28: Descriptive Statistics for Research Question 2

**Descriptive Statistics**

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Standard. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement</td>
<td>4.62461</td>
<td>.515341</td>
<td>965</td>
</tr>
<tr>
<td>Senior manager leadership</td>
<td>4.27565</td>
<td>.954242</td>
<td>965</td>
</tr>
</tbody>
</table>

According to the data in Table 28, respondents generally agreed with the statements of employee engagement and senior manager leadership because both means are above 4. However, the dispersion of opinions of employee engagement (.515) is lower than the dispersion (.958) of senior manager leadership.

### Table 29: Model Summary for Research Question 2

**Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>R Standard. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.555&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.308</td>
<td>.307</td>
<td>.428871</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), Senior manager leadership

According to Table 29, senior manager explains 30.8% of the variance in employee engagement. This means that 30.8% of the changes observed in employee engagement are caused by the senior manager leadership.

### Table 30: ANOVA for Research Question 2

**ANOVA<sup>a</sup>**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>78.890</td>
<td>1</td>
<td>78.890</td>
<td>428.913</td>
<td>.000&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Residual</td>
<td>177.125</td>
<td>963</td>
<td>.184</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>256.015</td>
<td>964</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Employee Engagement

<sup>b</sup> Predictors: (Constant), Senior manager leadership
Table 30 indicates that the proposed model (which is “senior manager leadership influences employee engagement”) is significant or valid.

Table 31: Regression Analysis for Research Question 2

Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Standard. Error</td>
</tr>
<tr>
<td>(Constant)</td>
<td>3.343</td>
<td>.063</td>
</tr>
<tr>
<td>Senior manager leadership</td>
<td>.300</td>
<td>.014</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement

Table 31 shows that senior manager leadership does positively influence employee engagement because the Beta value is positive (.555) and p value (.000) is significant (less than .05). In other words, if the senior manager leadership improves by 1 unit it will cause the employee engagement to also improve by 0.555 unit.

5.8.2.1 Research Question 2: Occupation Analysis

Respondents were asked to indicate whether they occupied non-management or management roles. The results below provide an analysis of each occupation group and their responses regarding the influence of their senior managers on their engagement levels.
Table 32: Descriptive Statistics - Occupation

Descriptive Statistics

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Mean</th>
<th>Standard. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>4.65352</td>
<td>.475585</td>
<td>469</td>
</tr>
<tr>
<td>Senior manager</td>
<td>4.28827</td>
<td>1.010866</td>
<td>469</td>
</tr>
<tr>
<td>leadership</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>4.59728</td>
<td>.549380</td>
<td>496</td>
</tr>
<tr>
<td>Senior manager</td>
<td>4.26371</td>
<td>.898289</td>
<td>496</td>
</tr>
<tr>
<td>leadership</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

According to the data in Table 32, both management and non-management generally agree with the statements of employee engagement and senior manager leadership because both means are above 4. However, the dispersions of opinions of employee engagement (.475) and (.549) are lower than the dispersions (1.01) and (.898) of senior manager leadership in both management and non-management groups.

Table 33: Model Summary - Occupation

Model Summary

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Standard. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Management</td>
<td>1</td>
<td>.618&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.382</td>
<td>.380</td>
<td>.374380</td>
</tr>
<tr>
<td>Management</td>
<td>1</td>
<td>.507&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.257</td>
<td>.255</td>
<td>.474049</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), Senior manager leadership

Among non-management staff, senior manager explains 38.2% of the variance of employee engagement (Table 33), while only 25.7% is explained among management staff. This means that senior manager leadership has more of an impact on non-management staff than it has on the management group.
Table 34: ANOVA - Occupation

**ANOVA**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Management</td>
<td>Regression</td>
<td>40.398</td>
<td>1</td>
<td>40.398</td>
<td>288.229</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>65.455</td>
<td>467</td>
<td>.140</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>105.853</td>
<td>468</td>
<td>.140</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>Regression</td>
<td>38.387</td>
<td>1</td>
<td>38.387</td>
<td>170.821</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>111.013</td>
<td>494</td>
<td>.225</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>149.400</td>
<td>495</td>
<td>.225</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement
b. Predictors: (Constant), Senior manager leadership

table 34 indicates that the proposed model (which is “senior manager leadership influences employee engagement”) is significant or valid for both management and non-management groups because in both groups sig=.000 (less than .05).

Table 35: Regression Analysis - Occupation

**Coefficients**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Management</td>
<td>(Constant)</td>
<td>3.407</td>
<td>.075</td>
<td>45.175</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Senior manager leadership</td>
<td>.291</td>
<td>.017</td>
<td>16.977</td>
<td>.000</td>
</tr>
<tr>
<td>Management</td>
<td>(Constant)</td>
<td>3.275</td>
<td>.103</td>
<td>31.694</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Senior manager leadership</td>
<td>.310</td>
<td>.024</td>
<td>13.070</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement

Table 35 highlights that senior manager leadership positively influences employee engagement in both groups. This conclusion results from the fact that both Beta values are positive [(,.507); (.618)] and both p values [(,.000); (.000)] are significant (less than
.05). However, senior manager leadership is a stronger predictor of employee engagement for non-management than it is for management because it has the greatest Beta value (.618).

5.8.2.2 Research Question 2: Tenure Analysis

Respondents were asked to indicate the period of their tenure with Edcon. The results below provide an analysis of each tenure group and their responses regarding the influence of their senior managers on their engagement levels.

Table 36: Descriptive Statistics - Tenure

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Employee Engagement</th>
<th>Senior manager leadership</th>
<th>Mean</th>
<th>Standard. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td></td>
<td></td>
<td>4.62216</td>
<td>.538514</td>
<td>440</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4.25682</td>
<td>.994998</td>
<td>440</td>
</tr>
<tr>
<td>between 2-5 years</td>
<td></td>
<td></td>
<td>4.69369</td>
<td>.442074</td>
<td>202</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4.46535</td>
<td>.841514</td>
<td>202</td>
</tr>
<tr>
<td>More than 5 years</td>
<td></td>
<td></td>
<td>4.58475</td>
<td>.522611</td>
<td>323</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4.18266</td>
<td>.950029</td>
<td>323</td>
</tr>
</tbody>
</table>

According to the data in Table 36, all three groups of employees who have been employed for less than two years, or two to five years or longer than five years, agree with the statements of employee engagement and senior manager leadership because all the means are above 4. However, the dispersions of opinions of employee engagement (.538), (.442) and (.522) are lower than the dispersions (.994), (.841) and (.950) of senior manager leadership across the three tenure groups.
Table 37: Model Summary - Tenure

Model Summary

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Standard Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>1</td>
<td>.559^a</td>
<td>.312</td>
<td>.310</td>
<td>.447175</td>
</tr>
<tr>
<td>Between 2-5 years</td>
<td>1</td>
<td>.585^a</td>
<td>.343</td>
<td>.339</td>
<td>.359324</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>1</td>
<td>.526^a</td>
<td>.277</td>
<td>.275</td>
<td>.445100</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Senior manager leadership

Table 37 indicates that the greatest variance explained (34.3%) is among those who have been employed for between two to five years; followed by those who have been employed for less than two years (31.2%). These results imply that senior manager leadership is the strongest predictor of employee engagement especially among those who have been with the company between two to five years. For the two other categories the strength of the predictions is lower.

Table 38: ANOVA - Tenure

ANOVA^a

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>Regression</td>
<td>39.724</td>
<td>1</td>
<td>39.724</td>
<td>198.656</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>87.585</td>
<td>438</td>
<td>.200</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>127.309</td>
<td>439</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between 2-5 years</td>
<td>Regression</td>
<td>13.459</td>
<td>1</td>
<td>13.459</td>
<td>104.239</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>25.823</td>
<td>200</td>
<td>.129</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>39.281</td>
<td>201</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than 5 years</td>
<td>Regression</td>
<td>24.351</td>
<td>1</td>
<td>24.351</td>
<td>122.914</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>63.595</td>
<td>321</td>
<td>.198</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>87.946</td>
<td>322</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement
b. Predictors: (Constant), Senior manager leadership
Table 38 indicates that the proposed model (which is “senior manager leadership influences employee engagement”) is significant or valid for the three categories of tenure because the sig. of each of the three groups is equal to .000 (less than .05).

### Table 39: Regression Analysis - Tenure

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Model</th>
<th>Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>(Constant)</td>
<td>3.335 .094</td>
<td>35.571 .000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Senior manager leadership</td>
<td>.302 .021</td>
<td>.559 14.095 .000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>between 2-5 years</td>
<td>(Constant)</td>
<td>3.321 .137</td>
<td>24.266 .000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Senior manager leadership</td>
<td>.307 .030</td>
<td>.585 10.210 .000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than 5 years</td>
<td>(Constant)</td>
<td>3.374 .112</td>
<td>30.131 .000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Senior manager leadership</td>
<td>.289 .026</td>
<td>.526 11.087 .000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement

According to the data in Table 39, senior manager leadership positively influences employee engagement for the three groups. This conclusion results from the fact that all the Beta values are positive [(.559); (.585); and (.526)] and all the p values [(.000); (.000); and (.000)] are significant (less than .05). However, senior manager leadership is the stronger predictor of employee engagement especially among those who have been employed for between two to five years because it has the greatest Beta value (.398).

### 5.8.3 Research Question 3

This research question seeks to assess what would happen if leaders had to live organisational values and if this would this have a positive influence, within the context of the study, on whether the respondents are engaged. This research question will test
both levels of leadership as defined in the study, direct line manager and senior manager leadership.

Table 40: Descriptive Statistics for Research Question 3

Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Standard. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement</td>
<td>4.62461</td>
<td>.515341</td>
<td>965</td>
</tr>
<tr>
<td>My line manager lives our organisational values in his/her behaviour.</td>
<td>4.37</td>
<td>1.154</td>
<td>965</td>
</tr>
<tr>
<td>Senior leaders live our Edcon values in their behaviour.</td>
<td>4.20</td>
<td>1.164</td>
<td>965</td>
</tr>
</tbody>
</table>

According to the data in Table 40, people generally agree with the statements of employee engagement and senior and line managers living according to the organisation’s values because all three means are above 4. However, the dispersion of opinions of employee engagement (.515) is lower than the two other variables (1.15) and (1.16).

Table 41: Model Summary for Research Question 3

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Standard. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.509a</td>
<td>.259</td>
<td>.258</td>
<td>.444024</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Senior leaders live our Edcon values in their behaviour. My line manager lives our organisational values in his/her behaviour.

According to the data presented Table 41, "line and senior leadership live according to organisational value" explains 25.9 % of the variance employee engagement. Meaning 25.9 % of the changes observed in employee engagement are caused by these two independent variables.
Table 42: ANOVA for Research Question 3

ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>66.350</td>
<td>2</td>
<td>33.175</td>
<td>168.267</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>189.665</td>
<td>962</td>
<td>.197</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>256.015</td>
<td>964</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement
b. Predictors: (Constant), Senior leaders live our Edcon values in their behaviour. My line manager lives our organisational values in his/ her behaviour.

Table 42 indicates that the proposed model (which is “senior and line managers living according to organisational values” influences employee engagement”) is significant or valid.

Table 43: Regression Analysis for Research Question 3

Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Standard. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>3.549</td>
<td>.066</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My line manager lives our organisational values in his/ her behaviour.</td>
<td>.053</td>
<td>.013</td>
<td>.119</td>
<td>3.977</td>
</tr>
<tr>
<td>Senior leaders live our Edcon values in their behaviour.</td>
<td>.201</td>
<td>.013</td>
<td>.454</td>
<td>15.223</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement

According to the information in Table 43, senior managers living according to organisational values positively influence employee engagement because its Beta value is positive (.454) and p value (.000) is significant (less than .05). In other words, if that
variable improves by 1 unit it will cause the employee engagement to also improve by 0.454 unit.

In addition, the data in Table 43 indicates line managers living the organisational values positively influences employee engagement because the Beta value is positive (.119) and p value (.000) is significant (less than .05). In other words, if that variable improves by 1 unit it will cause the employee engagement to also improve by 0.119 unit.

Table 43 indicates that respondents felt that senior managers who are living the organisation’s values had a stronger influence on their engagement compared to the influence which direct line managers who were living the organisation’s values had on their engagement.

5.8.4 Research Question 4

This research question seeks to assess if organisational changes have an impact on employee engagement within the context of the study.

**Table 44: Descriptive Statistics for Research Question 4**

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>Mean</th>
<th>Standard. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement</td>
<td>4.62461</td>
<td>.515341</td>
<td>965</td>
</tr>
<tr>
<td>Organisational change</td>
<td>4.06247</td>
<td>.913406</td>
<td>965</td>
</tr>
</tbody>
</table>

Table 44 indicates that respondents generally agree with the statements of employee engagement and organisational change because both means are above 4. However, the dispersion of opinions of employee engagement (.515) is lower than the dispersion (.958) of organisational change.
Table 45: Model Summary for Research Question 4

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Standard. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.642a</td>
<td>.412</td>
<td>.412</td>
<td>.395296</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Organisational change

Table 45 highlights that organisational change explains 41.2% of the variance in employee engagement. Meaning 41.2% of the changes observed in employee engagement are caused by organisational change.

Table 46: ANOVA for Research Question 4

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>105.538</td>
<td>1</td>
<td>105.538</td>
<td>675.408</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>150.477</td>
<td>963</td>
<td>.156</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>256.015</td>
<td>964</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement

b. Predictors: (Constant), Organisational change

Table 46 indicates that the proposed model (which is “organisational change influences employee engagement”) is significant or valid.

Table 47: Regression Analysis for Research Question 4

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Standard. Error</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>3.153</td>
<td>.058</td>
</tr>
<tr>
<td>Organisational change</td>
<td>.362</td>
<td>.014</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Engagement
Table 47 highlights that organisational change positively influences employee engagement because the Beta value is positive (0.642), and the p value (0.000) is significant (less than 0.05). In other words, if organisational change improves by 1 unit it will cause the employee engagement to also improve by 0.642 unit.
6. Discussion of Results

6.1 Introduction

This chapter will discuss the results obtained from the statistical analysis provided in the previous chapter (see Chapter Five). The discussion will start with observations based on the descriptive statistics for a VUCA environment and employee engagement. Thereafter the discussion will follow the format of the research questions outlined in Chapter Three.

6.2 VUCA Environment

This study is based on the context that organisations are currently operating within a VUCA environment. It is therefore important to understand whether the participants in the study agree that they are currently working in a VUCA environment. Table 48 represents a summary of the results for each question related to a VUCA environment. The table combines all results where participants indicated ‘Agree’ or ‘Tend to Agree’ and combines results where participants indicated ‘Disagree’ or ‘Tend to Disagree’. Results that were reflected as ‘Unsure’ are grouped on its own.

Table 48: VUCA Environment

<table>
<thead>
<tr>
<th></th>
<th>In my opinion the work environment where I work is</th>
<th>Agree/ Tend to Agree</th>
<th>Disagree/ Tend to disagree</th>
<th>? (Unsure)</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>Volatile - change is frequent and sometimes unpredictable.</td>
<td>71.80%</td>
<td>16.60%</td>
<td>11.60%</td>
</tr>
<tr>
<td>31</td>
<td>Uncertain - It is unknown if an event will create significant change.</td>
<td>67.80%</td>
<td>15.40%</td>
<td>16.80%</td>
</tr>
<tr>
<td>32</td>
<td>Complex - situation can be overwhelming to process as it has numerous interrelated</td>
<td>66.20%</td>
<td>12.10%</td>
<td>21.70%</td>
</tr>
</tbody>
</table>
components in addition to certain information being available.

| 33 | Ambiguous - unknown implication of one or more factors in a situation. | 60.50% | 13.90% | 25.60% |

Table 48 shows that participants generally agreed that their environment is representative of a VUCA environment with 71.80% of participants indicating the environment is 'Volatile', 67.80% of participants indicating the environment is 'Uncertain', 66.20% of participants agreeing that the environment is 'Complex' and 60.50% of participants agreeing that the environment is 'Ambiguous'. A leader’s ultimate dilemma is how to take the VUCA world and change into a world that is not only threatening but also laden with opportunity (Euchner, 2013).

Bennett and Lemoine (2014) indicate that leaders will take no action and fail to solve the challenges experienced by a VUCA environment if they view it as unsolvable or they could fail to address the problem if they misread the environment and prepare for the wrong challenge.

Each dimension of VUCA is distinctive, and requires a different optimum course of action as the solution that works for one part of VUCA might not work for the other three (Bennett & Lemoine, 2014). To mitigate the challenges and risk associated with working within a VUCA environment Bennett and Lemoine(2014) suggest the following:

1. Volatility – agility is key to dealing with environmental volatility;
2. Uncertainty – obtain more information by creating information networks both inside and outside the organisation;
3. Complexity – simplify the situation by adopting a structure that mirrors that of the environment; and,
4. Ambiguity – the key to success is experimentation – not slack resources, information gathering, or restructuring.

Through understanding each of the components of a VUCA environment and what is required to maximise the opportunities that lie within these components, leaders will be able to create an environment that is more conducive to ensuring that employees have higher levels of engagement.
6.3 Employee Engagement

In this section we will look at the responses received from survey participants for each question for the employee engagement section of the survey. Table 49 provides a summary of the results for each question of the employee engagement section. The table combines all results where participants indicated ‘Agree’ or ‘Tend to Agree’ and combines results where participants indicated ‘Disagree’ or ‘Tend to Disagree’. Results that were reflected as ‘Unsure’ are grouped on its own. The purpose of combining results in the table is to highlight where participants have responded favourably (‘Agree’ and ‘Tend to Agree’) or unfavourably (‘Disagree’ or ‘Tend to Disagree’). Table 49 also includes the South African norm for participants who responded ‘Agree’ or ‘Tend to Agree’. The table also includes ‘South African (SA) norm’ for responses to questions on employee engagement. This norm was defined based on employee engagement survey conducted in South Africa by Towers Watson.

Table 49: Employee Engagement

<table>
<thead>
<tr>
<th>Employee Engagement</th>
<th>Agree/Tend to Agree</th>
<th>Disagree/Tend to Disagree</th>
<th>? (Unsure)</th>
<th>SA Norm</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I would recommend this company as a good place to work</td>
<td>89.68%</td>
<td>6.40%</td>
<td>6.92%</td>
<td>75%</td>
</tr>
<tr>
<td>2 I am proud to be associated with this company</td>
<td>92.00%</td>
<td>2.00%</td>
<td>6.00%</td>
<td>86%</td>
</tr>
<tr>
<td>3 I believe strongly in the goals and objectives of this organisation</td>
<td>94.00%</td>
<td>1.00%</td>
<td>5.00%</td>
<td>86%</td>
</tr>
<tr>
<td>4 This company energizes me to go the extra mile</td>
<td>85.00%</td>
<td>6.00%</td>
<td>9.00%</td>
<td>73%</td>
</tr>
<tr>
<td>5 The amount of stress I experience on my job seriously reduces my effectiveness</td>
<td>57.00%</td>
<td>33.00%</td>
<td>10.00%</td>
<td></td>
</tr>
<tr>
<td>6 I have the equipment/tools/resources I need to do my job effectively</td>
<td>81.90%</td>
<td>11.20%</td>
<td>6.90%</td>
<td>75%</td>
</tr>
<tr>
<td>7 I live the values for which Edcon stands for</td>
<td>96.60%</td>
<td>0.30%</td>
<td>3.10%</td>
<td></td>
</tr>
<tr>
<td>8 In my role, I work beyond what is required to help this organisation succeed</td>
<td>97.80%</td>
<td>0.80%</td>
<td>1.40%</td>
<td></td>
</tr>
</tbody>
</table>
In my role I often take on extra responsibilities (e.g. projects) | 93.70% | 3.00% | 3.30%
---|---|---|---
At the present time, are you seriously considering leaving this company | 30.00% | 57.70% | 18.30% | 30%

Table 49 highlights that participants responded favourably to questions regarding their engagement. Participants have indicated that they would recommend this company as a good place to work (89.68%); are proud to be associated with this company (92%); they strongly believe in the goals and objectives of this company (94%); are energised to go the extra mile (85%); have the right equipment and tools to do their jobs effectively (81.90%); live the values of the organisation (96.60%); work beyond what is required to help the organisation success (97.80%) and often take on extra responsibilities (93.70%). The responses highlighted in table 49 are in support of Strom, Sears, and Kelly’s (2014) view that organisations that cultivate an environment that is supportive of employees and keeps them motivated and inspired, not only about their own jobs but also about the whole organisation will generally have higher levels of employee engagement. Macey and Schneider (2008), highlight that engagement is about passion and commitment, and the willingness of an individual to invest their own discretionary efforts to help the employer succeed. Engaged employees have high levels of vigour, are excited about their work (Bakker & Demerouti, 2008), engage and express themselves physically, cognitively, and emotionally during role performances (Kahn, 1990).

Table 49 highlights two areas of opportunity for the organisation as 30% of respondents have indicated that they are seriously considering leaving the organisation at the present time whilst 57% of respondents indicate that the amount of stress they experience in their jobs seriously reduces their effectiveness.

The 30% of respondents who indicated they are looking to leave the organisation can be classified as employees who are actively disengaged. Krueger and Kilham (2006) indicate that actively disengaged employees are threatening individuals who not only do not perform well, but also discourage those employees who are performing in the organisation. Organisations with disengaged employees experience many challenges such as reduced productivity, increased labour turnover, lower levels of employee commitment, higher levels of absenteeism, less customer centric employees and poorer organisational performance with regards to operating and profit margins (Sridevi & Markos, 2010). This is supported by (Meere, 2005) who identified that both operating
margin and net profit margins decreased during a three year period in organisations with low levels of employee engagement.

Gilbreath and Karimi (2012) indicate that stress in addition to illness are factors that cause employees not to be focused on their jobs which indicates that 57% of respondents in this study are not focused on their jobs which would affect their productivity and performance levels. Studies by (Parker and Decotiis, 1983) and (Abu Alrub & Al-Zaru, 2008) found that job stress is related to a decrease in organisational effectiveness and individual performance.

Over the last three financial years, sales performance within the group have not met the expectations of the board which has resulted in cost saving exercises which were implemented within the group to improve operating profit. This has resulted in increased pressure on performance of the organisation and has led to job insecurity due to fears of organisational restructuring. Skakon, Nielsen, Borg, and Guzman (2010) indicate that due to leadership behaviour, work load, work life balance, performance pressures and job security knowledge, workers are subjected to work related stress on a daily basis. Gilbreath and Karimi’s (2012) study found that job stress leads to presenteeism which is defined by Cooper and Williams, (1994, p. 2) as “people turning up to work who are so distressed by their jobs or some aspect of organisational climate that they contribute very little, if anything to their work”. Presenteeism is further defined as the act of being present at work but being less productive (Dew, Keefe, & Small, 2005; Johns, 2010).

BlessingWhite (2013) conducted a survey of 7000 employees across the globe and found that there is a strong correlation between an employee’s intention to stay and their engagement levels. It can therefore be assumed that 57.70% of respondents in this study are highly engaged as they have indicated that they are presently not thinking of leaving the organisation.

An additional opportunity area for the organisation is the 18.30% of participants who indicated that they are ‘Unsure’ of whether they are considering leaving the organisation or not at the present time. Based on the literature identified in this study these employees could be classified as disengaged employees or employees that are experiencing presenteeism as they could easily be swayed into considering leaving the organisation if the current situation is not improved. Alternatively, these employees’ engagement levels could be improved through their respective leaders and through addressing all the challenges that have placed employees in this conundrum of whether they would like to leave the organisation. By improving these employees’ engagement levels the organisation would reap the benefits of a more engaged workforce.
The results in Table 49 provide an optimistic outlook to the business since participants have indicated that they are proud to be associated with the organisation, understand the goals and objectives of the organisation and have the right tools to get the job done. This indicates that the organisation should seek to understand how it can leverage these strengths in order to maximise an employee’s potential and reduce some of the challenges that are creating employee disengagement.

When comparing the responses received from participants to employee engagement norms for South Africa, based on a study conducted by Towers Watson (2014), it is clear that engagement levels within the Specialities function are higher. 97.3% of participants who took part in the study currently operate within the store environment. Working within a store requires participants to be fully focused on the goals and objectives of the store’s key performance indicators. Participants working within a store environment are therefore more concerned about events within their store and are consequently not focused on occurrences outside of this environment if incidents do not have an impact on the store. This creates a sense of security and familiarity for participants since the volatility, uncertainty, complexity and ambiguity they are experiencing is minimised to only include their store. As a result, we note that the employer of choice questions in the survey received favourable responses.

In considering why the engagement levels in the Specialities function are higher than the South African norm, the antecedents of the organisation must be taken into account. Over the past five years, the organisation has been through major changes either through organisational redesign or process re-engineering. 54.4% of participants have been with the organisation for two years or more which indicate that the larger population of participants have experienced considerable change and have remained with the organisation. This reflects a high level of resilience and perseverance by employees. Coupling the resilience and perseverance of employees to loyalty to and alignment with organisational values Table 49 provides us with an understanding regarding the high levels of employee engagement.

During an executive team meeting, the results of this study were presented to the senior leaders of the Specialities function. On presenting the engagement results to the team the responses were enthusiastic with one senior leader claiming “based on the current media reporting on the business I expected much worse results". The executive of the Specialities function responded positively by indicating that, “Finally we have a true indication of how our employees are feeling”, and continued further by saying, “We need to get closer to our employees to let them know we have heard them and will do all we
can do improve the climate to ensure we can improve the engagement levels in our function”.

Although most of the responses received from the senior leadership team were positive there were a few who remained sceptical about the results with one executive retorting, “We do not need people in our business who do not want to remain”. This formed the basis of a robust discussion within the team on what should be the next steps taken based on the results of the study.

6.4 Research Question One

Research question one sought to identify whether direct line manager leadership positively influences employee engagement.

Table 50 provides a summary of the results for each question of the direct line manager leadership section. The table combines all results where participants indicated ‘Agree’ or ‘Tend to Agree’ and combines results where participants indicated ‘Disagree’ or ‘Tend to Disagree’. Results that were reflected as ‘Unsure’ are grouped on its own. The purpose of combining results in the table is to highlight where participants have responded favourably (‘Agree’ and ‘Tend to Agree’) or unfavourably (‘Disagree’ or ‘Tend to Disagree’).

Table 50: Direct Line Manager Leadership

<table>
<thead>
<tr>
<th>Line Manager</th>
<th>Agree/ Tend to Agree</th>
<th>Disagree/ Tend to Disagree</th>
<th>? (Unsure)</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 In the past six months, my line manager has talked to me about my performance.</td>
<td>84.40%</td>
<td>12.50%</td>
<td>3.10%</td>
</tr>
<tr>
<td>12 My line manager actively encourages my development.</td>
<td>85.70%</td>
<td>9.60%</td>
<td>4.70%</td>
</tr>
<tr>
<td>13 In the past month, my line manager has recognised and praised me for my good work.</td>
<td>82.50%</td>
<td>13.20%</td>
<td>4.30%</td>
</tr>
<tr>
<td>14 My line manager effectively communicates the organisational goals and objectives.</td>
<td>89.40%</td>
<td>7.20%</td>
<td>3.40%</td>
</tr>
</tbody>
</table>
Table 50 highlights that participants responded favourably to questions regarding their direct line manager. No question received a favourable response of less than 82% which indicates employees are generally happy with their direct line manager. Table 17 in Section 5.8.1 supports this view and indicates that direct line manager explains 13.7% of the variance in employee engagement while Table 18 (ANOVA) indicates that the proposed model is significant and valid. The regression analysis (Table 19) conducted shows that line manager leadership positively influences employee engagement with both Beta values less than 0.05. This indicates that if line manager leadership improves by 1 unit it will cause employee engagement to also improve by 0.370. These results are supported by the findings from Anitha (2014) who indicates that leadership, training and career development, work place well-being and compensation are facilitators of employee engagement. Table 50 reflects that direct line manager leadership have performed well on these dimensions.

Further analysis was conducted in Section 5.8.1.1 and Section 5.8.1.2 to understand the influence that an employee’s direct line managers has on an employee’s engagement levels based on an employee’s occupational level and tenure in the organisation.

Table 21 in Section 5.8.1.1 indicates that line manager leadership explains 18.1% of the variance of employee engagement for non-management employees whilst it explains 10.5% of the variance of employee engagement for management employees. The regression analysis conducted in Table 23 highlights that direct line manager leadership has a stronger influence on employee engagement for non-management employees than it is for management employees. These findings highlight that even though direct line manager leadership does positively influence employee engagement, its level of influence differs according to the occupational level of employees. It can therefore be inferred that management employees are less dependent on their line managers to feel engaged and require more to be done by their direct line managers if the level of influence of direct line manager leadership on their engagement levels is to be greater.
Table 25 in Section 5.8.1.2 indicates that direct line manager leadership has the greatest influence on employees’ engagement levels (15.9%) for employees whose tenure is ‘less than two years’ with the organisation. This is followed by employees who are employed ‘five years or more’ (11.4%) with the organisation and lastly employees who have been employed ‘between two – five years’ (11.2%). These findings highlight that direct line manager leaders have different levels of influence on employees’ engagement levels based on the tenure of the employee in the organisation. These results indicate that direct line manager leadership has the strongest influence on employees who have the shortest tenure in the organisation. This means that the longer the tenure of an employee in an organisation, the less the influence of a direct line manager’s leadership is on their engagement levels.

6.5 Research Question Two

Research question two concentrated on identifying whether the employees’ senior leaders positively influenced their engagement.

Table 51 provides a summary of the results for each question of the senior management leadership section. The table combines all results where participants indicated ‘Agree’ or ‘Tend to Agree’ and combines results where participants indicated ‘Disagree’ or ‘Tend to Disagree’. Results that were reflected as ‘Unsure’ are grouped on its own. The purpose of combining results in the table is to highlight where participants have responded favourably (‘Agree’ and ‘Tend to Agree’) or unfavourably (‘Disagree’ or ‘Tend to Disagree’).

Table 51: Senior Management Leadership

<table>
<thead>
<tr>
<th>Senior Leadership</th>
<th>Agree/ Tend to Agree</th>
<th>Disagree/ Tend to Disagree</th>
<th>? (Unsure)</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 Senior leaders value me as a person.</td>
<td>74.90%</td>
<td>8.10%</td>
<td>17.00%</td>
</tr>
<tr>
<td>19 Senior leaders live our organisational values in their behaviour.</td>
<td>76.30%</td>
<td>9.40%</td>
<td>14.30%</td>
</tr>
<tr>
<td>20 I trust the senior leaders in my organisation.</td>
<td>79.40%</td>
<td>7.30%</td>
<td>13.30%</td>
</tr>
<tr>
<td>21 Within my business unit, I am able to provide feedback to senior leaders.</td>
<td>83.20%</td>
<td>7.60%</td>
<td>9.20%</td>
</tr>
</tbody>
</table>
Table 51 highlights that participants responded favourably to questions regarding their senior leaders. No question received a favourable response of less than 76.30% which indicates that employees are generally happy with their senior leaders, however, there is evidence in the table that indicates that there are opportunity areas for senior leaders.

Table 29 in Section 5.8.2 indicates that senior leadership explains 30.8% of the variance in employee engagement. Table 30 confirms that senior leaders do have a positive and significant influence on employee engagement which proves that research question two is valid. The regression analysis (Table 31) indicates that if senior leadership improves by 1 unit it will cause employee engagement to improve by 0.555 units.

Aon Hewitt (2012) found that employee engagement levels increase in an organisation when senior leaders communicate regularly and honestly and inform employees of all requirements to enable the organisation to achieve its objectives. This study found that 81.50% of participants agreed that senior leaders do communicate relevant business practices to them which supports the findings of (Aon Hewitt’s, 2012) study. In addition 83.20% of participants agreed that they are able to provide feedback to senior leaders which can be construed as positive considering (Dale Carnegie, 2012) found that employees who feel they lack opportunities to provide feedback tend to become unmotivated which affects their engagement levels.

Maslach, Schaufeli, and Leiter’s (2001) study on job burnout identified six areas of work life of which, one focused on values. The study found that if a mismatch occurs in any of the areas of work life for a period of time, the engagement levels of employees will reduce and ultimately result in burnout. Table 51 indicates that only 76.30% of participants believe senior leaders live the values of the organisation. Comparing this to the results of Table 49 which indicates 96.60% of participants live the values of the organisation it can be concluded that there is a mismatch between participants and senior leaders with regard to living the values of the organisation. This could have an impact on an employee’s engagement levels as supported by Maslach, Schaufeli, and Leiter’s (2001) study. This finding is further supported by Dale Carnegie (2012) who found that when the values of an organisation and employees align, in addition to employees seeing organisational values being lived through behaviours of their leaders, these employees are engaged.
Table 51 indicates that 25.10% of participants feel that their senior leaders do not value them as a person or are ‘Unsure’ whether senior leaders value them which refers to the way employees perceive support from their leaders. This is supported by Tuzun and Kalemci (2012) who indicate that employees develop a general view regarding the extent to which supervisors value their contributions and well-being. Research by Eisenberger, Stinglhamber, Vandenberghe, Sucharski, and Rhoades (2002) and Stinglhamber and Vandenberghe (2003) found that employees felt an obligation to help leaders reach their goals when they believe they have the support of their leaders. The lack of perceived support by 25.10% of participants needs to be addressed by the Specialities function. If the status quo remains the same this will lead to employees being demotivated which would result in reduced levels of employee engagement.

Towers Watson (2014b), indicate that there is a divide between an employee’s and employer’s view on retention which emerges in a number of areas namely; trust and/or confidence in senior leadership, job security and length of commute. This study confirms this result as only 79.40% of participants indicated that they trust their senior leaders. This results in 20.60% of participants indicating that they have a lack of trust in their senior leaders. Taking into account that 25.10% of participants feel that their senior leaders do not value them as a person it can be concluded that feeling valued as an employee and having trust in your leaders are two constructs that affect employee engagement when taking into account that senior leadership explains 30.8% of the variance in employee engagement.

Further analysis was conducted in Section 5.8.2.1 and Section 5.8.2.2 to understand the influence employees senior leaders have on employees engagement levels based on an employee’s occupational level and tenure in the organisation.

Table 33 in Section 5.8.2.1 indicates that senior leadership explains 38.2% of the variance of employee engagement for non-management employees whilst it explains 25.7% of the variance of employee engagement for management employees. The regression analysis conducted in Table 35 highlights that senior leadership has a stronger influence on employee engagement for non-management employees than it does for management employees. These findings highlight that even though senior leadership does positively influence employee engagement, its level of influence differs according to the occupational level of employees.

Table 37 in Section 5.8.2.2 indicates that senior leadership has the greatest influence on an employee’s engagement levels (34.3%) for employees whose tenure is ‘between two to five years’ within the organisation. This is followed by employees who are ‘less than
two years’ (31.2%) in the organisation and lastly employees ‘greater than five years’ (27.7%). These findings highlight that senior leaders have different levels of influence on employees’ engagement levels based on the tenure of the employee in the organisation. These results indicate that senior leadership has the strongest influence on employees who are less than five years in the organisation. This shows that senior leaders influence on employee engagement levels are lowest for employees that have the longest tenure in the organisation.

6.6 Research Question Three

Research question three sought to identify whether employees’ line manager leadership and senior leadership living the organisational values positively influences employee engagement.

Internally, Edcon has a values-based system which is communicated to staff. The values are abbreviated as PIPP which stand for professionalism, integrity, people and performance. Each value is explicitly defined. Professionalism is defined as approaching every day with personal accountability and commitment. Integrity is defined as being open, honest and fair. People are important because the company believes in valuing our employees and customers and treating them with care and respect. Performance is motivated by a desire to not just strive for excellence, but to outperform.

Table 52 provides a summary of the results for each question that referred to values from Section B, C and D of this study survey. The table combines all results where participants indicated ‘Agree’ or ‘Tend to Agree’ and combines results where participants indicated ‘Disagree’ or ‘Tend to Disagree’. Results that were reflected as ‘Unsure’ are grouped on its own. The purpose of combining results in the table is to highlight where participants have responded favourably (‘Agree’ and ‘Tend to Agree’) or unfavourably (‘Disagree’ or ‘Tend to Disagree’).
Table 52: Organisational Values

<table>
<thead>
<tr>
<th>Values</th>
<th>Agree/ Tend to Agree</th>
<th>Disagree/ Tend to Disagree</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I live the values for which Edcon stands.</td>
<td>96.60%</td>
<td>0.30%</td>
<td>3.10%</td>
</tr>
<tr>
<td>My line manager lives our organisational values in his/ her behaviour.</td>
<td>82.60%</td>
<td>9.40%</td>
<td>8.00%</td>
</tr>
<tr>
<td>Senior leaders live our organisational values in their behaviour.</td>
<td>76.30%</td>
<td>9.40%</td>
<td>14.30%</td>
</tr>
</tbody>
</table>

Table 52 reflects that 96.60% of participants agree that they live the values of the organisation. This shows that participants have a strong affiliation with the organisation which is supported by Macey and Schneider (2008) who indicate that the goals and values of an organisation can be a basis of connection and loyalty that lead people to associate with the organisation and display adaptive behaviours aligned with the organisations long term interest. Macey and Schneider (2008) further support the findings from Table 49 which reveal that 89.68% of participants would recommend this company as a good place to work whilst 92.00% of participants are proud to be associated with the organisation. Based on these findings it can be assumed that the organisations values are aligned to the personal values of the participants.

Srivastava (2011) identifies that personal values impact the perception of satisfaction amongst employees in the organisation which can infer that living the values of an organisation improves employees’ satisfaction in the organisation, which, in turn improves their engagement levels.

Table 52 further reveals that participants share different views on whether their direct line manager and senior leaders are living the organisations values. 82.60% of participants agree that their direct line manager lives the values of the organisation whilst 76.30% of participants agree that their senior leaders live the organisations values. Based on the research conducted by (Adkins, Ravlin and Meglino (1996); Brown and Trevino (2009); Cable and Judge (1997)Erdogan and Bauer(2005)), the results shown in Table 52 reveal a misalignment between the value congruence, which is defined as the degree of conformity between the leader’s value system and the follower’s value system (Krishnan, 2004). The misalignment occurs between the values of the
participants in the study versus the values of their direct line managers and senior leaders because the compatibility of the values between subordinates and managers is incongruent.

Table 52 indicates that 14.30% of participants are ‘Unsure’ as to whether their senior leaders live the values of the organisation whilst only 3.10% of participants are ‘Unsure’ of whether their direct line manager lives the organisation’s values. Participants of the study do not engage on a daily basis with their senior leaders, which therefore supports the results from Table 52 that more participants are ‘Unsure’ of whether senior leaders live the values of the organisation.

Table 42 in Section 5.8.3 indicates that there is a significant and valid relationship between line manager and senior leaders living the organisation’s values and their influence on employee engagement levels. Table 41 in Section 5.8.3 indicates that the combination of the independent variables, line manager and senior leaders account for 25.9% of the changes in employee engagement. This is further validated by the regression analysis conducted in Table 43 in Section 5.8.3 which indicated that if senior leadership improves by 1 unit it will cause employee engagement to improve by 0.454. The data in the table further indicates that if direct line manager improves by 1 unit it will cause employee engagement to improve by 0.119 units.

Based on the findings in Table 43, senior leaders living organisational values have a stronger influence on employee engagement compared to the influence that direct line managers have on their employees’ engagement through living the organisation’s values.

6.7 Research Question Four

Research question four sought to identify whether the implementation of organisational changes influences employee engagement.

Table 53 provides a summary of the results for each question of the organisational change section of the survey. The table combines all results where participants indicated ‘Agree’ or ‘Tend to Agree’ and combine results where participants indicated ‘Disagree’ or ‘Tend to Disagree’. Results that were reflected as ‘Unsure’ are grouped on its own. The purpose of combining results in the table is to highlight where participants have
responded favourably (‘Agree’ and ‘Tend to Agree’) or unfavourably (‘Disagree’ or ‘Tend to Disagree’).

**Table 53: Organisational Change**

<table>
<thead>
<tr>
<th>Organisation Change</th>
<th>Agree/Tend to Agree</th>
<th>Disagree/Tend to Disagree</th>
<th>? (Unsure)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recent organisational changes (i.e. process changes, structural changes, policy changes) have been: <strong>well planned</strong></td>
<td>76.40%</td>
<td>12.60%</td>
<td>11.00%</td>
</tr>
<tr>
<td>Recent organisational changes (i.e. process changes, structural changes, policy changes) have been: <strong>well administered</strong></td>
<td>77.20%</td>
<td>11.20%</td>
<td>11.60%</td>
</tr>
<tr>
<td>Recent organisational changes (i.e. process changes, structural changes, policy changes) have been: <strong>well communicated</strong></td>
<td>78.40%</td>
<td>11.90%</td>
<td>9.70%</td>
</tr>
<tr>
<td>Recent organisational changes (i.e. process changes, structural changes, policy changes) have been: <strong>minimally disruptive</strong></td>
<td>66.60%</td>
<td>14.20%</td>
<td>19.20%</td>
</tr>
<tr>
<td>Recent organisational changes (i.e. process changes, structural changes, policy changes) have been: <strong>generally successful</strong></td>
<td>79.70%</td>
<td>9.40%</td>
<td>10.90%</td>
</tr>
<tr>
<td>The current pace of change in my business unit is too fast.</td>
<td>55.80%</td>
<td>27.80%</td>
<td>16.40%</td>
</tr>
<tr>
<td>Looking ahead to the next year, I think Edcon will change for the better.</td>
<td>71.40%</td>
<td>12.50%</td>
<td>16.10%</td>
</tr>
</tbody>
</table>

Table 53 provides an indication of how participants view the implementation of organisational change within the Specialities function. Employees may respond to change with the intention of positively supporting the change or negatively opposing it.
The table reflects that participants responded favourably with regard to how organisational change is implemented. 76.40% of participants indicated that changes are well planned; 77.20% of participants indicated that changes are well administered and 78.40% of participants indicated that changes are well communicated. These results indicate that participants have a positive attitude towards how organisational change has been implemented within the Specialities function which Piderit (2000) indicates is necessary for an organisation to succeed. This is further echoed by 66.60% of participants indicating that the changes implemented are minimally disruptive.

Balogun and Hope Hailey (2004) indicate that around 70% of all change programmes fail but this is not supported by the results from this study, where 78.70% of participants indicate that changes implemented have generally been successful. The results in the study reflect the view of participants who have experienced the changes rather than those who assess the return on investment of change programmes which could account for the difference in results when compared to the findings of (Balogun and Hope Hailey, 2004).

Cartwright and Holmes (2006) highlighted that the current workplace endures a drastic and accelerated pace of change which is supported by the findings in this study where 55.80% of participants agreed that the pace of change within the Specialities function is too fast. This result was further supported by feedback received from the presentation of the survey results to the senior team in the Specialities function, who echoed the feedback of the survey and indicated that there has been a high volume of change in the business during the last 12 months. The senior team highlighted that the introduction of a new head of Specialities within this timeframe along with a shift in business strategy were the main reasons behind the pace of change during this period.

Table 46 in Section 5.8.4 confirms that organisational change does influence employee engagement which is supported by the conclusions drawn from Table 45 in Section 5.8.4 which indicates that organisational change explains 41.2% of the changes observed in employee’s engagement levels. Table 47 in Section 5.8.4 indicates that well managed organisational change has a positive influence on an employee’s engagement where an improvement of 1 unit in organisational change will result in employee engagement improving by 0.642 units.

These findings highlight the importance of ensuring organisational change is implemented effectively and addresses the need for effective change leaders. Potter (2001, p.55) defines an effective change leader as a leader who tries to create a state of
renewal by reviewing where the organisation is now, deciding where the organisation would like to be in the future and then creating strategies and plans to take the organisation to this future which Gill (2003) indicates will ensure that every employee in the organisation is driving their energies towards the same goal.

In assessing how organisational change is managed within the Specialities function it was found that decisions to change are made by senior leaders and implemented by line managers. It is therefore implied that the effect that organisational change has on employee engagement can be attributed to senior leadership.

**6.8 Summary**

The results obtained in this study lend evidence to the idea that direct line manager leadership, senior leadership, living organisational values and organisational change have a positive influence on employee engagement. The quantitative study supported the literature review which shows that leadership impacts on employee engagement. The results added to this literature by indicating that different levels of leadership have distinctive influences on employee engagement.

The results discussed in this chapter additionally highlighted the employees’ views on how leaders live the organisation’s values also has an impact on employee’s engagement levels. These findings, although supported by literature, also add to the body of knowledge in that it highlights that not only is it important for employees to live the organisation’s values but it is also important that leaders are seen to be living the values to ensure high engagement levels.

Participants of the study agreed that they are working in a VUCA environment which, when assessed with organisation change, found that although change is implemented well in the organisation, it is implemented too fast. Organisational change decisions are made by senior leaders and implemented by line managers. This indicates that the influence organizational change has on employee engagement is attributed to senior leaders as they are responsible for organizational change decisions.

Chapter 7 will provide a summary of the findings highlighted in this chapter, recommendations for the findings and highlight areas for future research.
7. Conclusion

This chapter ascertains whether the outcomes of the research study were aligned to the research objectives of the study. It also aims to provide an assessment of the variables that leadership needs to be cognisant of in order to ensure that employees are engaged within a VUCA environment. Recommendations are made to leadership based on the findings of the study. In addition, the chapter outlines suggestions for future research based on the findings and limitations of the study.

The main aim of the study was to understand the influence that leadership has on employee engagement in the context of a VUCA environment. The study highlighted that there are different levels of leadership within an organisation and identified two levels of leadership for the purposes of this study. Firstly, employees’ direct line manager and secondly employees’ senior leadership who are represented by all leaders in the organisation who are employed with a hay band D or higher. Employee engagement levels were assessed based on their occupation level within the organisation and their tenure with the organisation. The influence leadership has on employee engagement was assessed based on six variables. These include employer of choice, motivation, employee role, alignment to organisational values, communication from leaders and organisational change. The main findings from Chapter 6 are discussed below.

7.1 Findings

A summation of the findings of the study is presented in Figure 5. The figure places ‘Line Manager Leadership’ and ‘Senior Leadership’ on opposite ends of the ‘Employee Engagement Influence Scale’. The six variables that were used to assess the influence of leadership on employee engagement are placed on the scale in the middle of the ‘Employee Engagement Influence Scale’. The purpose of placing the variables in the middle is to reflect the forces that are being exerted on employee engagement. The borders and background of Figure 5 reflect the VUCA environment in which the study was conducted.

The study found that both, line manager and senior leadership, positively influence employee engagement; however, senior leadership has a stronger influence on employee engagement compared to the influence of line managers. This is reflected in
Figure 5 by the influence scale being tilted down by the weight of ‘Senior Leadership’ influence.

**Figure 5: Summary of Findings**

![Diagram showing influence scale with 'Senior Leadership' tilted down]

### 7.1.1 Employee Engagement

The study revealed that 30% of employees have an intention to quit the Specialities function at the present time, however this finding is consistent with the South African norm of 30% identified by Towers Watson. While this result is not seen as excessive based on South African norms, it still represents a challenge for the Specialities function as finding talent is an obstacle based availability of talent due to the skill shortages in South Africa. Most of the stores within the Specialities function are based in rural or outlying areas which creates a further challenge as most candidates prefer employment within the main central business districts or metropolitan areas.

The study found that 57% of employees feel the stress they are experiencing reduces their ability to perform effectively which Gilbreath and Karimi’s (2012) study found stress leads to presenteeism. Presenteeism leads to employees being present at work with low
productivity levels which reduces an employee’s ability to deliver on organisational objectives. The consequence of the reduced levels of productivity of employees experiencing presenteeism is that engaged employees are required to take on additional work to deliver on the objectives of the organisation. If this cycle continues for an extended period of time it results in engaged employees becoming demotivated due to an increase in stress which will lower their engagement levels and lead engaged employees to experience presenteeism and ultimately become disengaged.

Figure 6 provides a graphical view of the journey engaged employees could experience in the event that the presenteeism challenges within the Specialities function is not addressed. The graph has three axes with ‘Time’ representing the x-axis, ‘Productivity Level’ the y-axis and ‘Engagement Level’ representing the z-axis. The graph is to be read from left to right starting off with the current engagement and productivity levels of an employee. Thereafter the graph spikes to show the increase in productivity levels due to engaged employees taking on additional work. During this phase the employee is still considered to be engaged; however, as time progresses, the graph reflects that productivity and engagement levels are lowering as the employee moves out of a state of engagement to a state of presenteeism or disengagement.

Figure 6: Engagement to Disengagement

Employee engagement levels within the Speciality function is significantly higher than South African norms for employee engagement. This indicates that employees are strongly affiliated with the organisation, in addition to employees want to take on further responsibilities to deliver on the goals and objectives of the business. Based on the historical antecedents of the organisation, the study found that employees have shown high levels of resilience and perseverance over the past 5 years.
The study identified the following key drivers of employee engagement which are depicted in Figure 7.

**Figure 7: Drivers of Employee Engagement**

![Diagram showing the relationship between Senior Leaders, Organisational Values, Organisational Change, and Employee Engagement.]

The study identified that employee’s senior leaders have a stronger influence on employee engagement than their line managers. This is further supported by senior leaders having a stronger influence on employee engagement levels at different occupational levels regardless of tenure within the organisation. Senior leadership accounts for 30.8% of the variance in employee engagement levels within this study.

Organisational values are the basis of connection and loyalty which influences employee’s ability to associate with the organisation (Macey and Schneider, 2008). Employees’ personal values impact their perception of satisfaction within the organisation. Living the values of the organisation improves employee satisfaction which results in an improvement in employee engagement levels. In addition, leaders who demonstrate the organisation’s values in their behaviours on a consistent basis are able to build trust with employees and this enables leaders to improve employee engagement levels.

The current workplace endures a drastic and accelerated pace of change. This change is regarded as too fast by employees and this affects employee motivation and productivity levels. Organisations need to ensure that there is effective change management carried out through effective change leaders who try to create a state of
renewal by reviewing where the organisation is currently; deciding where the organisation would like to be in the future; and then creating strategies and plans to transition the organisation to this future. In doing this, change leaders need to ensure that every employee in the organisation is driving their energies towards the same goal.

7.1.2 Leadership

This study found that within a VUCA environment 13.7% of the changes observed in employee engagement are caused by the line manager whereas 30.8% of the changes observed in employee engagement are caused by the senior leaders in an organisation. The study further analysed the influence of the two levels of leadership on employee engagement based on the employee’s tenure, occupational level and the alignment of values between the employee and the two leadership levels. The results from Sections 5.8.1.1, 5.8.1.2, 5.8.2.1, 5.8.2.2 and 5.8.3 are summarised in table 54.

Table 54: Tenure and Occupational Level Comparative

<table>
<thead>
<tr>
<th>Level of Leadership</th>
<th>Occupation: Non-Management</th>
<th>Occupation: Management</th>
<th>Tenure: Less than 2 years</th>
<th>Tenure: between 2-5 years</th>
<th>Tenure: Greater than 5 years</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line Manager</td>
<td>18.1%</td>
<td>10.5%</td>
<td>15.9%</td>
<td>11.2%</td>
<td>11.4%</td>
<td>11.9%</td>
</tr>
<tr>
<td>Senior Leaders</td>
<td>38.2%</td>
<td>25.7%</td>
<td>31.2%</td>
<td>34.3%</td>
<td>27.7%</td>
<td>45.4%</td>
</tr>
</tbody>
</table>

Table 54 highlights that senior leaders have a greater influence on employee engagement on all dimensions of tenure, occupational level and organisational values. In addition the study highlighted that senior leadership is responsible for organisational change, decision making within the Specialities function, while line managers are responsible for implementing the change. This can be construed as senior leadership being responsible for the influence that organisational change has on employee engagement.

The study, therefore, concludes that senior leadership has the greatest influence on employee engagement within a VUCA environment. This in turn implies that within a
VUCA environment, employees do not leave their line managers, they leave their senior leaders which challenges the findings of Buckingham and Coffman (1999), who claimed that employees do not leave organisations they leave their line managers.

### 7.2 Recommendations

Recommendations are made based on the following findings of the study.

1. Line managers, senior leaders, organisational values and organisational change have a positive influence on employee engagement
2. 30% of employee’s have an intention to leave the Specialities functions.
3. 57% of employees indicate that stress is reducing their effectiveness.
4. Employee’s acknowledge that they are operating within a VUCA environment
5. Senior leaders influence on employee engagement is stronger than the influence line managers have on employee engagement.
6. Organisational change has the strongest influence on employee engagement. The study found that senior leaders are responsible for organisational change decision which infers senior leaders have the strongest influence on employee engagement.

This study has provided the business with a view of what the current landscape is with regard to employees’ engagement levels and the level of influence that line managers and senior leaders have on their employees’ engagement levels. The biggest challenge henceforth is to ensure that this analysis is supported by the necessary action plans to improve engagement levels within the function. Figure 8 highlights recommendations to managers to address the findings of the study.
Working within a VUCA environment creates new challenges that leadership have previously not been exposed to. It is important for leaders to understand the challenges that are brought about by the current environment. Through understanding the environment, leaders are able to address the barriers that employees are experiencing as well as identify opportunities to support delivery of their objectives and goals.

Each dimension of VUCA is distinctive, and requires a different optimum course of action as the solution that works for one part of VUCA might not work for the other three (Bennett & Lemoine, 2014). To mitigate the challenges and risk associated with working within a VUCA environment managers should consider the following:

1. Volatility – ensure the organisation is agile in dealing with any form of volatility that may occur in the environment
2. Uncertainty – ensure information networks are created focusing on gathering information within and outside of the organisation.
3. Complexity – remove all barriers that create complexity within the system. Review organisational structures to ensure it supports delivery on strategy.
4. Ambiguity – identify all policies and processes that allow for ambiguity in its implementation.
Towers Watson (2014b) highlighted the importance of employee engagement. It is therefore important for leaders to facilitate employee engagement which can be achieved through using Anitha’s (2014) seven factors. This can be expressed as the following (Anitha, 2014):

1. Work environment: Leaders need to create a supportive work environment through showing concern for employees, providing positive feedback, advising employees, ensuring skills development and by providing solutions to work related problems.

2. Team and co-worker relationship: Foster strong co-worker relationships through team building exercises which allow the team to improve their social congruence with each other.

3. Training and career development: Leaders should conduct capability assessments on all employees. Based on the results of the assessment an individual development programme can be implemented to improve an employee's capabilities. This in turn motivates employees which improves their engagement levels.

4. Compensation: An assessment of the current reward and recognition programme needs to be conducted to understand if the programme supports improving employees engagement levels. The focus of the programme should be both monetary and non-monetary. It is essential for leaders to present acceptable standards of reward and recognition for their employees to achieve a higher level of employee engagement.

5. Organisational policies: The organisation should review current policies to assess their impact on the employees' ability to deliver on their objectives. In addition, new policies such as flexible work arrangements should be investigated and implemented to allow employees flexibility in delivering on the objectives.

6. Wellbeing: Employee wellbeing is critical to evaluating the effect organisations have on employees. Wellness programmes should be created to ensure employees’ physical and mental health needs are addressed. The opening of a creche or child day care centre would support employees in taking care of their children while employees are at work. This reduces the stress placed on employees of ensuring that their children are taken care of. The opening of a gym would allow employees
the opportunity to remain physically fit as well as reduce any effects of stress that is experienced.

7. Leadership: Effective leadership and perceived support are critical to strong leadership. A detailed leadership survey should be conducted assessing the strengths and opportunities of current leaders with regards to effective leadership and perceived support. The survey should be a 360 degree questionairre to ensure holistic feeback is provided to leaders.

Effective leaders are committed to the strategic priorities of the organisaton and model the values and culture of the organisation. The ability of a leader to motivate and inspire its employees is an important driver of leadership effectiveness and closes the gap between employees and their respective leaders.

The misalignment of values between employees and senior leaders is seen as of the key drivers that has led to employees being disengaged within the function. Research has shown that there are two ways of resolving this tension that results from the misalignment of personal values to organisational values; bring personal expectations in line with those of the organisation (Stevens & O'Neill, 1983) or for employees to leave the organisation in search of more fulfilling career opportunities (Pick & Leiter, 1991). To ensure better alignment, it is critical that senior leaders represent the values of the organisation in their behaviour. These behaviours need to be consistently demonstrated by all leaders. Macey and Schneider (2008) indicate that the goals and values of an organisation can be a basis of connection and loyalty that lead people to associate with the organisation and display adaptive behaviours aligned with the organisation’s long term interest.

It is recommended that for senior leaders to build trust with their employees and to show employees that they are valued, leaders need to improve the support that they show to employees. This can be achieved through frequent, two-way communication with employees by providing guidance, support and allowing feedback to be received from employees. In addition, non-monetary and on the spot recognition can be provided by senior leaders to employees as this would highlight that employees are valued by the organisation. The use of roadshows are recommended as this allows employees to engage with senior leaders within their own environment, in addition, to having face to face engagement. Engaging face to face with employees is seen as more personal engagement than communicating via email or other forms of communication.
Line managers play a key role in the organisation when there is a perceived lack of support at senior leadership. The role of line managers is to enable employees to deliver on their objectives. This is achieved through line managers showing consistency between words and actions. In order to enable employees, line managers should assess the needs of employees and understand what barriers they are currently experiencing.

The implementation of a weekly, one on one meeting will allow line managers to understand where individual employees require support. Once line managers have identified an employee’s opportunity areas, they will be able to identify what training and development is required to ensure that employees’ capabilities are at the required level. During these one on one engagements, line managers will have the opportunity to performance manage employees. Line managers will be able to have open and honest conversations with employees and be able to conduct performance appraisals to contract with employees on any specific performance management goals that are not being achieved.

It is suggested that line managers compensate employees either through monetary or non-monetary forms to drive delivery of objectives. Employees no longer only seek monetary rewards as they have become more aware of their own motivational needs. Individual and team specific recognition programmes should be defined which would increase an employee’s motivation levels.

The values of the organisation guide employee behaviour internally and externally with clients. Line managers are therefore required to ensure they are consistent in the application of the behaviours required from the values of the organisation. The ability to walk the talk will create an alignment between employees and line managers.

In addition, a role out of the organisations values should be explored to ensure all employees have an understanding of what the organisational values mean and represent. This would reinforce the behaviour that represent the values of the organisation and allow all employees and leaders the opportunity to assess their current behaviour against the expected behaviour.

The pace of change that is being experienced by organisations within a VUCA environment is rapid. Effective communication and trust are key drivers for implementing organisational change. Over the past five years the organisation has experienced numerous changes and this is not expected to slow down based on the current organisational performance and the macro environment in South Africa. Employees have highlighted that the pace of change is too fast which is contributing to the stress levels currently being experienced and the lower levels of productivity. To mitigate these
challenges, the pace of change within the function needs to be reviewed along with the return on investment and success of change projects that have been implemented. Potter (2001) highlights that an effective change leader tries to create a state of renewal by reviewing where the organisation is currently, deciding where the organisation would like to be in the future and then creating strategies and plans to take the organisation to this future.

The key recommendation to managers that permeates through all constructs in the study and supports the recommendations made above is effective communication. Currently most of the communication that occurs within the Specialities function are top down with limited platforms available for employees to provide feedback. More platforms need to be created which allow employees to provide feedback to both line managers and senior leaders. The implementation of one on one meetings by line managers is seen as one platform that allows employees to communicate using a bottom to top approach. Recommendations are made that platforms such as conferences, suggestion boxes and letters to senior leaders should be used to allow employees to provide bottom up feedback to senior leaders.

7.3 Recommendations for future research

The objective of the study was to understand leadership's influence on employee engagement within a VUCA environment. The construct of leadership was broken down into two levels which has provided new insights into the influence of line managers and senior leadership on employee engagement. The study did not focus on the types of leadership styles of the different levels of leadership and this is a suggestion for future research. The understanding of what types of leadership styles at the different leadership levels which drive employee engagement would add to the current body of knowledge of the impact of leadership on employee engagement.

The study focused on engagement levels of employees but it has not focused on the engagement levels of the leadership within the function. It is therefore suggested that future research be conducted on the engagement levels of leadership and the influence on employee engagement. This could then be used to support the drivers of employee engagement as leadership has been noted by Anitha (2014) as the second most important driver that facilitates employee engagement.
The study found that within a VUCA environment the stress that is experienced by employees reduces their effectiveness which Gilbreath and Karimi (2012) indicates leads to presenteeism. It is therefore suggested that a longitudinal study be conducted on the changes experienced by employees in moving from a state of engagement to a state of presenteeism. The study should also focus on the link between presenteeism and disengaged employees.

The low levels of influence line managers have on employee engagement challenges the findings of (Buckingham and Coffman, 1999) who indicate employees do not leave the organisation, but they do leave their line managers. Further studies should be conducted on the levels of leadership and their influence on employee engagement to support the findings of this study or that of Buckingham and Coffman’s study (1999).

This study focused on the Specialities chain in the retail operations division of Edcon. It is understood that leadership may differ within the different functions of the organisation. It is recommended that future research should include all functions within Edcon to determine whether the results within an organisation are consistent across the organisation. This will contribute to build an employee engagement profile within the organisation.

A research study could be conducted across other organisations within the retail industry in South Africa to determine whether the results are different or support the findings of the study.

7.4 Limitations of the Study

The limitations to this study are as follows:

1. This study was conducted using a single organisation (Edcon) within the South African retail industry. The study could therefore be viewed as being non-representative of the industry. In addition the results of the study cannot be extended to other industries.

2. The author’s knowledge of the organisation could have resulted in some bias during the interpretation of results which might not be identified during the course of the study.
3. The study was a quantitative study which creates a limitation on the results as no qualitative feedback could be used to support the study.

7.5 Conclusion

This chapter presented the conclusions of the research study in terms of the theoretical and empirical objectives. Possible limitations of the study, were discussed and recommendations for further research was suggested. The chapter then integrated the research from this study to relevant published research, highlighting the extent to which the results of the study provided support for the relationship between the constructs of leadership, organisational values, organisational change and employee engagement within a VUCA environment. The study defined leadership as two hierarchical levels, namely line manager and senior leaders and sought to understand the influence each level has on employee engagement. Organisational values and organisational change influence on employee engagement were also studied.

The study found that all constructs have a positive influence on employee engagement and highlighted that senior leaders have the biggest influence on employee engagement in comparison to employee’s line managers. This infers that within a VUCA environment when employees leave the organisation they leave their senior leaders which is contrary to the findings of (Buckingham & Coffman, 1999) who indicate that when employees leave the organisation they leave their line managers.

This finding adds to the current body of knowledge with regards to the influence of leadership on employee engagement within a VUCA environment and opens up a new avenue for further research into the relationship between leadership and employee engagement.
8. References


9. Appendices

9.1 Appendix A: Survey Questionnaire

Dear Participant

You are herewith invited to participate in a research project. Given the difficult business environment that organisations are currently operating in, this research project aims at understanding the impact that the leadership of line managers and executive management have on the engagement levels of employees within a turbulent environment. The study therefore aims to investigate the impact leadership has on employee engagement within a volatile, uncertain, complex and ambiguous (VUCA) environment.

Please note that participation in this survey is completely voluntary and anonymous. Your responses will be treated with the highest confidentiality and is to be used solely for the purpose of research. The research findings will be available on request from Mr Z Ahmed (zahmed@edcon.co.za). As such, all participants who complete this questionnaire will gain value through achieving an understanding of the engagement levels within the organisation and the impact leadership has on it. Based on the research results, general suggestions for improving employee engagement levels will become available.

The survey will take approximately 10-15 minutes to complete and you may withdraw from participating in the survey at any point in time. By completing this research questionnaire, it is generally accepted that you give full consent to the researcher that your responses may be used for research purposes ONLY and that your responses will be treated in an anonymous and confidential manner.

You will note that the research questionnaire contains 5 sub-questionnaires that need to be completed. Please answer all the questions in the questionnaire.

I truly appreciate your willingness to participate in this important research project and the valuable time you are willing to commit in completing this research questionnaire.

Kindest regards

Zameer Ahmed
**SECTION A: BIOGRAPHICAL INFORMATION**

1. **Chain**
   - Active
   - Brands
   - Boardmans
   - Red Square

2. **Occupational Level**
   - Non-Management
   - Management

3. **Tenure in Organisation**
   - Less than 2 years
   - Between 2-5 years
   - More than 5 years
SECTION B: EMPLOYEE ENGAGEMENT

- The purpose of the following questions is to determine your level of engagement.
- After carefully reading each statement below, use the 5-point scale to respond to the statements below.
- Please answer every question.

<table>
<thead>
<tr>
<th>Employee Engagement</th>
<th>Agree</th>
<th>Tend to Agree</th>
<th>? (Unsure)</th>
<th>Tend to Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would recommend this company as a good place to work.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am proud to be associated with this company.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I believe strongly in the goals and objectives of this organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>This company energizes me to go the extra mile.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The amount of stress I experience on my job seriously reduces my effectiveness.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have the equipment/tools/resources I need to do my job effectively.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I live the values for which Edcon stands for.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In my role, I work beyond what is required to help this organisation succeed.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
In my role I often take on extra responsibilities (e.g. projects).
At the present time, are you seriously considering leaving Edcon.

**SECTION C: LINE MANAGER LEADERSHIP ASSESSMENT**

- The purpose of the following questions is to understand your line managers leadership approach based on your perception.
- After carefully reading each statement below, use the 5-point scale to respond to the statements below.
- “Line manager” refers to the person you report to on a daily basis.
- Please answer every question.

<table>
<thead>
<tr>
<th>Line Manager</th>
<th>Agree</th>
<th>Tend to Agree</th>
<th>? (Unsure)</th>
<th>Tend to Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 In the past six months, my line manager has talked to me about my performance.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 My line manager actively encourages my development.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13 In the past month, my line manager has recognised and praised me for my good work.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
My line manager effectively communicates the organisational goals and objectives.

My line manager energises/inspires me regarding the future of the organisation.

My line manager lives our organisational values in his/her behaviour.

I trust my line manager.

SECTION D: SENIOR MANAGEMENT LEADERSHIP ASSESSMENT

- The purpose of the following questions is to gain an understanding of your senior management's leadership approach, based on your perceptions.
- “Senior Leadership” refers to all managers whose occupational level is band E and above (for example, Divisional Operations Manager, Chain Speciality Manager and Operations Executive Specialities).
- After carefully reading each statement below, use the 5-point scale to respond to the statements below.
- Please answer every question.

<table>
<thead>
<tr>
<th>Senior Leadership</th>
<th>Agree</th>
<th>Tend to Agree</th>
<th>? (Unsure)</th>
<th>Tend to Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>Senior leaders value me as a person.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Senior leaders live our organisational values in their behaviour.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>I trust the senior leaders in my organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Within my organisation, I am able to provide feedback to senior leaders.

Senior leaders clearly communicate relevant business practices to me.

SECTION E: ORGANISATIONAL CHANGE

- The purpose of the following questions is to gain an understanding of how organisational change is managed within your respective chain.
- After carefully reading each statement, use the 5-point scale to respond to Question 23 and the 4-point scale to respond to Question 24 and 25.
- Please answer every question.

<table>
<thead>
<tr>
<th>Organisational Change (A-TA-?-TD-D)</th>
<th>Agree</th>
<th>Tend to Agree</th>
<th>? (Unsure)</th>
<th>Tend to Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recent organisational changes (i.e. process changes, structural changes, policy changes) have been:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23 well planned</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24 well administered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25 well communicated</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26 minimally disruptive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27 generally successful</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The current pace of change is my organisation is too fast.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28 Looking ahead to the next year, I think Edcon will change for the better.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>29</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SECTION F: VUCA ENVIRONMENT

- The purpose of the following questions is to understand your current working environment.
- After carefully reading each statement below, use the 5-point scale to respond to the below statements.
- Please answer every question.

<table>
<thead>
<tr>
<th></th>
<th>In my opinion the work environment where I work is:</th>
<th>Tend to</th>
<th>? (Unsure)</th>
<th>Tend to</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>Volatile - change is frequent and sometimes unpredictable.</td>
<td>Agree</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Uncertain - It is unknown if an event will create significant change.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Complex – the situation can be overwhelming to process as it has numerous interrelated components in addition to certain information being available.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Ambiguous - unknown implication of one or more factors in a situation</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Dear Respondent

Thank you for your participation in this research initiative. It is highly appreciated.

Kindest regards
Zameer Ahmed
### 9.2 Appendix B: Consistency Matrix

<table>
<thead>
<tr>
<th>Research Questions</th>
<th>Literature Review</th>
<th>Data Collection Tool</th>
<th>Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. If leaders live organisational values would this have a positive influence on employee engagement?</td>
<td>Woodward and Shaffakat (2014), Selznick (1957), Macey and Schneider (2008)</td>
<td>Online survey with closed ended questions</td>
<td>Regression Analysis and ANOVA</td>
</tr>
</tbody>
</table>