

The relationship between employee engagement and the quality of work environment (QWE): a mixed method analysis using Australian evidence

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BA, MIR&HRM (Hons)

A dissertation submitted in fulfillment of the requirements of the degree of

Doctor of Philosophy

Centre for Workforce Futures

Faculty of Business & Economics



MACQUARIE
University

October 2018

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Statement of Originality

This thesis entitled “The relationship between employee engagement and quality of the work environment (QWE): a mixed method analysis using Australian evidence” is the result of my own work and includes nothing which is the outcome of work done in collaboration except where specifically indicated. This work has not been submitted for a higher degree to any other university or institution.

I also certify that the thesis is an original piece of research written by me, under the supervision of Professor Ray Markey and Dr Troy Sarina. Any help or assistance in my research or in preparation of the thesis is acknowledged accordingly. The individual contributions of co-authors on the papers presented in this thesis are clarified in the title page of the relevant chapter.

Macquarie University Ethics Committee approval was obtained for all aspects of the research studies presented in this thesis (Protocol number: 5201600629).

Elizabeth Frino

Date 12 October 2018

Acknowledgements

This thesis is dedicated to my parents Vinko and Ristana, and to my children, Michael, Dominic and Emma.

I take this opportunity to acknowledge the support and advice I have received from several people throughout my PhD. First and foremost, I would like to thank my Principal Supervisor, Professor Ray Markey for his tremendous wisdom, advice and guidance from beginning to end. Without it, this thesis wouldn't be. Thank you also to my Associate Supervisor, Dr Troy Sarina for his very useful insight at key points. I feel privileged to have had such well respected, thoughtful and supportive scholars guide me on this journey. They willingly offered their high level of intellect and sage advice throughout the years. Particularly refreshing were the 'non-PhD' related conversations.

A special mention also goes to Professors Gillian Whitehouse and Russell Lansbury for offering their critical support at the outset of my PhD. Without their help, my journey would not have started. To my friend and former colleague Sally Wright, who helped me tirelessly on the day my PhD application was due. Thanks also to Professor Paul Gollan who assisted tremendously in the final stage.

I would also like to acknowledge the financial support of Macquarie University's APA Scholarship and of the Centre for Workforce Futures within the Faculty of Business and Economics, which made this study possible.

To my friends, especially Tanya for her unwavering flags of encouragement and feedback on earlier drafts. Also, a very special thanks to my dear friend Alisa who freed me of my hectic daily routines at critical times and gave that extra shout of encouragement.

To my PhD writing group - Katrina, Mia and Julie. What a great way to keep one steering in the right direction and reduce moments of solitude and writers block. Such support and advice can only be given by those who are experiencing the same thing at the same time.

Finally, to my dear family. To my husband Alex, for instilling in me the desire to pursue further study. His honest and direct opinion about life as a PhD student and advice with statistics were also gratefully received. To my wonderful children, who offered abundant hugs and kisses. They all made a difference in their own way. A special thanks to my mother and father, and my brothers Jim and Peter who have always been there. I know they're proud of my achievement – the first in the family!

Thesis Summary

Employee engagement is a multifaceted concept encompassing the physical, emotional and cognitive connections employees experience at work. Ensuring employees are engaged is considered important in today's organisations due to claimed benefits such as improved productivity, increased innovation as well as greater commitment and employee wellbeing. However, globally, there is an increasing divergence between the perceived benefits or expectations of engagement and reported levels of employee engagement. So, understanding what factors or conditions are most likely to create a highly engaged employee has become one of the most urgent questions for organisations and practitioners to address. Although several influencing factors or 'determinants' of employee engagement have been identified in the scholarly literature, there is no universally accepted set of factors.

The engagement literature has reached a crossroads that requires a consideration of new options and alternative approaches to research in moving forward. Firstly, in order to advance our understanding of employee engagement, new avenues and perspectives must be sought from neighbouring disciplines. Currently, employee engagement research has made limited use of wider environmental factors, such as context, as controlling conditions influencing engagement.

Much of the engagement field has become pigeon holed towards one main research approach, based on the positivist paradigm, which lends all research to test and explore individual behaviours and attitudes in isolation. Such an approach assumes a single or narrow relationship, rather than adopting a more nuanced approach to better understand how a wider network of influencing factors influence employee engagement. There is also a lack of qualitative studies exploring the employee 'experience' of engagement. This has limited the scope and depth of research that is needed to understand engagement and its determinants. To address these gaps, a new expanded conceptual framework is proposed and empirically analysed to test for the work environment as a determinant of engagement.

This thesis uses Kahn's definition of employee engagement (Kahn, 1990), which is grounded on the notion that employee engagement is a broad multifaceted concept which captures all aspects of the self at work. It also extends and integrates engagement research by emphasising the primacy of context in influencing employee engagement, echoing Kahn's concern that situational and not merely individual factors need to be explored in order to understand this concept. An existing conceptual model from the wellbeing literature is applied to the study of employee engagement in a novel way to capture the contextual factors. The thesis captures the 'interactions' or contextual factors through the notion of the 'work environment'. Work environment is represented through the concept known as quality of the work environment (QWE), using the World Health Organisation's 'Healthy Workplaces Framework'. The central concern of the QWE perspective is the wellbeing of employees by paying particular attention to the physical aspects, psychosocial and organisational environment of work rather than individual employee or job characteristics.

This conceptual model provides a valuable extension to the current research on employee engagement. Until now, QWE has not been considered as an influencing factor. Despite there being previous research which examines the impact of specific components of the work environment on individual employee engagement, such as 'the values and actions of management' and 'the organisational climate and structure', there has been no research which explores how employee engagement may in fact be influenced by a unique combination or set of interrelated work environment factors.

This thesis therefore addresses the following central research question;

"Does the quality of the work environment have an impact on levels of employee engagement? If so, which elements of the QWE have a larger impact on employee engagement?"

The study aims to address the research question in two key ways. Firstly, a multidisciplinary approach is used to broaden the research agenda by incorporating research and ideas from within the human resource management (HRM) and wellbeing literature. A multidisciplinary approach allows for sociological perspectives on employee engagement to be merged with the psychological perspectives of employee engagement which currently shape our understanding of this concept. Ultimately a multidisciplinary approach to research offers the ability to consider new alternatives that may assist with theory development (Hassard & Pym, 1990).

By incorporating the perspectives and approaches from various disciplines, a more sophisticated approach to understanding employee engagement can be developed. Particularly useful is the contribution by the HRMS and social sciences disciplines as they give emphasis to understanding context, allowing for consideration of broader situational and environmental factors in organisations and how they impact employee engagement levels. This approach aims to explore and draw out the intersection between individual employee engagement and specific contextual factors operating at the organisational level.

Secondly, this research applies a mixed method approach (using qualitative and quantitative research techniques) to generate a more accurate and insightful understanding of employee engagement and its determinants. The mixed method design represents an innovative departure from the mainstream literature, providing an integrated approach to the study of a complex construct. It moves beyond the traditional positivist paradigm in engagement research, extending previous investigations by combining various methodological practices (qualitative and quantitative techniques) and empirical materials (survey data, interview and focus group data) that the engagement literature now requires. Using an integrated approach will provide the breadth and in-depth understanding that engagement research currently lacks.

The rigour offered by the quantitative component of the research program in this thesis is supplemented by a qualitative study, designed to tackle the central research question through a more in-depth analysis that is able to consider a variety of influences and issues that shape the dynamic forces at play (this is discussed further in section 1.5). Several sources of evidence were synthesised to bring theoretical rigour that is typically associated with established scientific methods of research. Taken together, the above investigations form the innovative mixed method approach adopted to explore the complex and dynamic nature of employee engagement.

The review chapter (Chapter 2) confirmed a shortfall in existing engagement research and the need to give primacy to context to the study of employee engagement. That is, to enhance our understanding of how an employee becomes engaged at work, we need to broaden the scope to consider the contextual and environmental factors. Further, given engagement's temporal and multidimensional nature, Chapter 2 also posits that future engagement research should broaden the scope and methods of research. Mixed methods research is a suitable approach that is able to address and study the various factors, levels of analysis and interactions. It also does not limit itself to the boundaries of any philosophical paradigms. Rather, it offers an integrated or 'holistic' approach to research.

Quantitative factor analysis of survey data (Chapter 3) confirmed a positive relationship between work environment (QWE) and engagement. A case study analysis, exploring the experiences of engagement of both employees and management, also supported the notion that a high quality work environment increases engagement levels. Using the proposed conceptual framework, the findings confirmed the important role of organisational context in fostering a climate of engagement. That is, engagement levels are likely to increase when situational forces in the workplace are shaped through the values and actions of management, the organisational climate and structure, and the consequent perception and reactions by employees.

Chapter 5, the discussion and conclusion chapter, synthesises the main ideas and findings of the research program set out in this thesis. Overall, the findings of this thesis provide empirical support for work environment quality as a factor influencing engagement. The findings support the conceptual model which demonstrates the importance of considering the wider workplace context as a determinant of employee engagement. It is also clear that future engagement research must continue to broaden its scope and give primacy to contextual and environmental factors. This thesis advocates three things to advance the understanding of engagement literature: further qualitative research to offer a deeper and broader approach; greater consideration of contextual factors to corroborate the findings of this thesis; and a multidisciplinary and multilevel approach in the pursuit of fresh ideas and approaches. A multilevel analysis has the potential to extend prior engagement research to different levels within an organisation, a form of triangulation. These avenues permit the deeper exploration required to further our understanding of a complex and multifaceted concept such as employee engagement.

Chapter 1

Background, Literature, Frameworks and Objectives

1.1 Introduction

Highly engaged employees are considered the means to achieving high performance, productivity and maintaining competitive advantage in today's organisations (AbuKhalifeh & Som, 2013; Crawford, LePine, & Rich, 2010; Macey, Schneider, Barbera, & Young, 2009). Employee engagement data commonly feature in human resource (HR) 'metrics' of organisations (Arrowsmith & Parker, 2013). However, survey statistics continually show that only a small proportion of workers are highly engaged (Buckingham & Coffman, 1999; Gallup, 2017; Richman, 2006). Of particular significance locally, was a recent fall in the number of employees engaged at work in Australia and New Zealand (Gallup, 2017). This 'engagement gap' presents a problem for many organisations (Bates, 2004). Consequently, understanding what factors elicit higher engagement levels has become a pressing issue for organisations and scholars alike.

Employee engagement is a complex multifaceted concept illustrating an employee's physical, emotional and cognitive connection at work. Engaged employees possess a high degree of cognitive and affective commitment, which manifests itself in desired behavioural outcomes. In short, 'they go the extra mile' in exercising discretionary effort (Bakker, 2011). It is widely used and applied in organisations through various initiatives by HR managers and practitioners (Shuck & Wollard, 2010). Employee engagement has garnered significant attention from scholars, practitioners and the business community because of its positive consequences for organisations. Since Kahn's founding qualitative study over 25 years ago (Kahn, 1990), employee engagement research has grown exponentially (Shuck, 2011).

Much has been learned about the phenomenon, however, several gaps and limitations in understanding remain. A key concern is identifying the conditions and factors that lead to higher employee engagement. This thesis addresses this specific issue, investigating the impact of the perceived quality of the work environment on engagement levels, from the viewpoint of the employee. The thesis is innovative in using an integrative approach that combines a range of methods to investigate all facets of the engagement experience. This chapter begins with an introduction of the employee engagement concept, from its meaning and measurement, to its theoretical developments and claimed benefits. It will then establish the current state of evidence surrounding the antecedents and consequences of employee engagement, across various disciplines. The research design and methodology will be explained, followed by a presentation of a newly proposed conceptual framework.

1.2 Employee engagement – background and research problem

Since the beginning of this century, there has been a strong focus on positive psychology: the scientific study of understanding the positive, creative and emotionally fulfilling features of human behaviour in organisations (Chalofsky & Krishna, 2009) (Luthans, 2002). Positive psychology is the focus on human strength and operating at a peak (Luthans, 2002); this recognises the value in establishing a positive relationship between fulfilling employees' psychological needs at work and employee performance outcomes such as wellbeing, engagement and happiness. Employee engagement has witnessed the strongest interest, as it is thought to improve employee performance as well as attract and retain high-performing employees (Albrecht, 2010). The initial interest in employee engagement arose from claims by the practitioner and business community that gaining competitive advantage is best achieved with a highly engaged workforce (Christian, Garza, & Slaughter, 2011). Consequently, achieving high engagement levels is now one of the highest organisational priorities of corporate executives, who dedicate considerable effort and resources to measure and improve employee engagement (Albrecht, 2010).

Sustained research over the last fifteen years has produced a burgeoning academic literature questioning and testing the multitude of claims made by the practitioner community. While engagement's potential is known, a significant problem, known as the 'engagement gap' has surfaced. This gap is the discrepancy between the perceived importance of engagement and the current levels of employee engagement in today's organisations. The number of employees reported as being engaged in their work has decreased from approximately one third (33%) of the workforce to 15% more recently (Bates, 2004; Blessing-White Inc, 2011; Gallup, 2017; Harter, Schmidt, & Hayes, 2002). This discrepancy has led scholars and practitioners to seek reasons for causes of this decline as well as ways of reversing it.

The significance of this problem is reflected in the exponential growth of academic studies, and also in the way engagement has permeated government agendas. For example, the UK Government requested a review of employee engagement practice in UK workplaces, culminating in the highly influential 2009 MacLeod Review (see MacLeod & Clarke, 2009). Since then the UK has become a leader in pursuing the thirst for robust evidence on employee engagement, culminating in the formation of public interest groups, such as the Employee Engagement Taskforce and 'Engage for Success' (Rayton, Dodge, & D'Analeze, 2012). In their push for a greater government role in creating innovation and boosting productivity in Australian workplaces, the Society for Knowledge Economics (SKE) also identified the human element of people in workplaces as the drivers of innovation in organisations (Society for Knowledge Economics, 2009). SKE, a not-for-profit Australian think tank on leadership and performance, identified that how employees feel and the degree to which they are valued or enabled, is critical for innovation and performance. Australia followed the UK with the recent announcement by the Fair Work Commission (FWC) that a number of its Commission Members and staff will be participating in a pilot workplace engagement project. The FWC put forward a public tender for the development of a nationwide workplace survey, incorporating employee engagement as its core issue.

1.2.1 Research problem – controversy and confusion

The extent and breadth of engagement studies is vast. The early scholarly literature was drawn to questions about its meaning and claimed benefits, with more recent debates centred on identifying the determinants of engagement and the management as well as the practice of engagement initiatives (Albrecht, 2010; Amabile & Kramer, 2007; Buckingham & Coffman, 1999; Coffman & Gonzalez-Molina, 2002; Little & Little, 2006). Today, the engagement phenomenon has generated a wide reaching research community, seeking to understand how to improve engagement levels. Engagement research has expanded beyond its founding organisational psychology discipline, into other social sciences such as management, human resource management (HRM), human resource development (HRD), industrial relations, human relations, sociology, occupational health and psychology, health care, health sciences, health administration, and public administration (Wollard & Shuck, 2011). Despite the proliferation of engagement research, the concept continues to lack common or mutual scientific meaning, which has hampered efforts to develop consistent theory required for analytical rigour.

While the literature displays some evidence of commonality and agreement in findings, a large degree of disparity and inconsistency still remains. For example, it is commonly agreed that engagement is not simply a rebranding of an old term, as critics once suspected. The literature mostly agrees that the concept is a unique, higher order, multidimensional construct. That is, engagement is distinguishable from its counterparts, such as organisation commitment, job satisfaction, and intention to stay, however each of these distinct concepts form part of employee engagement. Nevertheless, a substantial part of the engagement literature finds Organisational Psychology (OP) scholars discussing the elusiveness of employee engagement. This is discussed in the literature review in section 1.3 of this chapter. Engagement's complex nature has not only created disagreement amongst scholars about its meaning, but has also produced a range of measurement tools and theories.

Among the measurement tools used by scholars and practitioners, each is based on a specific definition of engagement. Accordingly, the use of one tool implies an acceptance of a particular definition of engagement and its associated assumptions. Practitioners often use measures with poor, unknown or untestable psychometric properties; however, scholars choose the measure that best fits their research questions or philosophical paradigm. The lack of a clear and universal definition has also contributed to problems with theory development. Although various theories have been offered to identify and explain employee engagement, yet none convincingly captures the essence of the concept in a manner amenable to empirical testing.

Some scholars still query engagement's basic tenets, questioning whether it is a state or trait or behaviour (Zigarmi, Nimon, Houson, Witt, & Diehl, 2009). It is also common to find studies that show engagement's temporal nature; demonstrating that it can fluctuate within a day, from day to day, and even month to month. Kahn, the founding father of engagement, describes this as 'ebbs and flows' (Kahn, 1990, p. 693). The literature also portrays engagement in a variety of forms, such as an 'antecedent', a 'mediator' and even an 'outcome' (MacLeod & Clarke, 2009; Saks, 2006). But research clearly and consistently associates engagement with key outcomes of productivity, organisational performance, and wellbeing.

The most pressing question amongst HRM practitioners and executive boardrooms is 'what are the key factors that generate a highly engaged employee?'. To date, the literature has offered many answers, but fails to consistently address the question. Consequently, the engagement gap persists and this thesis attempts to address this problem.

1.2.2 Contributors to research problem

Aside from the conceptual challenges identified earlier, another factor contributing to the research problem relates to methodological limitations. This is specifically addressed in Chapter 2. First, the majority of studies have adopted the positivist philosophical paradigm to

inquiry, opting for quantitative methods of analysis using the scientific approach. Under this approach, employee engagement is seen as a (latent) construct, created for the purpose of scientific analysis and testing (Schmitt, Klimoski, Ferris, & Rowland, 1991). While the rigour provided by this analytical method has much to offer, it also appears to curb the parameters of inquiry to maximise precision and measurement (Hassard & Pym, 1990).

Measuring and constructing latent concepts, such as employee engagement, often lend themselves to error and this can be addressed through various quantitative techniques. However, the lack of clarity in defining the engagement construct has further limited and weakened the reliability and validity of these measures and consequently the ability to draw firm conclusions. Further, such scientific tests rely on cross-sectional (retrospective) survey data sources. The use of a single survey assumes employee engagement is stable over time and can be captured in one assessment event; However, as Kahn (1990) explains engagement varies from moment-to-moment, in accordance with alterations in situations and environment (Fletcher & Robinson, 2014). This requires research techniques that are capable of capturing multiple events and complex phenomena (Creswell, 2012; Giddings & Grant, 2007; Greene, 2008). This is discussed further in the research design and methodology section of this chapter. Cross-sectional data also poses limitations on causality (Bailey, Madden, Alfes, & Fletcher, 2017). The limitations of quantitative research methods have become more apparent and problematic with the growing recognition that employee engagement is a collective activity, often involving or affecting more than just one individual within an organisation, together with implications and outcomes developing over a period of time (Lincoln, Lynham, & Guba, 2011).

The second methodological limitation is the predominance of the individual employee as the focal point. Much of our knowledge of employee engagement has been influenced by the OP discipline which uses quantitative methods. While significant progress has been made within the OP discipline, its dominance has limited exploration of other possible approaches

and perspectives. The literature lacks a holistic perspective on engagement (Williams & Katz, 2001). OP scholars concentrate on micro level, positivist paradigms with the individual as the unit of analysis. They typically use individual characteristics and dimensions to explain behaviour; the features include personality traits, type of job, remuneration, types of resources, recruitment policies, communication, training and development. These single and narrow lines of inquiry are examined in isolation, with little regard for the broader context within which they occur or how they interact.

Contextual dimensions (such as opportunity and constraint) do not form a core part of the research agenda within the OP discipline (Balain & Sparrow, 2011; Johns, 2001; Mowday & Sutton, 1993). Yet employee engagement is a product of context and not just of individual factors or personal traits (Costa, Passos, & Bakker, 2014b). Most employee engagement research either overlooks the situational influences that occur within the organisational context or addresses them in a narrowly defined way. For example, in their review of the literature on antecedents of employee engagement, Wollard and Shuck (2011) categorised the studies into individual and organisational. Organisational-level antecedents were deemed to apply across an organisation as well as at the structural or systemic level. The authors specifically noted that no overlap between the two categories was assumed to exist because, conceptually, individual factors were deemed separate from organisational factors. The authors also recognised the potential flaw with this assumption, noting that further research on overlapping domains was required.

Another contributing factor to the research problem is the lack of studies exploring the management and practice of engagement policies and initiatives in organisations. There is a need to address important issues such as HR's understanding of engagement, the formulation and implementation of engagement strategies by HR, how these are received and with what effect by the parties in an employment relationship. This gap in the science-practice link means that the concept has not been addressed from all angles and perspectives. New insights

into the engagement concept can be obtained by exploring a group of employees, together with their manager(s) or supervisor(s). The concept can also be explored by examining the implementation of policies and initiatives adopted at the workplace level (and their effectiveness). Arrowsmith and Parker (2013) note that few HRM studies specifically address employee engagement. Given the widespread utilisation of employee engagement and discourse by HRM practitioners, this is a major knowledge gap. Through its contextual approach to research, the HRM discipline has much to offer the engagement literature.

1.2.3 Significance and contribution of this thesis

Despite the growing body of research and advancements made to date, many questions remain. This thesis posits that engagement research has reached a critical juncture and that in order to advance our understanding of this complex and multifaceted concept, research must be open to new ideas and approaches. Engagement research can no longer be confined to the individual employee, or a set method of inquiry, or explored through one discipline. Prior research has paid little regard to the employment relationship as a whole and its workplace characteristics. This thesis is based on the idea that work is a broader concept than just the individuals undertaking it. Work is viewed as a purposeful human activity involving physical or mental exertion that has economic value, but is not undertaken solely for pleasure (Budd, 2011). This approach aims to shift the frame of reference to give more consideration to the context of work and the work environment. Emphasis in this study is given to the role of the work environment as a determining factor of engagement, with focus on the experiences of participants as well as the social and economic contexts in which they work.

This thesis offers a multidisciplinary approach to the study of engagement, moving away from the narrow confines of one discipline. Multidisciplinary research is the incorporation of systematic and analytical insights from a number of theories and disciplines in the pursuit of new ideas, knowledge or theory (Van Dijk, 1998). Simultaneously, by also drawing on several theoretical frameworks and concepts as lenses through which data and

ideas are altered and developed (Padgett, 2016). Future engagement research requires an integration of the approaches and perspectives of employee engagement. Emerging critical sociological perspectives, such as HRM, organisational behaviour and workplace health and safety should be combined with the psychological perspectives that currently dominate the field.

To date, engagement research has been fragmented, lacking consistency not only in the terminology used but also in the procedures and methods of observation and analysis. The disparate literature, therefore, makes interdisciplinary comparisons difficult. The current research enters new territory by exploring an issue that has significance and relevance in various disciplines. It aims to unite the engagement literature, especially the two key disciplines of OP and HRM, by integrating existing research ideas and findings and identifying the commonalities and divergent patterns. HRM is by nature a multidisciplinary subject (Godard, 2014) and so the purpose of this thesis is to generate new ideas and alternative paths that will potentially build a new platform for engagement research.

Given the broad reach of work environment factors, the thesis will use a combination of qualitative and quantitative methods. It will also adopt a methodological approach that considers context as viewed and studied by the HRM discipline. HRM emphasises organisational and contextual factors and the various interactions that occur at work (Jackson & Schuler, 1995). HRM scholars use various methodological approaches in their research to understand complex and intersecting factors. As Arrowsmith and Parker (2013, pp. 2697-2698) highlight, “a focus on interrelationships and processes can provide a conceptual richness that cross-sectional surveys cannot deliver”. The results aim to provide new insight for scholars seeking to understand what makes a worker engaged, and provide ideas to assist organisations better understand what engagement is as well as how to foster an engagement culture.

The thesis aims to make a contribution by filling the knowledge gaps in a number of ways. First, it brings together the nascent and sparse body of research through an integrative review of the literature to provide coherence to the disparate research. Few studies have incorporated and integrated engagement research across the various disciplines. Second, it challenges conventional methods and practice by using a mixed method approach to the study of employee engagement. The literature is heavily weighted in favour of traditional quantitative methods, the main approach to scientific enquiry. The mixed method approach is novel because it offers the rigour of quantitative methods in addition to the nuanced benefits of qualitative research (Hassard & Pym, 1990). Qualitative research is able to observe dynamics and present a broader view of social reality and experiences which, typically, cannot be captured numerically. Adopting a combination of these two methods therefore provides a powerful analytical capability (Erduran & Dagher, 2014).

Third, this thesis offers a broad analytical approach, drawing from various philosophical paradigms (functionalist, postpositivist) and the HRM lens (May, Gilson, & Harter, 2004). Importantly, this thesis is founded on the idea that one paradigm does not hold superiority over another. It is founded on the notion that organisations are complex systems where components work together through a collective conscience that produces a social cohesion geared towards positive organisational outcomes (Burrell & Morgan, 2017). This is stimulated by the ideas of context and reciprocity. Context in this regard is about how it creates the collective conscience to achieve higher employee engagement levels. That is, an employee's engagement level can be impacted by the context within which it operates, in turn resulting in improved organisational performance. The reciprocal nature of employee engagement also requires further thought. Engagement is a 'two-way street' and employees must feel valued if they are to add value (Reissner & Pagan, 2013). Indeed, the HRM field is beginning to recognise the collective and reciprocal notion of employee engagement. To date, contextual factors have been overlooked by the extant engagement literature, yet potentially

hold important insight into better understanding the engagement construct. This thesis specifically addresses the extent to which contextual factors (*vis a vis* the work environment) impact engagement levels. It extends and integrates engagement research by emphasising the primacy of context in influencing employee engagement, rather than viewing contextual factors as discrete and individual components to be viewed in isolation.

Finally, another original contribution of this research is using a domestic (Australian) experience with global significance and relevance; much of the reported data and cases of existing engagement studies are based on US or European conditions. The Australian evidence is still in its early stages (Attridge, 2009; Bakker, Schaufeli, Leiter, & Taris, 2008) and workplaces in the US or Europe differ culturally as well as historically from those in Australia.

This thesis acknowledges there are debates about the conceptual foundation, origins and meaning of employee engagement (Kahn, 1990). The various iterations of the label are accepted and, for the purposes of this thesis, the term ‘employee engagement’ or ‘engagement’ will be used to denote all phrases and labels used since its inception. It also acknowledges that the engagement concept is derived from earlier motivational theories and constructs as early as Herzberg and Maslow, amongst others (Chalofsky, 2003). However, this thesis posits that the unique and distinguishable identity of employee engagement was first proposed by Kahn (1990) and, for the purposes of this study, Kahn’s definition of employee engagement is adopted.

This chapter continues with a review of the current engagement literature to map developments and highlight the current research gaps. The review outlines developments in the meaning of the employee engagement concept and its theoretical developments. Current literature for the determinants of engagement is also reviewed with special attention given to the contextual approach.

1.3 Literature

Research on employee engagement has experienced remarkable growth since its inception in the 1990s. The literature is strongly dominated by its founding discipline, organisational psychology, which contributes to the uncritically managerialist, individualist and positivistic characteristics of much of the engagement research literature. Consequently, this makes it difficult to draw from other disciplines and fields as they remain largely unconcerned with employee engagement. However, new interest and growth is propagating sporadically in the fields of management, HRM, human resource development (HRD), and sociology. These distinct streams of scholarly literature are widely disparate and suffer from a lack of cross-disciplinary research (Shuck, 2011). In addition, research from HRM scholars is only beginning to appear (Arrowsmith & Parker, 2013; Robinson, Perryman, & Hayday, 2004), with past research exploring the themes of employee engagement implicitly within analyses of the ‘psychological contract’, ‘high-performance’ or ‘high-commitment’ work systems (Wood 1999; Appelbaum, Bailey, Berg and Kalleberg 2000 cited in Arrowsmith & Parker, 2013; Godard, 2001), ‘employee participation’ and ‘voice’ (Busck, Knudsen, & Lind, 2010; Gollan, Budd, & Wilkinson, 2010; Markey & Townsend, 2013; Rees, Alfes, & Gatenby, 2013).

Understanding the evolution of employee engagement is an important part of understanding its meaning, theoretical make up and current identity within the academic literature. The key theoretical developments of employee engagement are then presented, and depicted as key stages. These stages outline the transition of the engagement concept, and are used to frame the research agenda. The scientific evidence demonstrating the benefits and outcomes of employee engagement will also be summarised. One striking feature of engagement literature is the unequivocal acceptance of employee engagement’s claimed benefits (or outcomes), despite the lack of scientific support. The focus of the engagement literature is now predominantly associated with understanding engagement’s antecedents and

key influencing factors, but this review presents a thematic analysis of the current evidence surrounding the determinants of employee engagement.

1.3.1 Meaning and evolution of employee engagement

Meaning

While employee engagement is a widely accepted concept and heavily researched, the literature still lacks a universally acceptable definition. The term means different things to different people, lacking common and mutual scientific meaning, often creating more confusion than clarity (Zigarmi et al., 2009). Employee engagement is recognised as a complex concept, containing a set of meanings influenced by the practitioner community on the one hand, and the scholarly literature, on the other. The evidence suggests that the degree to which engagement initiatives are embedded in organisations and deliver the desired strategic outcomes is more relevant than understanding its meaning at the individual level. Kahn (1990), who originally coined the term ‘personal engagement’, explained that engagement is the way people connect with their role at work and their physical expression of that during the performance of their roles, physically, cognitively and emotionally.

After Kahn’s initial theory, academic inquiry remained absent for over a decade. During that time, the practitioner and business communities embraced the concept, (Buckingham & Coffman, 1999) creating a vast range of measurement tools used for evaluation and analysis in organisations. However, practitioners often took a loose approach to the term, having less regard for scientific rigour (Little & Little, 2006; Macey & Schneider, 2008b). For example, the Corporate Leadership Council sees engagement as “the extent to which employees commit to something or someone in their organisation, how hard they work and how long they stay as a result of that commitment” (Corporate Leadership Council, 2004, p.3). Over the past 15 years, the scholarly literature has been swamped by articles that explored and tested its meaning and conceptual makeup.

The exact meaning of the term ‘employee engagement’ is still open to question, however consensus over some aspects exists. Scholars mostly agree that employee engagement is a motivational state and is changeable; it is not just a momentary and specific state, as once claimed (Sonnentag, 2003). Engagement is not focused on any specific object, event, individual or behaviour, but rather a more pervasive affective-cognitive state. These findings parallel Kahn’s postulation that work engagement ebbs and flows, varying between and within individuals (Kahn, 1990). This study adopts Kahn’s view of engagement, capturing it as a profound, multidimensional motivational construct that involves all aspects of the self at work (Kahn, 1992).

Overall, engagement is characterised as one of three dimensions; trait, state, or attitude/behaviour. From the outset, research demonstrated that certain types of people (traits) are predisposed to being engaged, however the literature quickly moved to engagement as a state of being. Further, other researchers distinguish engagement as an attitude or behaviour demonstrated through an employee’s intentions and actions. For example, engagement is viewed as the intellectual and emotional commitment to one’s organisation (Baumruk, 2004), or the way individuals apply themselves when performing at work through emotions, behaviours as well as cognitions (May et al., 2004). More recent scholars view engagement as a dynamic, changeable psychological state, which creates connections between employees and their organisation (Christian et al., 2011). The overarching common thread across the bountiful definitions is the way engagement is seen as an indicator of high levels of personal investment in an employee’s work, which is manifested in physical, cognitive and emotional attachments (Kahn, 1990; Macey & Schneider, 2008b; Rich, LePine, & Crawford, 2010; Schaufeli, Salanova, González-Romá, & Bakker, 2002).

The lack of a universal agreed definition has been attributed to the divide between scholarly research and practice. Attempts have been made to integrate the academic and practitioner communities. For example, collaborative research between CIPD and the

Kingston Engagement Consortium in the UK. This research collaboration established its own definition and model of employee engagement, saying it is about being positively present during the performance of work by willingly contributing intellectual effort, experiencing positive emotions and meaningful connections (CIPD, 2011). Three key dimensions identified in their model include the intellectual (thought process), affective engagement (positive associations) and social engagement (seeking to make improvements with colleagues).

Table 1.1 below lists the four key terms that are commonly used to characterise the topic of engagement: personal engagement, burnout/engagement, work engagement, and employee engagement (Simpson, 2009). The latter term has since evolved to denote a multifaceted latent concept, presenting itself as a dynamic, changeable psychological state which creates connections between employees and their work and organisation as a whole. This is demonstrated in physical, cognitive and emotional attachments and behaviours, where the person identifies their role to the wider organisation. Across the various iterations offered, three key themes consistently appeared in some form or other to mark engagement's identity and distinction; 'emotion', 'cognition' and 'effort'. These themes appear to act indiscriminately to any discipline, assumption or paradigm, and represent the essence of engagement (Christian et al., 2011).

Indeed, several studies now distinguish between individual engagement and work engagement. Bakker and Leiter (2010) have created a handbook, distinguishing work engagement from employee engagement by placing focus on the way the work itself is experienced by employees. Consequently, work engagement is deemed to be more personal and therefore less focus is on broad organizational policies and practices (see also Schaufeli, Salanova, González-Romá & Bakker, 2001).

Table 1.1 Constructs, definitions and measures of engagement at work

Construct	Definition	Measure
Personal engagement	Personal engagement is described as the employing or expressing of oneself physically, cognitively, and emotionally during work role performances. When engaged, an employee is understood to be physically involved, cognitively vigilant, and emotionally connected (Kahn, 1990)	Untitled tool: 14 item scale developed and used by May et al. (2004)
Burnout/engagement	Burnout is defined as a psychological syndrome characterized by exhaustion, cynicism, and inefficacy, which is experienced in response to chronic job stressors. Engagement is understood to be the direct opposite of burnout and exist on a continuum—with engagement on one end and burnout on the other. Exhaustion (low energy), cynicism (low involvement), and inefficacy (low efficacy) are characteristic of burnout; whereas, high energy, high involvement, and high efficacy are characteristic of engagement (Maslach and Leiter, 1997; Leiter and Maslach, 2004)	Maslach burnout inventory
Work engagement	Work engagement refers to a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption. Vigor is characterized by high levels of energy and mental resilience while working. Dedication refers to being strongly involved in one's work and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge. Absorption is characterized by being fully concentrated and happily engrossed in one's work, whereby time passes quickly and one has difficulties with detaching oneself from work (Schaufeli et al., 2002)	Utrecht work engagement scale
Employee engagement	Employee engagement refers to the "individual's involvement and satisfaction as well as enthusiasm for work" (Harter et al., 2002, p. 269)	The Gallup Work Audit

Source: (Simpson, 2009)

Throughout this thesis, the use of the term 'employee engagement' is consistent with Kahn's conception and Langford's (2010) definition of employee engagement in the 7Ps model, capturing its multidimensionality, as well as its relationships with clearly identifiable behaviours and outcomes. Kahn posits that engagement is a term that encompasses a person's decision to commit to a role, to an identity, and to a relationship that offers fulfillment. Langford also adopts a broader approach to employee engagement, seeing it as a higher order construct that includes an aggregation of three key attitudinal variables: organisation commitment, job satisfaction, and intention to stay (Langford, 2010). The versatility and wide coverage of various work practices within the 7Ps models offers a capability in research and analysis that is otherwise limited in other models. Importantly, it incorporates the notion

of wellbeing which allows the testing of a range of variables to construct a new predictor variable for the studies in this thesis that represent the work environment quality (i.e. QWE). This is a critical component of this thesis (refer to Section 1.4 and Chapter 2 for an explanation of this process and further detail about the model).

The lack of clarity around employee engagement's defining features has left many scholars skeptical about its identity and relevance (Guest, 2014a; Guest, 2014b; Keenoy, 2014). Some critics question engagement's basic assumptions and tenets, claiming them to be normative or aspirational rather than conceptual or analytic. Critics argued that employee engagement presents rhetoric rather than a reality (Keenoy, 2014). For example, engagement is referred to as an organisational outcome such as turnover, productivity or innovation (Harter, Schmidt, & Keyes, 2003). The doubt was also partly attributed to its early popularity among practitioners and industry consultants (Saks & Gruman, 2014) who have taken their own less scientific approach to defining and measuring engagement. Employee engagement is often claimed to have originated from consultancies and survey houses rather than academia. Initially, most research about employee engagement was published in practitioner journals, basing itself in practice rather than theory and empirical research (Robinson et al., 2004).

Many have questioned its uniqueness, suggesting that it may simply be a repackaging of other established constructs such as job satisfaction, commitment, employee voice/involvement and participation, work 'flow', and extra role and organisational citizenship behaviours (Bakker, Albrecht, & Leiter, 2011a; Keenoy, 2014; Macey & Schneider, 2008b; Robinson et al., 2004). The proliferation of conceptualisations, measures, and analytic approaches make engagement seem an 'elusive' construct. This is why Saks (2006) notes that employee engagement appeared faddish, often framed as 'old wine in a new bottle' (Bakker et al., 2011a; Harter et al., 2003; Robinson et al., 2004). There is now general agreement that engagement is the subject of its own study, a concept that powerfully brings

together a focus on employee satisfaction and wellbeing with a focus on performance to work for the good of the employee and the good of the organisation (CIPD, 2011).

While the engagement construct is indeed built on the foundation of and encompass earlier concepts such as job satisfaction, employee voice/participation, employee commitment and organisational citizenship behaviour. Several writers contend that these constructs “constitute the bigger build of employee engagement and cannot independently act as a replacement for engagement” (Pienaar & Willemse, 2008 cited in AbuKhalifeh & Som, 2013, p. 42; Simpson, 2009). Others posit that employee engagement is broader in scope (Markos & Sridevi, 2010).

MacLeod and Clarke (2009) note one significant discrepancy between practitioners and academics and their approach to the concept of engagement. Part of the literature distinguishes ‘organisational engagement’ (see for example, Guest, 2014a; Saks, 2006) from ‘work engagement’ (Schaufeli, Bakker, & Salanova, 2006; Schaufeli & Salanova, 2011). Most practitioners regard engagement as something that is *done* to employees (‘organisational engagement’ or ‘employee engagement’), while academics posit that engagement is something that is *experienced* by individuals (‘work engagement’). In other words, organisational engagement is about designing an initiative or general approach in the workplace to generate and sustain commitment from employees towards their organisation’s goals and values, as well as a commitment and desire to contribute to its success while simultaneously enhancing their wellbeing. As an example, the Corporate Leadership Council sees engagement as “the extent to which employees commit to something or someone in their organisation, how hard they work and how long they stay as a result of that commitment” (Corporate Leadership Council, 2004, p.3). This broader approach to the definition of engagement focuses on engagement with the organisation rather than at the individual level, but is criticised by scholars for being less clearly defined (Guest, 2015). In contrast, academic

scholars (especially from the OP discipline) posit that engagement is *experienced* by individuals. They view engagement as ‘a state of being’ that management strategies and approaches can affect, but point out that engagement is not a strategy in its own right (May et al., 2004; Purcell, 2014). This distinction and surrounding theoretical debates is discussed further in the theoretical developments (s.1.3.2).

While some writers have questioned the uniqueness and true origins of the concept, the empirical evidence suggests that engagement is a distinct, unique and valid construct (see for example Christian et al., 2011; Halbesleben & Wheeler, 2008; Hallberg & Schaufeli, 2006; Schaufeli et al., 2006; Seppala et al., 2009). As an example in point, (Christian et al., 2011), in their empirical study, tested the discriminant validity of engagement to other similar constructs. The study concluded by endorsing its theoretical relevance and verifying its relationships among its nomological network of antecedents and consequences.

A growing consensus has emerged, like in the practitioner literature, that engagement offers something new in integrating satisfaction and commitment with behaviour (Robertson-Smith & Markwick, 2009; Saks, 2006). While the engagement construct is indeed built on the foundation of and encompass earlier concepts such as job satisfaction, employee voice/participation, employee commitment and organisational citizenship behaviour, Markos and Sridevi (2010) importantly posit that it is broader in scope. Several writers contend that these constructs constitute the bigger build of employee engagement and cannot independently act as a replacement for engagement (Simpson, 2009) (Pienaar & Willemse, 2008 cited in AbuKhalifeh & Som, 2013). Commitment is conceptualised as a positive attachment and willingness to exert energy for the success of the organisation, feeling proud of being a member of that organisation and identifying oneself with it (AbuKhalifeh & Som, 2013). OCB is a behaviour observed within the work context that demonstrates itself through taking innovative initiatives proactively seeking opportunities to contribute one’s best and going the extra mile beyond the employment contract (Markos & Sridevi, 2010).

Fernandez (2007) contends there is a clear distinction between job satisfaction and engagement. They differ because managers cannot rely on employee satisfaction to help retain the best and the brightest. Job satisfaction is reflective of a more transactional relationship in the workplace, only as good as the organization's last round of perks and bonuses. Fernandez claims that the full engagement equation is obtained by aligning maximum job satisfaction and maximum job contribution. Within the employment arrangement, this is "simple satisfaction or basic loyalty to the employer" (Saks, 2011) (Yakin & Erdil, 2012; Yeh, 2012 cited in AbuKhalifeh & Som, 2013, p. 42). On the other hand, engagement is about passion and commitment – the willingness to invest oneself and expand one's discretionary effort to help the employer succeed.

The literature remains incomplete and is yet to provide a universally accepted definition of employee engagement (Bailey et al., 2017; Hallberg & Schaufeli, 2006; Harrison, Newman, & Roth, 2006; Simpson, 2009). Despite the various iterations, the empirical evidence proposes engagement to be a distinct, unique and valid construct, and there is now general agreement that engagement is worthy of study in itself, a concept that powerfully brings together a focus on employee satisfaction and wellbeing with a focus on performance to work for the good of the employee and the good of the organisation (CIPD, 2011). That is, while engagement is underpinned by earlier concepts, it is a more complete representation of the self (Markos & Sridevi, 2010). Engagement is broader in scope, offering something new in integrating satisfaction and commitment with behaviour (Rich et al., 2010; Robertson-Smith & Markwick, 2009; Saks, 2006). The complexity and dynamic nature of employee engagement was confirmed in Macey and Schneider's review (Macey & Schneider, 2008b). Engagement's broad reach and identity is depicted as a construct that involves a "holistic investment of the entire self in terms of cognitive, emotional, and physical energies" (Christian et al., 2011, p. 97). Synthesising a number of studies, the critique by Newman and Harrison (2008) identifies engagement as a higher order, latent motivational

construct with a multitude of dimensions. In a similar vein, (Alagaraja & Shuck, 2015) assert that employee engagement is psychological state that is determined by their perception of one's organisational environment. This 'state of engagement' is realised when the organisation creates an alignment between the employee and the organisation at all levels. This thesis adopts a similar multidimensional approach to the meaning of employee engagement, positing that it is a state of being, but that it also holds behavioural and attitudinal elements that can be influenced by environmental factors.

Evolution

Employee engagement was quickly embraced and used by the practitioner community and consulting firms, who did not hesitate to accept the concept and its claimed benefits. Their attention soon shifted to find answers and workable solutions on how employee engagement levels can be increased. In contrast, the term initially received minimal attention by the academic community (Robinson et al., 2004), but academic interest has since increased, questioning and testing a multitude of claims made by practitioners.

The origins of employee engagement appear to predate Kahn's work in 1990. Chalofsky and Krishna (2009) claim that the notion of employee engagement emanated in pre-industrial society, where work was tied to the wellbeing of the individual as well as the community. The meaning of work changed dramatically during the industrial era, with employee experiences becoming secondary to efficiency in the workplace. This era separated work from community, creating systems and structures to maintain, organise, and regulate work through managers. Only in this increasingly dynamic and competitive environment are we witnessing a return to the idea of psychological wellbeing and meaningful work. Indeed, the study of employee engagement has been founded on the work of motivation theorists in the 1960s and 1970s. The idea that individuals have an inherent need to have a meaningful working life became the mainstream thought among motivation theorists and psychologists

(Alderfer, 1972; Herzberg et al., 1959; Maslow, 1943, 1971; McGregor, 1960; Rogers, 1959, 1961 in Chalofsky & Krishna, 2009, p. 189).

Engagement has foundations in concepts such as job enrichment by Hackman, Oldham, Janson, and Purdy (1975) who identified core psychological states which may influence the internal work motivations of employees. Building on the work of Hackman and Oldham (1980), Kahn's early studies of engagement theory tied psychological conditions to engagement and disengagement in the work environment (Kahn, 1990). Kahn was also influenced by the ideas of motivational psychologists and sociologists of the same era (Kahn, 1990; Shuck, Rocco, & Albornoz, 2011). Maslow's hierarchy of needs theory was useful for understanding that individuals who do not receive meaning and purpose from their workplace are not likely to work to their capability or proficiency. Such theorists posit that the more these needs progress from the basic to higher-order levels, the more intrinsic and reflective in nature they become. Life values are reflected more in higher-order need, such as meaningfulness, working toward a higher cause, and life purpose.

Kahn suggested that the relationship of work and work experiences, along with people's attachment or detachment, identified how engaged people feel in their work. When people apply more of themselves in the performance of their roles, they were more willing to be involved and performed better. In later research, Kahn (1992) showed that engagement occurs on two levels. Firstly, individual outcomes such as the quality of work and an employee's experiences during work. Secondly, at the organisational level displayed in outcomes such as positive growth and productivity (Kahn, 1992).

The engagement concept has undergone several iterations since its formal inception in 1990 by Kahn. Today, it stands as as a contested construct, whose meaning, causes and outcomes are susceptible to 'fixing, shrinking, stretching and bending' (Boselie, Dietz, & Boon, 2005; Truss, Shantz, Soane, Alfes, & Delbridge, 2013). In terms of 'fixing', it is now well accepted that engagement is an established term in both managerial and academic

discourses, and unlikely to be abandoned as a fad. Engagement has also undergone a process of ‘bending’ to the policymakers, professional consultants and practitioners and even to managerialist agendas (linking engagement and high performance) to justify preaching engagement as the ‘new best way’ to manage people. Engagement has long experienced some ‘shrinking’. One key stage of the engagement literature saw it shedding its roots as a multi-faceted meaningful individual experience embedded within work and wider societal contexts (Kahn, 1990), towards being defined within a positivist framework, as a malleable state (measurable quantitatively).

More recently, it has returned to its original identity as a complex and multidimensional concept. Engagement has been ‘stretched’ in multiple directions as researchers (such as Macey & Schneider, 2008b; Saks, 2006) extend the focus and breadth of engagement into new domains (Harter et al., 2002 via a meta analysis), blurring the boundaries between engagement and other similar constructs.

1.3.2 Theoretical development

The theory of employee engagement is very broad, indicating a lack of a prominent or universally accepted theory. Bakker et al. (2011a) note that one main limitation of existing engagement theory and research is the lack of thought given to the ‘climate for engagement’. In other words, current research reduces employee engagement to simple measures or neglects contextual factors relative to individual traits, due to the predominance of the positivist paradigm. Many psychological studies de-contextualise employee engagement from the organisational setting by placing the individual or occupational group at the centre of analysis. Jenkins and Delbridge (2013) argue that this tends to downplay the influence of the organisation as a source of engagement and also ignores the possibility that organisations seek to engage employees differently.

A review of the engagement literature has identified 6 key phases of theoretical development since its initial generation in 1990. While engagement theory did not progress

in set or clearly defined ways, this thesis presents the evolution of the concepts as a series of phases or stages. These phases, depicted in Figure 1.1 below, represent the subtle distinctions in theoretical approaches and perspectives adopted over time.

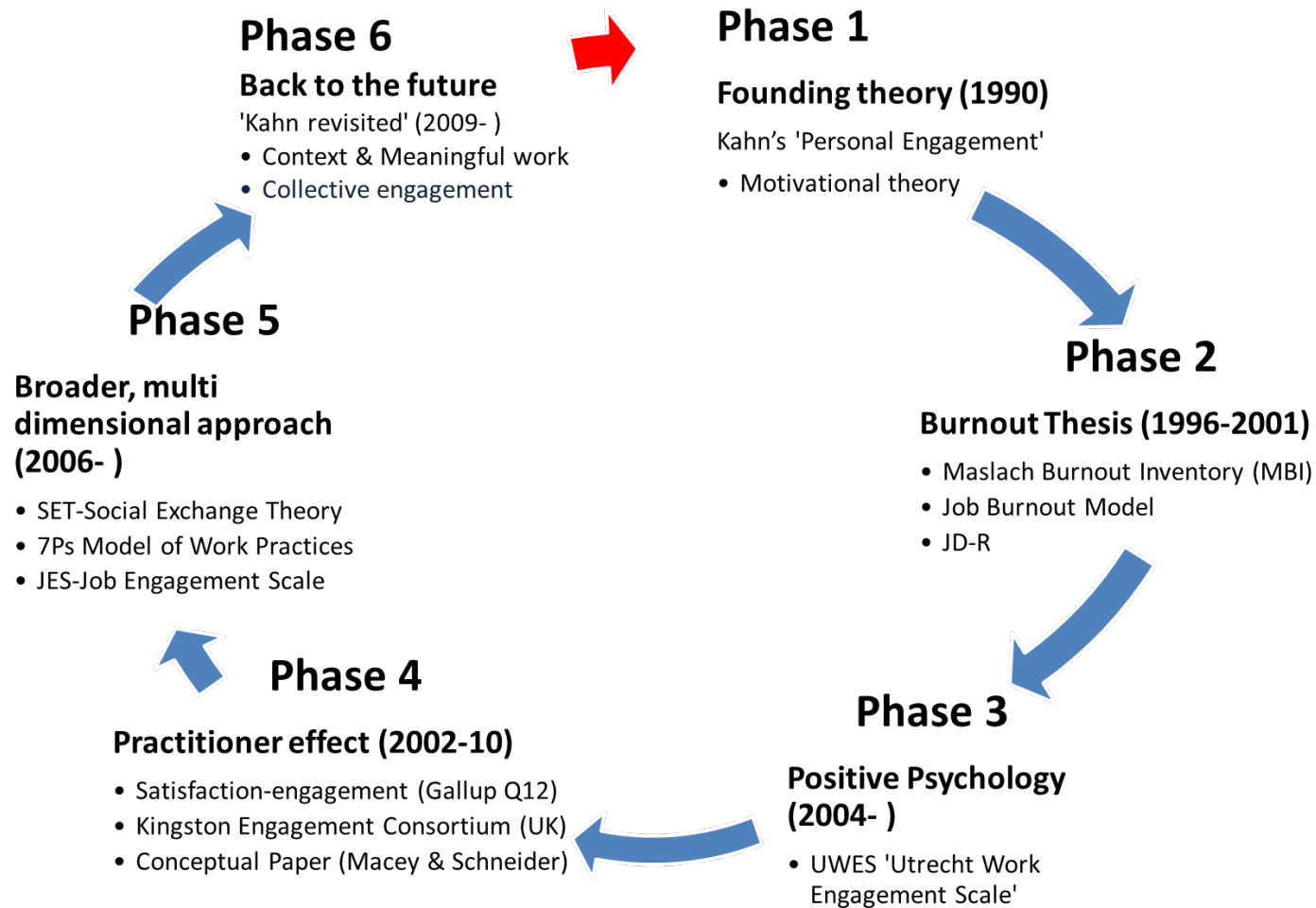


Figure 1.1 Theoretical evolution of employee engagement

Phase 1 represented the founding period, based on Kahn's original work (Kahn, 1990). Like many organisational behaviour scholars, Kahn's work is based on motivational theories within the field of psychology. However, Kahn's model considered not only the individual but also the work context. His research identified three psychological conditions that must be present in order for engagement to occur; meaningfulness, safety and availability. Meaningfulness involves employees having challenging tasks that are clearly delineated, varied, and autonomous. It is about receiving feedback, feeling valued and cared for, given opportunities for development, being rewarded and recognised. Safety concerned the presence of organisational justice (procedural and distributive) at work. Having job security and being able to invest in oneself without fear of negative consequences. To do this requires supportive and inspiring leaders. Availability was concerned with workplace distractions such as role overload and work-role conflict, or the individual's personal life, their self-confidence, and personal security.

Kahn (1992) also showed that engagement occurs on two levels; the individual and organisational and this expanded approach incorporates the multiple characteristics of work environments and the individual employees. Kahn's model was also influenced by work motivation theories such as Hackman and Oldham's job characteristics model. This model addresses how the design of jobs and individual employee attributes impact on work motivation and job satisfaction (Hackman & Oldham, 1976). While Kahn (1992) presented a comprehensive theoretical model of psychological presence, critics argued that the model did not lend itself to being operationalised, making it difficult for scholars to explore and test further. The only study to empirically test Kahn's (1990) model was by May et al. (2004) which confirmed that all three psychological conditions of meaningfulness, safety, and availability to be significantly related to engagement.

Phase 2 of engagement theory emerged from the stress literature (Wollard & Shuck, 2011). The burnout antithesis, as it was known, proposed engagement to be the opposite of

burnout. Using the ‘Maslach Burnout Inventory’ (MBI), scholars proposed that burnout and engagement related to the level of match between the individual and elements of job environment (Maslach, Schaufeli & Leiter, 1996). Engaged workers are enthusiastic about their work and display vigour in their effort, while burned-out workers experience exhaustion and approach things with cynicism and doubt. Later studies disproved the notion that engagement and burnout were polar opposites (Bakker & Demerouti, 2008); an employee that is not engaged in their work is not necessarily experiencing burnout. From the burnout literature a job burnout model was developed, which soon evolved into a job demands and job resources (JD-R) model.

This JD-R model used two key dimensions of demands and resources. Job demands act as inhibiting factors, whereas job resources act as contributing factors to engagement and burnout. Job demands increase the likelihood of burnout and decrease the likelihood of employee engagement. Conversely, job resources enhance the likelihood of employee engagement and decrease the risk of burnout by reducing job demands, assisting in work goal achievement, and stimulating personal growth (Demerouti, Bakker, Nachreiner, & Schaufeli, 2001). Job resources refer to the physical, social, or organisational parts of a job that help in achieving work goals, reduce demands, or stimulate personal growth (Bakker et al., 2011a; Bakker, Hakanen, Demerouti, & Xanthopoulou, 2007; Drake, 2012; Saks & Gruman, 2014). This theory became widely used amongst the organisational psychology discipline.

Phase 3 of engagement theory witnessed the significant shift to the positive psychology movement, described earlier in this chapter. As an extension of the burnout literature, Schaufeli and Bakker (2004) undertook a more positivist approach to engagement; viewing it as a fulfilling state of mind characterised by high levels of energy and mental flexibility (vigour), being fully concentrated and engrossed in one’s work (absorption), and a sense of significance, inspiration, pride and challenge (dedication)(Schaufeli et al., 2006). The Utrecht Work Engagement Scale (UWES) was originally developed as the opposite of

the Maslach Burnout Inventory (MBI) (Schaufeli et al., 2002). Studies by the founders concluded that engagement and burnout were psychometrically unique and that engagement is not the complete and precise opposite of burnout. Rather, they suggest burnout to be an erosion of engagement when energy turned into exhaustion, efficacy turned into hopelessness, and involvement turned into cynicism. UWES is currently the most commonly used measure of work engagement (Shuck, 2011) and although the initial studies mainly focused on stress-related outcomes, UWES is more recently used to examine the relationship between engagement and efficacy (Schaufeli & Salanova, 2011), and proactive behaviour (Salanova & Schaufeli, 2008).

Phase 4 of theoretical developments involved the practitioner effect. These engagement models were formulated by the research community and designed for practitioners, using academic rigour with a practical application. However the focus was on the behavioural component of engagement (eg. role performance) rather than conceptual meaning. This phase was also the first to acknowledge the environmental conditions associated with engagement in an operation or applied sense, arguing that the perceptions of employees and their work context impacted their ability to invest themselves in their work. Difficulty in distinguishing between satisfaction and engagement were evident in some engagement models. For example, while widely used, the GALLUP Q12 engagement survey is criticised for being a more technical version of job satisfaction (Harter et al., 2002). Work engagement should refer to a psychological connection rather than an attitude toward features of the organisation or the job (Maslach, Schaufeli, & Leiter, 2001).

The multidimensional approach to engagement began to emerge in phase 5 of the engagement literature. This group of theorists consider organisational context and recognises the temporal nature of engagement. It also assumes a symbiotic relationship, where good treatment by an employer was reciprocated by the employee through higher engagement (Saks, 2006). Engagement levels are considered to be susceptible to influence from

contextual and interpersonal factors. Antecedent variables such as supportive climate, job characteristics, and fairness influenced the development of engagement (Rich et al., 2010) and that employee engagement mediated the relationship between antecedent and outcomes variables. This stream of research extended the model of engagement by Schaufeli et al. (2002), suggesting engagement could be experienced emotionally and cognitively and manifested behaviourally. Some of these multi-dimensional models differentiate between 'personal engagement' (Kahn, 1990, 1992) 'job/work engagement' (Schaufeli et al., 2006) and 'organisational engagement' (Shuck & Wollard, 2010). Saks is one scholar who has attempted to bring a wider multidisciplinary approach to employee engagement and distinguishes between job and organisation engagement. His studies have found: perceived organisational support predicts both job and organisation engagement; job characteristics predicts job engagement; and procedural justice predicts organisation engagement (Saks, 2006; Saks & Gruman, 2014).

The 7Ps model of engagement (Figure 1.2) offers a multidimensional approach to the analysis of engagement antecedents and outcomes; it also incorporates all forms of workplace practices (Langford, 2009; Langford, Parkes, & Metcalf, 2006; Parkes & Langford, 2008). This model is grounded in existing, well-researched constructs, comprising five higher order work systems of 'Purpose', 'Property', 'Participation', 'People', and 'Peace' (or wellbeing), which impact on two outcomes coined 'Passion' (or engagement) and 'Progress' (such as performance) (Langford, 2009, 2010). Under the 7Ps model, engagement refers to the degree to which employees are passionate about their job, how positive they feel about belonging to the organisation, and their interest in staying with the organisation. Wellbeing is coined 'PEACE' as it encompasses how gratified employees are at work (by managing stress, maintaining a good work-life balance, and utilising flexible work practices).



Figure 1.2 The 7Ps Model of Engagement

Source: The Voice Project Pty Ltd, 2016, Sydney

Another example of research into how employee engagement plays out in a variety of different situations was conducted in an attempt to determine its antecedents and consequences. An Employee Engagement Consortium carried out in eight organisations across the UK resulting in a dataset of 5,291 questionnaires and around 180 interviews. A model of employee engagement was formulated that identified the key drivers of engagement (Alfes, Truss, Soane, Rees, & Gatenby, 2010). The measure of engagement entails three dimensions that are measured in terms of extent and frequency: emotional or affective engagement; intellectual or cognitive engagement; and social engagement. Together these factors create a virtuous cycle of engagement processes. This model is geared toward practitioners and employers who can apply and reinterpret factors to suit the individual organisational context and circumstances (Alfes et al., 2010).

Although both Kahn's (1990) and Maslach et al's (2001) models outline the psychological conditions or antecedents that are necessary for engagement (depicted in figure 1.2 above, in phases 1 and 2), they do not fully explain why individuals will respond to these conditions with varying degrees of engagement. Social Exchange Theory (SET) is considered to offer a more convincing theoretical justification for the varying degrees of engagement that employees display. SET was an extension of Kahn's work, and identifies the reciprocal nature of engagement (Saks, 2006). This is where employees will choose to engage themselves to varying degrees and in response to the economic and socio-emotional resources they receive from their organisation. Social exchange theory (SET) argues that engagement is a series of exchanges between parties at work that create a state of reciprocal interdependence – thereby creating a sense of obligation. A basic tenet of SET is that relationships evolve over time into trusting, loyal, and mutual commitments, as long as the parties abide by certain 'rules' of exchange (AbuKhalifeh & Som, 2013). This is consistent with the description, by Robinson et al. (2004), of engagement as a two-way relationship between the employer and employee.

Phase 6 witnessed the adoption of a broader and integrative approach to the study of engagement, similar to the rationale of this thesis. Engagement studies in phase 6 considered the importance of workplace environment, (social) context, as well as culture and ties these with meaningfulness and motivation. Chalofsky and Krishna (2009) note the resurgence of interest in intrinsic factors such as meaning, purpose, spirituality, and commitment. They take an integrative approach through a holistic approach that pools the intrinsic aspects of work motivation with the context of workplace environment and culture. The writers identify meaningfulness as a deeper level of intrinsic worker motivation, by considering 'meaning of work' and 'meaning at work', to form part of intrinsic worker motivation.

The significance and novelty of this approach is the holistic approach to work motivation, recognising that motivation and engagement, an individual and personal process, is very much influenced and shaped by contextual and organisational factors (Chalofsky, 2003;

Chalofsky & Krishna, 2009). The authors link streams of research and conceptual development that have not been connected previously, combining the individual and psychological aspects with the contextual and cultural factors. This new perspective sees the connections between workplace motivation, employee commitment, and employee engagement as founded on the premise that highly productive and fulfilled employees do not distinguish between work and their own selves, (Mohrman & Cohen, 1995 cited in Chalofsky & Krishna, 2009). Employees are intrinsically motivated by the work itself (Csikszentmihalyi, 1990 cited in Chalofsky & Krishna, 2009) and are professionally committed to and engaged with the organisation. Hence it is necessary to consider both the individual and the organisational factors that affect the development of engagement.

Chalofsky and Krishna (2009) develop a conceptual framework of the relationship between commitment and engagement by adopting the notion of meaningful work, and place this within the context of workplace environment and culture. Meaning is more deeply intrinsic than values, suggesting three levels of satisfaction: extrinsic, intrinsic, and something even deeper. Chalofsky (2003) identified three themes: *sense of self*, *the work itself*, and *the sense of balance*. These themes represent a deeper level of motivation than the traditional intrinsic values of a sense of accomplishment, pride, satisfaction of finishing a task, and praise from a supervisor. On the other hand, meaning *at work* implies a relationship between the person and the organisation or the workplace, in terms of commitment and engagement. Richards (1995, p. 94) talked about the situation that when there is meaning at work, “[only then] will our work become more joyful [and] our organizations will flourish with commitment, passion, imagination, spirit, and soul”. The connections of the concepts of meaningful work, employee commitment, and engagement can give human resource development practitioners and managers powerful tools to develop workplace strategies that can greatly improve employee satisfaction, fulfilment, and loyalty. Organisational productivity,

retention, and sustainability will be enhanced, and individuals will feel good about their work and how it affects the rest of their lives (Chalofsky & Krishna, 2009).

This broader approach contrasts with many other studies and this is highlighted by Rich et al. (2010) who criticised current research and theory for their narrow focus, geared towards different aspects of the self to explain why individuals choose to invest in their work roles. They recognise that the fundamental choices made by an individual to invest themselves in their work are done in a more holistic and connected manner. Like Kahn, they argue that individuals are open to things other than themselves and bring their complete selves to perform. Organisations are becoming aware of the organisational need to recognise the meaning and emotional aspects of work. Paying attention to how employees feel is seen as critical to creating high performance workplaces and motivating people to innovate (Amabile & Kramer, 2007). Craig and Silverstone (2010) developed a framework for studying the essential organisational conditions for engagement, as well as the process of collective engagement; they explained how leaders can create and sustain a mutually engaged workforce.

The 6 phases depicted in Figure 1.1 summarise the evolution of the engagement concept over time, to a multidimensional entity. But despite the abundance of theoretical models there is no evidence that they are equally applicable across all types of work or organisational setting. In addition, the research suggests that some individuals may be more or less influenced by some factors compared to other factors, and this is not completely reflected or considered in current models. This may be partly due to the fact that these theoretical models are founded on one key discipline, typically relying on one frame of reference and its associated set of assumptions. By applying the same theories, logic, and assumptions, we risk overlooking new or obvious ideas and, to date, the literature has done little to blend diverse ideas or perspectives. Scholars are beginning to recognise these limitations, especially when studying a multifaceted and multidimensional concept such as

engagement. Kahn's widely acclaimed model of 'Personal Engagement', on the other hand, adopts a multidimensional approach, focusing on the individual's personal experience within a wider work context. There is now a return to Kahn's original conception of engagement which considers both the individual and wider context of work.

1.3.3 A contextual approach to engagement research

One area that is not well addressed in the engagement literature is the consideration of situational influences that occur within the context of organisations and their environments. That is, context is often reduced to simple measures and often assumed to be static or studies often address a narrower number of contextual factors that do not sufficiently capture the range of components associated with context or the workplace environment. For example, research has shown that organisational climate can influence job resources and job demands (Dollard & Bakker, 2010), that in turn influence personal resources such as the psychological experience of safety, meaningfulness, and availability, that in turn influence engagement (Kahn, 1990; May et al., 2004). The OP literature inadequately explores collective dynamics. Context or situational factors are commonly analysed within the positivist frameworks, which reduces the analysis to narrow confines of a single lines of inquiry. It fails to address the various dynamic forces and factors that can shape the work environment.

This thesis provides an integrated approach to employee engagement that combines the intrinsic aspects of employee engagement (state of being, attitudes and behaviours) with the contextual and organisational factors that have yet to be developed in the literature. This approach is important because although engagement is an individual and personal process, it is also significantly influenced and shaped by the social context and the organisational setting. Hence, while studying employee engagement, it is necessary to consider both the individual and the organisational factors that affect its development and outcomes.

Management scholars such as Gummesson (2006, p. 167) argue that complexity, context and persona (the human and social aspects of researcher behaviour) are all being largely disregarded by mainstream management research. He highlights the shortcomings of conventional statistical methods in attempting to “deal with complexity, context and persona and their multitude of factors, relationships and fuzzy phenomena”, arguing that qualitative research is able to address these. Fundamentally, Gummesson (2006) argues that we should not reduce complexity but condense it. That is, make each concept, model and theory progressively denser with knowledge. In a similar vein, Chalofsky and Krishna (2009) and Craig and Silverstone (2010) adopt a similar approach, arguing that complex concepts such as employee engagement are best understood in context and in relation to one another and to the whole.

Indeed, one possible reason for the lack of definitive answers surrounding the key determinants of engagement is that environmental conditions were not taken into account. Often, engagement studies investigate how an individual’s level of engagement is impacted by a specific variable or ‘factor’. These factors are typically immediate to an individual’s work, such as the type of job, available resources, work conditions, leadership style, relations with peers, remuneration system and even the individual’s attributes or personality traits. Such a narrow focus, on individual factors or job-specific factors, consequently restricts the exploration of a group of factors, or interactions between these factors. This interaction is referred to as ‘organisational context’ or ‘climate’.

Context is what Johns (2001) refers to as the stimuli or phenomena that surround the individual, and exist externally to the individual. These stimuli can be in the form of various attributes such as information (job roles, ambiguity), task (autonomy), physical (safety), and social (norms and expectations). It is about how the organisation impacts on and is perceived by the employee, their working conditions and management’s approach/style (Craig & Silverstone, 2010). Johns (2001) notes that when context varies, it can serve as a main effect

on organisational behaviour and act to alter relationships at another unit or level of analysis (Johns, 2001). Similarly, Griffin, Neal, and Parker (2007) state that the context can affect what types of behaviour are possible and/or important.

Similarly, Wollard and Shuck (2011) acknowledge the complexity associated with distinguishing between different types of antecedents to engagement. For example, while their review of the literature categorises individual level from organisational level antecedents, such a distinction is not always clear cut. Indeed, they also note how employee engagement is an individual-level variable yet often measured at the organisational level (Shuck & Wollard, 2010). For example, individual level antecedents include the role of a meaningful workplace environment and an employee's involvement in contextually meaningful work (May et al., 2004; Rich et al., 2010) as does an employee's perception of their work environment to be emotionally, culturally, and physically safe. Others included work-life balance, involvement in corporate citizenship behaviors, and the alignment of one's work to organisational goals, personal traits.

Wollard and Shuck (2011) note that organisational level antecedents included things such as; the role of managers, culture and organisational climate, opportunities for learning and development, and monetary rewards and incentives. Importantly, the authors note that organisations draw on an employee's individual perceptions and meeting their basic human needs, highlighting the complexity of making such distinctions. Organisational context is a broad term that is used to capture all or any factors that are deemed to relate and impact on an employee and their work. Indeed, organisational factors can be defined or perceived in different ways in the literature, and not typically considered to be immediate to an employee's job. This thesis argues that while employee engagement is about the physical, emotional and cognitive state of an individual, it is set within a broader workplace setting. This setting (or organisational context) can vary both within and across organisations. The situational context is one, albeit important, part of the organisational context.

Organisational behaviour academics have also questioned the lack of inquiry into the 'organisation' itself, calling for more contextualisation in organisational behaviour research (Rousseau & Fried, 2001). They argue that more insightful patterns, observations and results can be obtained when a set of factors is considered together rather than in isolation. Context can moderate how an individual expresses their engagement, as well as the extent to which an engaged individual performs well (Jenkins & Delbridge, 2013; Oswick, 2015). Indeed Kahn was an organisational behaviouralist, and the first to offer a contextualised account of engagement and disengagement. He acknowledged that situational factors can either promote or inhibit engagement, arguing that the psychological work experiences shape the decision to use the preferred self.

Boverie and Kroth (2001, cited in Cartwright & Holmes, 2006) highlight the importance of developing work environments that are humane, challenging and rewarding and where people feel passionate and energised by their work. Vosburgh (2008) also acknowledged that while individual traits are important, setting the right environment to work in further enhances an individual's propensity to be engaged in their work. Importantly, while research claims that employee engagement may increase due to one or a few key individual factors, this may vary from firm to firm due to the organisational context. That is what Dollard, Tuckey, and Dormann (2012) call the interaction hypothesis. They propose that this 'interaction' really depends on the organisational context. Leiter and Maslach (2004) were among the first to include organisational context at the core of their model of burnout. They realised that while job demands and job resources (as per the JD-R model) are considered important, they are limited to the individual level and that the social context and work environment also carry weight. They developed a new scale that considers all areas of working life that interact to form the organisational antecedents of burnout (Leiter & Maslach, 1999). More recently, Alagaraja and Shuck (2015) created a dynamic model that explains how individual and organisational-level phenomena cross over, recognising the interaction of these factors.

As the work environment has previously been given relatively limited attention, further research is required to understand the workplace environment setting and how it impacts engagement levels. The consideration of contextual or organisational conditions to address a phenomenon is commonly used by HRM and Organisational Behaviour scholars (Jackson & Schuler, 1995; Mowday & Sutton, 1993; Rousseau & Fried, 2001), however it is limited within engagement literature. One exception to this is the work of Albrecht, Bakker, Gruman, Macey, and Saks (2015) who propose a model that integrates frameworks from the HRM and engagement literatures that have operated independently in the past.

This thesis therefore posits that a contextual approach to engagement is required as it can potentially expand the research avenues to better understand the engagement concept. It is these employee outcomes that impact on organisational outcomes. This is expressed in Figure 1.3 below, showing how the HRM and OB disciplines give greater consideration of contextual issues (social and organisational) at micro, meso and macro levels.



Figure 1.3 Contextual factors at micro, meso and macro level

Quality of work environment as a contextual dimension

Quality of work environment, or QWE, is a growing concept that defines the broader workplace surrounding. For the purposes of this thesis, QWE is a broad term used to capture the range of variations. It does not confine itself to the narrow or fixed aspects of an organisation. It can include events, objects, processes, and structures as well as the less direct attributes, such as psychosocial aspects and organisational values (Bakker, Albrecht, & Leiter,

2011b; Burton, 2010). It brings a contextual element to engagement and wellbeing by encompassing the influence and interaction of the physical and psychosocial aspects of work. In essence it considers the organisational surrounds of work and its impact on the psychological wellbeing of employees (Busck et al., 2010; Sell & Cleal, 2011). This is distinct from the traditional OHS approach to work which took a narrow approach to the work environment, limited to the more physical and tangible elements (such as office/work space, OHS features, workplace facilities, and layout).

QWE is an emerging concept, with origins in safety science, occupational health and safety (OHS), and mental health disciplines (Becker, 1985). It emanated from the positive psychology movement, a school of thought focusing on the positive aspects of health, wellbeing and an individual's behaviour and thinking, however, more recent thinking about the work environment has incorporated all aspects of work. In other words, in addition to the physical components, the work environment captures other components such as relations with peers, their supervisor, teamwork, working conditions, benefits, work life balance policies, health and wellness programs (Burton, 2010). In essence, QWE represents a contextual dimension embedded in a workplace; it is a relatively new concept within the employee engagement literature (Kompier, 2005).

The definition of QWE used in this thesis is based on the World Health Organisation's (WHO) 'Healthy Workplaces Framework' (Burton, 2010), based in the health and wellbeing literature. WHO describes a high quality work environment as follows;

A healthy workplace is one in which workers and managers collaborate to ... protect and promote the health, safety and well-being of all workers and the sustainability of the workplace by considering the physical work environment, psychosocial work environment, personal health resources, and enterprise community involvement. (Burton, 2010, p. 16)

According to this framework, four dimensions are encapsulated in the QWE concept; physical work environment, psychosocial work environment, personal health resources, and

enterprise community involvement. This is depicted in Figure 1.2 below. A high quality work environment is apparent when the four dimensions are rated highly by employees. This is evidenced by their perceptions of their role at work and how much they are valued or cared for in an organisation. This may also be evident in more overt forms such as an organisation's policies, practices, and procedures. Essentially, a quality work environment is typically characterised as one in which employees feel fulfilled, challenged and respected.



Figure 1.4 Four dimensions of quality of work environment (QWE)

The work environment has been a key facet of the wellbeing and health and safety literature. Past research has considered the impact of work environment factors on worker's attitudes and behaviours. For example, engaged employees have improved physical health and psychological well-being (Crabtree, 2005, cited in Chalofsky & Krishna, 2009). As a result, employee well-being is deemed essential to the study of engagement (Cartwright & Holmes, 2006; Cropanzano & Wright, 2001; Wright & Cropanzano, 2007). However much of this research was conducted indirectly through other concepts such as job resources, organisational climate, climate for engagement (shared perceptions), and psychosocial factors (such as 'social or organisational' support, and wellbeing). Job resources include the physical, social and organisational aspects.

The QWE concept is based on the notion that a positive workplace environment will improve an employee's wellbeing and level of engagement. This new perspective offers a broader approach to understanding how people are affected by their work, (Hvid and Hasle, 2003 cited in Knudsen, Markey, & Simpkin, 2013). The most commonly used terms for QWE, within the current literature, include; psycho social environment, social context of work, psychosocial safety climate, work quality, and occupational stressors (Nixon, Mazzola, Bauer, Krueger, & Spector, 2011).

Current evidence of the QWE-engagement relationship

While the literature review identified some studies that tested for the determinants of the psychosocial work environment (see for example de Lange, De Witte, & Notelaers, 2008; Knudsen et al., 2013), very little research has directly examined the impact of the work environment on motivational and behavioural constructs, such as employee engagement. QWE has received far less attention relative to other determinants of engagement (Edvardsson & Gustavsson, 2003), due largely its historical roots. Chalofsky and Krishna (2009) consider that one possible reason is the separation of the intrinsic aspects of motivation from the organisational and contextual factors that affect its development.

The first and only study to test the impact of work environment factors on engagement, using a sample of 102 publicly listed companies, was by Schneider, Yost, Kropp, Kind, and Lam (2017). This study confirmed that work context is the primary driver of workforce engagement. Company organisational practices had the most significant impact, while supervisory support and work attributes were also found to be significant correlates of workforce engagement (Schneider et al., 2017).

The majority of studies within the wellbeing literature addresses the relationship between engagement and wellbeing, and its impact on performance. But mounting evidence shows that an employee's health and well-being is linked with their engagement levels and consequently with their performance and, possibly even their colleagues' performance

(Bakker et al., 2008; Crabtree, 2005; Rampersad, 2008; Rayton et al., 2012; Robertson, Birch, & Cooper, 2012; Wright & Cropanzano, 2000, 2007).

Currently, some attention has been given to the relationship between context and engagement. For example, analyses of survey data by Anitha (2014) identified a range of factors to be predictors of employee engagement; with the biggest impacts due to 'work environment' and 'team and co-worker relationships'. Data from CIPD's study of 5,200 employees across eight different organisations found engagement levels to be higher where employees perceive support from others, have a sense of teamwork, and no inhibitions to express themselves. Importantly, they found that engagement can be experienced by most people, but the work environment must be right in order for the potential for engagement to be realised and sustained (Alfes et al., 2010).

Attridge's review of the literature suggests that work engagement levels can be improved by adopting certain workplace behavioural health practices, that are geared to address supervisory communication, job design, resource support, working conditions, corporate culture, and leadership style (Attridge, 2009). A range of workplace environment factors was found to positively impact engagement in a study by Warr (2005 cited in Attridge, 2009). This study found that removing problematic or disliked parts of job tasks and technical operations, adopting more ergonomic workplace equipment, adding some flexibility to work schedules and workload, improving role clarity and decision making authority of workers, and fostering opportunities for positive social relationships at work all positively impact on employee engagement.

The importance of interpersonal relationships and social support are well recognised in the stress and well-being literature (Cooper, 2005; Dollard, Opie, et al., 2012; Idris, Dollard, Coward, & Dormann, 2012; Törner, 2011), however, there is no consideration of employee engagement. Various survey instruments have also been designed over the years to measure the psychosocial work environment, including the Copenhagen Psychosocial

Questionnaire (COPSOQ) (Kristensen, Hannerz, Høgh, & Borg, 2005), the Nordic Safety Climate Questionnaire (NOSACQ-50) (Kines et al., 2011), and the Stress Profile (Setterlind & Larsson, 1995). More recently the Australian Workplace Barometer has provided a scientific approach to work conditions and their relationships to workplace health and productivity (Dollard, Bailey, et al., 2012).

The World Health Organisation (WHO) has contributed substantially to the body of research exploring the health impact of psychosocial factors at work (Leka & Jain, 2010). The last few decades has seen an increase in research and debate concerning the impact of the psychosocial safety climate on the work environment and the subsequent health and performance of workers and organisations (Idris, Dollard, & Winefield, 2011; Kompier, 2005; Van De Voorde, Paauwe, & Van Veldhoven, 2012). The research confirms that a positive state of physical and mental wellbeing fosters creativity, productivity, and performance in employees, and even in their colleagues (Bakker et al., 2008; Crabtree, 2005; Patterson, Warr, & West, 2004; Schaufeli, Taris, & van Rhenen, 2008). Markey, Harris, Lind, Busck, and Knudsen (2010) cite a range of evidence showing that the work environment contributes to organisational effectiveness as well as the economic and social benefits of employment practices, consequently improving employee wellness and wellbeing. Research by Sundin, Bildt, Lisspers, Hochwälder, and Setterlind (2006a) has even examined the organisational and individual determinants of social support in various organisational settings. Using the job demand-control-support model, multiple hierarchical regression analyses found organisational determinants had the largest impact on the degree of social support. Using the job demands–resources (JD-R) framework, (Dollard & Bakker, 2010) derive a new construct, psychosocial safety climate (PSC). In a longitudinal study of education workers, they explain how PSC, as influenced by senior management, affects psychosocial working conditions and in turn psychological health and engagement, via mediation and moderation paths. Importantly, they build multi-level thinking into their logic, informed by the work of (Hackman, 2003; Kang,

Staniford, Dollard, & Kompier, 2008) by examining PSC at the school level and its effects on individuals.

1.3.4 Determinants of engagement

The literature has suggested a vast array of factors deemed to impact, or contribute to, an employee's engagement levels. Research has situated the determinants of engagement across the spectrum of the individual (employee psyche and attitudes) to the organisation (the actions and investments made by the organisation to foster an engagement culture). One of the first studies to provide empirical evidence on determinants of engagement was by May et al. (2004), using a field study of a US based insurance company to test Kahn's original model. Since that time, several other studies have attempted to test for determinants of engagement and the review presented here provides an overview of employee engagement's key determinants, using Kahn's three psychological conditions; meaningfulness, safety and availability.

The engagement literature discusses various influencing factors of employee engagement, which range from direct and tangible influences to subtle and implicit pressures. Direct influences include working conditions, such as the type of job, the resources and physical surroundings and structures, opportunities to grow and develop, recognition and rewards, employee participation and communication, and work life balance. The more subtle factors were just as influential, although less obvious, and attributable to general influences surrounding an organisation. Examples include, organisation goals and values, leadership and managerial style, support structures (social and organisational support), workplace culture and trust, organisational identity, and work relationships.

Bakker et al. (2008) reviewed 16 studies which demonstrating that job resources play both an intrinsic and extrinsic motivational role. Intrinsically this was achieved by fostering growth, learning and development and extrinsically by providing a resourceful work

environment that enables employees to dedicate their efforts and abilities to their work. Albrecht (2012) explored the impact of resources across levels of the organisation, team and job on employee engagement, both directly and indirectly. The study found the interrelationship between the organisational and team level resources acts as a resource 'system' that influences engagement. Similarly, a study by Simpson (2009) found engagement to be significantly affected by two aspects: organisational factors (macro) versus individual contributors (micro). A more recent study by Bakker et al. (2011b) confirmed that the organisational climate influences employee perceptions of job demands and job resources and, consequently, will influence work engagement. A summary of other key themes are presented in Table 1.2 below:

Table 1.2: Determinants of engagement – key themes

Theme(s)	Research evidence and comments
Organisational identity, alignment of individual and company goals	(Langford, 2010; Rich, 2006; Rich et al., 2010)
The nature of the job	JD-R (May et al 2004). Research consistently shows job resources are positively associated with work engagement (eg. social support from colleagues and supervisors, performance feedback, skill variety, autonomy, and learning opportunities). IES study identified the nature of the job as one of 7 key drivers of engagement (Robertson-Smith & Markwick, 2009)
(a) clarity of expectations & provision of materials and equipment, (b) a sense of contribution to organisation, (c) feeling of belonging to something beyond yourself, (d) opportunities to grow & discuss progress	GALLUP's 4 key drivers - using Gallup survey (Harter et al., 2003)
Voice and participation	Langford 2010; Alfes et al, 2010
IES study - 7 key drivers	Nature of work, work with transparent meaning & purpose, opportunities for development, recognition & rewards, respectful relationships, open two-way communication systems, & inspirational leadership (Robertson-Smith & Markwick, 2009)
Role and actions of managers/supervisors	Pride in one's company and relationship with his/her immediate manager (Gibbons, 2007, The Conference Board), actions of managers (Alfes et al 2010).
Perceived organisational support and procedural justice, co-worker relations, feedback, autonomy, social support and organisational climate	(Halbesleben, 2010) (Albrecht, 2012; Alfes et al., 2010; Saks, 2006) Empirical study by Saks (2006) using a multidimensional approach through SET - identified antecedents of employee engagement to be 'job characteristics, perceived organisational support, perceived supervisor support, rewards and recognition, procedural justice and distributive justice'. Saks discovered that perceived organisational support predicts both job engagement and organisation engagement (e.g. job characteristics predict job engagement and procedural justice predicts organisation engagement)

Only a few existing models conceptualise the antecedents of employee engagement (Macey & Schneider, 2008a; Maslach et al., 2001; Saks, 2006). Alfes et al. (2010) studied how the processes involved in enacting engagement levels can be affected, positively or negatively, by the actions of managers. Supervisor support is indirectly linked to engagement. Deci and Ryan (1987) claim that supervisors who foster a supportive work environment (through positive feedback, encouraging employees to speak out, and showing concern for employee's welfare) will enhance creativity and perceptions of safety. This has yet to be directly tested in the engagement literature.

Several studies identify the congruence between individual and organisational values to be a strong predictor of engagement (Rich, et al 2010). Researchers from the Voice Project consistently identified a number of practices impacting engagement and organisational outcomes; the more significant of these were clear organisation direction, strong results focus, belief in organisational mission and values, and promoting organisational successes. Other practices that exerted some impact included; managing change well, ethics, trust in senior management, recruitment and selection, learning and development, involvement in decision-making, rewards and recognition, performance appraisal, career opportunities, resources and processes (Langford, 2010). In their longitudinal research, the UK Employee Engagement Consortium identified influence factors such as meaningfulness of work, person-job fit, voice, line management, senior management communication, and a supportive work environment (Alfes et al., 2010).

In their narrative review, Bailey et al. (2017) categorised studies of antecedents to engagement into five groups of factors: psychological states; job design; leadership; organisational and team factors; and organisational interventions. Task performance was found to produce the most consistent and robust links with engagement, followed by other positive associations with individual morale, extra-role performance and organisational performance.

One key observation from the review of the literature was the lack of a definitive factor or set of factors that influence engagement. While each study varied in its approach and sample, several reviews of the literature also identified a plethora of determinants. Several studies therefore determined that the ‘one size fits all’ approach to engagement does not work. Adding to this was the lack of research that investigated the experience of being engaged or how engagement affects an employee’s experience of their work, and ultimately their performance. However, the literature is beginning to focus on understanding how situational variables such as quality of work relationships, and organisational values interact and impact on engagement (Ryan & Deci, 2000).

1.3.5 Benefits and outcomes

Engagement has been claimed to bring many benefits to organisations as well as employees and, despite the definitional imprecision, the evidence increasingly appears to favour such claims. Engaged employees are willing to make use of their full selves in a constructive way whilst doing their job (Kahn, 1990, 1992), have improved wellbeing (Albrecht, 2012; Harter et al., 2003; Robertson et al., 2012), are more productive and improve firm performance (Buckingham & Coffman, 1999; Harter et al., 2002; JRA, 2007; Salanova, Agut, & Peiró, 2005), and remain in their jobs for longer (Dane & Brummel, 2013; Halbesleben & Wheeler, 2008; Saks, 2006; Schaufeli & Bakker, 2004). Engaged employees are known to work harder, show greater commitment and exceed the employer’s expectations (Lockwood, 2007 cited in Chalofsky & Krishna 2009). The evidence also shows that engaged workers are healthier, in turn impacting on their creativity, productivity, and performance and, possibly, their colleagues’ performance (Bakker et al., 2008; Crabtree, 2005; Patterson et al., 2004; Schaufeli et al., 2008).

This thesis also recognises the reciprocal relationship between engagement and performance. That is, engagement is part of a two-way exchange with performance. The assumption is that environmental characteristics (a broad view of HRM) affect performance

through engagement. At the same time, success at the organisation, team, and/or individual levels can energise or invigorate employees, perhaps allowing managers to give them more responsibility, discretion, and other elements of enriched environments (eg. resource availability, developmental opportunities, etc).

1.3.6 Key findings

Overall the literature demonstrates that employee engagement is an ambiguous and contentious concept, the meaning of which is still questioned. The concept continues to be questioned due to a lack of clarity about its identity and exact meaning. Another key observation is that the literature is characterised by methodological polarity. On one hand, it has been explored using a limited range of methodological approaches (with a heavy emphasis on quantitative attitudinal survey data) geared towards the pursuit of narrowly defined research questions. On the other hand, its complex multifaceted nature and reach has fragmented the research agenda, culminating in isolated research outcomes that do not contribute to a broader understanding.

A number of specific shortcomings are identified to be associated with the field of employee engagement. Firstly, poor conceptual clarity and limited transparency in the meaning of employee engagement that extends beyond the individual. Second, there is a lack of unified and/or well-distilled theoretical underpinnings. Third, there exists the domination of one discipline and methodological approach, despite its broad reach. Finally, there is a generalised acceptance about its benefits and outcomes (such as retention, performance, innovation and competitive market advantage), yet a lack of understanding or agreement regarding its key determining features.

As a result, employee engagement as a concept has reached a point of analytical paralysis. It's lack of a common and mutual scientific meaning has hampered efforts to develop the consistent theory required to methodically explore and test its key influencing factors. In other words, as a social and economic construct in the field of management

studies, employee engagement cannot progress unless the concept is significantly re-defined and fragmentation reduced. Therefore, this thesis adopts an integrated and mixed methods approach, geared to generate new ideas and perspectives that can be used to test and explore the key influencing factors of employee engagement. In the bedrock of HRM, employee engagement is an issue which has received limited attention and yet is the main contributor to delivering improved organisational outcomes.

1.4 Conceptual framework

The conceptual framework adopted in this paper is grounded in Kahn's definition of employee engagement and also draws from the health and safety (wellbeing) literature (Kahn, 1990). This thesis accepts that employee engagement is a broad multifaceted concept, having undergone a series of transformations. Kahn combines the cognitive and emotional attachment of employees to the organisation with the energy and behaviours directed towards achieving the organisation's goals. His work is premised on two key thoughts. First, that people's attitudes and behaviours are driven by the psychological experience of work. Second, that the simultaneous interactions of individual, interpersonal, group, intergroup, and organisational factors influence these psychological experiences.

This study puts forward a new conceptual framework that captures the 'interactions' or contextual factors through the notion of the 'work environment'. The conceptual framework is based on an existing model from the wellbeing literature. Figure 1.3 depicts the work environment as originally presented by the World Health Organisation's 'Healthy Workplaces Framework' geared to address worker health. Through a systematic literature and expert review, the following four key dimensions were identified as avenues of influence:

1. the physical work environment (work health and safety)
2. the psychosocial work environment (the organisation of work and workplace culture)
3. personal health resources (employer support and encouragement of healthy lifestyles)
4. enterprise community involvement (ways of participating in the community to improve health of workers, families and community members).

The framework shows that these avenues of influence are underpinned by core principles of leadership engagement and worker involvement, and that a continuous process is in place to examine, evaluate and improve the required organisational resources and initiatives.

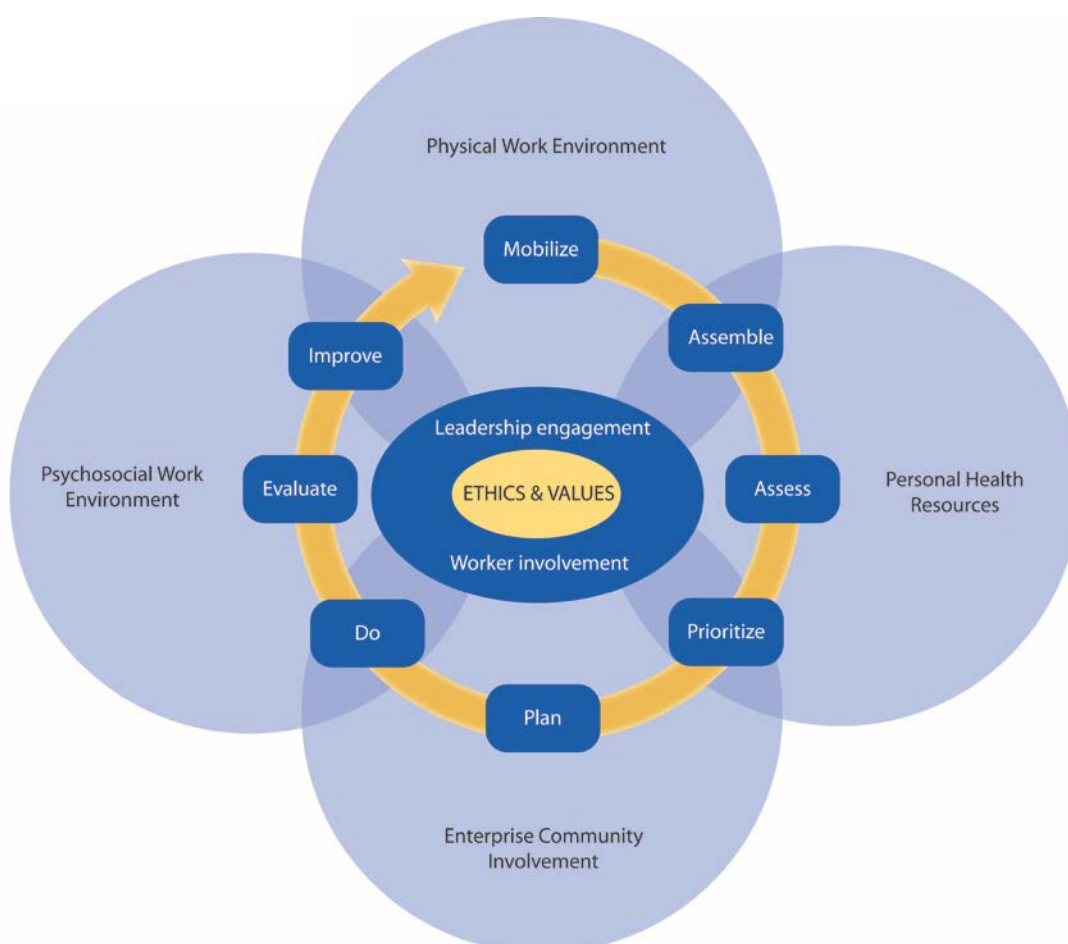


Figure 1.5 Work environment dimensions, World Health Organisation

Source: Burton (2010), World Health Organisation, Healthy Workplaces Framework

This thesis adopts the above Healthy Workplaces Framework to the study of employee engagement. The 4 dimensions together are referred to the work environment, and represent the contextual factors in organisations. A newly devised concept labelled QWE (quality of the work environment) incorporate these four dimensions. The integration of these dimensions into one concept, known as QWE, is a valuable extension of prior engagement work. The novelty of this conceptual model is in the way it incorporates several of the determining factors currently recognised by the engagement literature with other factors that have yet to be recognised. For example, existing determinants such as having clear organisational structures and processes, fair reward systems, employee participation and communication, perceived organisational support, management style, and high levels of trust, are included together with other new factors that are associated with the ‘psychosocial’ dimension of QWE. Utilising the Healthy Workplaces Framework (in the form of QWE) will extend and integrate engagement research by placing considering contextual factors as a key determinant of employee engagement. Importantly, this model considers other valid factors that have received minimal attention within the engagement literature. For example, an organisation’s concern for employee wellbeing is categorised under the ‘personal health resources’ dimension. Another example is the ‘enterprise community involvement’ dimension of QWE which is based on an employee’s perception of the organisation’s standing and role within the wider community. It refers to the activities and values an organisation associates with social and community based issues set within their local environment. Increasingly, employees are attracted to and motivated by such organisational values.

This thesis supports the notion of examining the interplay between contextual and individual factors in predicting engagement. Similar to a study by (Albrecht et al., 2015), it attempts to address the unresolved conceptual and theoretical issues in the engagement literature, particularly surrounding Kahn’s (1990) approach to engagement. That is, by

showing that Kahn's 'psychological conditions' that lead to engagement are attributed to contextual or environmental factors, that remain largely unexplored. The thesis proposes a conceptual model that is underpinned by Kahn's model of engagement, and combined with WHO's Healthy Workplaces Framework to explain how certain characteristics of individuals and their work context operate to foster higher engagement. This thesis provides a new platform for the formation of a conceptual framework of engagement that considers the impact of the various elements of the working environment. Building on an analysis of the literature, factor analysis and regression analysis is used to derive the quality of the work environment (QWE).

The conceptual framework involves applying select survey items from the Voice Project 7Ps engagement survey to the Healthy Workplaces Framework to create a variable that measures QWE. Engagement scores using the Voice Project's 7Ps model (Seven-factor model of work systems) is used. Langford and his team and Voice Project developed a theoretically grounded and empirically derived model of employee engagement (7Ps model) (Langford, 2010). The Voice Project is a research and consultancy services firm based in Australia, conducting and analysing employee engagement and climate surveys for a large range of organisations in public, private and not-for-profit sectors (Langford, 2009, 2010; Langford et al., 2006). The data used and analysed in this thesis comes from Voice Project's archival results from organisations that completed employee engagement and climate surveys as part of consulting projects run by Voice Project researchers.

Voice Project's survey instrument was used to test and derive a measure of employee engagement (Passion) based on a Voice Climate Survey. Through his research, Langford (2010) developed a model and measure of employee engagement and organisational outcomes using a broad range of attitudes and behaviours that are associated with employee engagement. In 2006, (Langford et al., 2006) conducted a study whose primary aim was to explore a structural equation model of how five work systems (purpose, property,

participation, people and peace) may interact with each other and contribute to the work outcomes of progress and passion (mirroring the currently popular construct of 'engagement'). This study culminated in the 7Ps model of engagement.

According to this model, employee engagement is a robust higher order measure derived from the Voice Project climate survey, displaying high construct validity (Langford et al., 2006). External validation was demonstrated by linking scores from the employee survey with independent manager reports of turnover, absenteeism, productivity, health and safety, goal attainment, financial performance, change management, innovation and customer satisfaction (Langford, 2009). Factor analysis confirmed 'employee engagement' to represent the overarching work attitudes and behaviours. Engagement and performance are defined in multidimensional terms at both individual and group levels, with particular focus on the perception of organisational performance (rather than objective business outcome metrics).

This study proposes that engagement levels are likely to increase when the situational forces in the workplace are shaped through the values and actions of management, the organisational climate and structure, and the consequent perception and reaction by employees. Similar to the findings about mental health outcomes by Gavin (1975), this study posits that an employee who perceives their work environment to have clear organisational structures and processes, fair reward systems, high levels of trust, and concern for employee wellbeing will more likely yield higher engagement levels. This leads to our hypothesis which states that a high quality work environment (QWE) will have a positive effect on employee engagement levels. This is also depicted in Figure 1.4 below.

In essence, this thesis hypothesises that a high quality work environment will have a positive effect on employee engagement levels (and wellbeing). That is, an employee who perceives their work environment as favourable and positive is likely to illicit higher engagement levels. Figure 1.6. depicts this relationship.

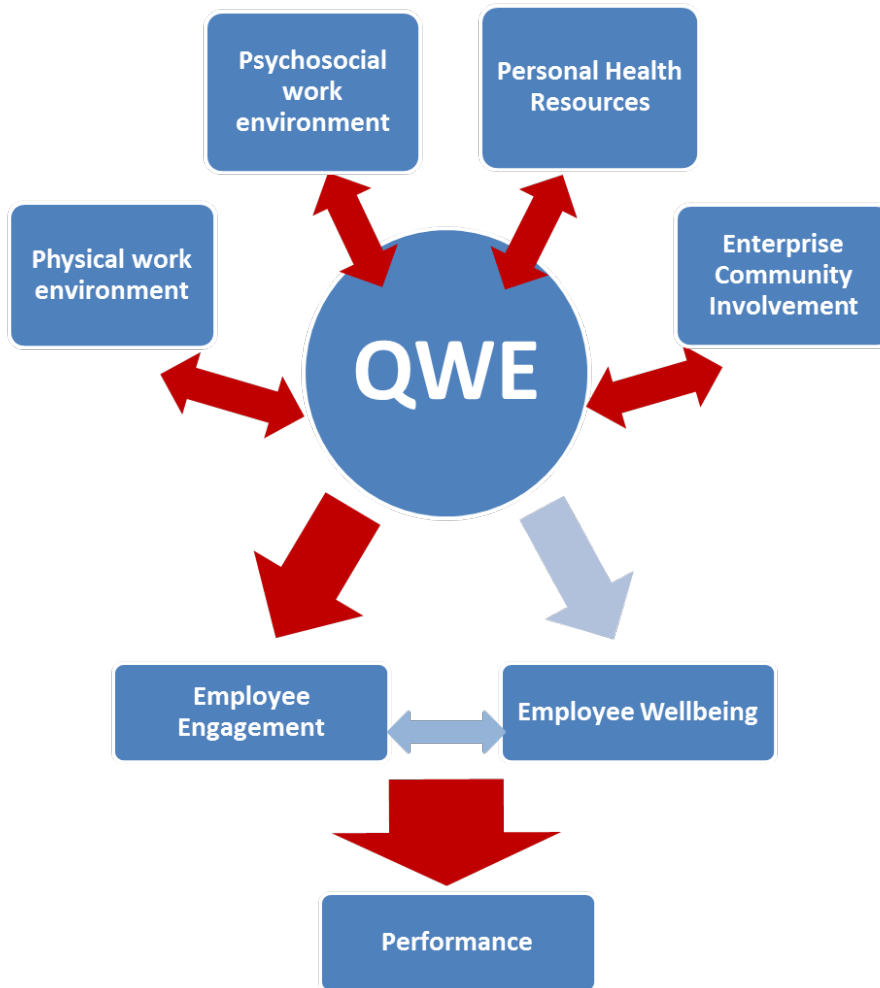


Figure 1.6 Conceptual framework

This study gives thought to the contextual factors surrounding employee engagement and how they may potentially act as a determining factor. We test the determinants of engagement by placing the organisational context at the core of research. This study proposes that engagement levels are likely to increase when the situational forces in the workplace are shaped through the values and actions of management, the organisational climate and structure, and the consequent perception and reaction by employees.

The QWE concept also aligns with Kahn's three 'conditions'. That is, meaningfulness is captured with the 'psychosocial' dimension of QWE. Safety relates to both the physical work environment dimension but also incorporates elements of the psychosocial dimension. Availability under the new QWE model is best represented by both the physical and psychosocial dimensions of the work environment. These two dimensions relate to the

employee's feeling of possessing the physical, emotional, and psychological resources necessary to do their work.

What is most distinguishable by the QWE conceptual framework is the way in which these dimensions together represent the organisational context within which workers operate. It represents the tangible and not so tangible aspects of work and organisational culture that together can be captured as context.

1.5 Research Design and methodology

1.5.1 Research question

The study aims to explore and better understand the nature of employee engagement and to investigate whether context plays a significant role in determining an employee's engagement level. That is, to determine whether QWE has a positive influence on engagement levels of employees. For this purpose, this study is guided by the following central research question:

“Does the quality of the work environment have an impact on levels of employee engagement?”.

As a subset of this question;

“If so, which elements of the QWE have a larger impact on employee engagement?”

These research questions will be tested and conducted in stages. Each stage of research will form a significant component of the thesis that aims to address the central research question above. For example, an integrative review of the literature in stage 1 aims to review the current state of research in the engagement literature that explores contextual or work environment factors. Stage 2 of the research undertakes a quantitative analysis of survey data from the Voice Project's databases of engagement surveys (underpinned by the

7Ps Model of Engagement), testing for a specific measure and impact of QWE. Stage 3 involves a qualitative analysis of a workplace that approaches the study of engagement from a new angle, providing more depth and breadth in analysis. Within each study, a set of research questions or research hypotheses are developed and designed to address the central research question. These are outlined in Table 1.3 below. The results of the analysis will provide insight into the following issues confronting the academic and practitioner communities in relation to employee engagement:

1. The impact of the contextual factors/work environment on employee engagement
2. An enhanced conceptual understanding of employee engagement
3. Research ideas and avenues that advance theoretical development of employee engagement, especially the relationship between engagement and QWE

1.5.2 Methodology

Employee engagement is a complex, multidimensional concept with a broad disciplinary reach so is best understood through methods that derive the breadth and depth of analysis. Engagement is known to vary from moment-to-moment (Kahn, 1990, 2007). An individual's level of engagement changes in accordance to alterations in their situations and environment, fluctuating across days and weeks (Fletcher & Robinson, 2014). Therefore, this requires research techniques that are capable of capturing multiple events, bringing to question the true capability of a self-report measure based on a single snap shot. This study therefore undertook a mixed method approach, which involves the use of various methodological practices, empirical materials, perspectives, and observers in a single study (Denzin, 2012). Denzin (2012, p. 81) describes it as “a design for collecting, analyzing, and mixing both quantitative and qualitative data in a study in order to understand a research problem”. Such research design entails a plethora of terms that describes the approaches and techniques used, such as ‘holistic’, ‘integrated’, ‘multi-disciplinary’, “inter-disciplinary”, and “collaborative” (Giddings & Grant, 2007).

Mixed methods is now a well-established approach in organisational research with various cases made, especially on pragmatic grounds. However, there is much debate about how it might be shaped and proceed. An understanding of ontological and epistemological assumptions is useful for a research study in general and the mixed methods research in particular. Philosophically, this thesis is founded on the idea that one paradigm does not hold superiority over another. Rather, that organisations are complex systems where components work together through a collective conscience that produces a social cohesion geared towards positive organisational outcomes. In some ways, this thesis takes the postpositivist view that reality is socially and culturally constructed (Clark & Ivankova, 2015; Creswell, 2009; Creswell, 2011; Giddings & Grant, 2007), however it does not assume that cause and effect is a linear process (as per the positivist paradigm). Rather, it is the result of a complex array of interrelated factors that also happen to interact with their outcomes (i.e. reciprocal in nature). This thesis argues that choice of method used is guided by the research question, which may also mean the use of multiple methods. This is a form of triangulation whereby multiple data sources, methods and analytical procedures are used to answer the research question (Tashakkori & Teddlie, 2003).

This thesis supports the views of scholars who advocate a more pragmatic approach to research, moving away from the traditional paradigm debate in recognition of the benefits of combining quantitative and qualitative methods and also by drawing on several disciplines (Bryman, 2003; Johnson & Onwuegbuzie, 2004; Morgan, 2007). While using alternate or non-traditional forms of research method and lines of inquiry is criticised, the research philosophy adopted in this thesis rests on the notion that a better understanding of the factors influencing employee engagement can be gained by integrating, within a common framework, concepts and methods from numerous disciplines (Creswell, 2012; Giddings & Grant, 2007; Gummesson, 2006). Using a multidisciplinary approach, this thesis incorporates the

concepts, ideas and methods of employee engagement from the organisational psychology, human resources management and safety-wellbeing disciplines.

The rationale for mixed methods in this thesis is that it seeks to secure an in-depth understanding of the phenomenon in question. Proponents of mixed methods research argue it is best used as the key research strategy to add an element of breadth, richness, and depth to a rather complex concept (Clark & Ivankova, 2015; Flick, 2007). Combining elements of qualitative and quantitative research offers the breadth and depth of understanding and corroboration that the engagement literature now requires (Johnson, Onwuegbuzie, & Turner, 2007). As noted by Creswell and Plano Clark (2007), mixed methods is capable of producing a better understanding of the research problems than would otherwise be if using either of these approaches on their own.

Another strength of the mixed method approach is that it attempts to answer the ‘how’ and ‘why’ of engagement, while also examining the work processes and management interventions that are in place (Giddings & Grant, 2007). The advantage of this approach is its ability to tackle complex or dynamic phenomena from multiple angles, potentially offering new insight into employee engagement that current methods and perspectives have overlooked (Gummesson, 2006). In-depth investigation with branching questions is necessary to achieve the definitional clarity required for this research project, because a focus on interrelationships and processes can provide a conceptual richness that quantitative cross-sectional surveys cannot deliver (Arrowsmith & Parker, 2013).

This thesis also acknowledges that mixed methods research brings criticisms, such that it is fraught with theoretical and political complexities (Giddings & Grant, 2007). Some view it as a form of pragmatic post positivism and secures its position within the broader positivist paradigm, consequently further marginalising other forms of knowing. In other words, in this way it reaffirms positivist research as the ‘methodology of choice’ in the social sciences. However, this thesis views mixed methods research as serving various paradigms and not just

positivism. This thesis highlights the pragmatic approach to mixed method design, with an ability to be applied within any paradigm. While qualitative methodologies can be aligned with the post positivist paradigm (see for example Flyvbjerg, 2006; Kuhn, 1970), it's use and purpose has given rise to the mixed methods approach in contemporary research.

1.5.3 Research design

This thesis takes an integrated approach to the study of engagement to address the central research question, through multidisciplinary research and a mixed methods approach. This thesis employs a mixed method analysis of employee engagement. The aim was to explore the relationship between employee engagement and employee perceptions of the work environment. Such factors cannot be divorced from the dynamic and complex interactions in an organisational setting. A three stage mixed method research design was used (Morse & Niehaus, 2009).

Stage 1 involves an integrative literature review of the current disparate literature. Stage 2 involves quantitative research to analyse and test existing survey data. The analysis tests the QWE-engagement relationship. The analysis draws on a conceptual framework from the safety literature to explore new possible explanatory factors for engagement. This research method is commonly used by the organisational psychology discipline. Stage 3 then complements this with qualitative methods, through a case study analysis of an Australian organisation to further explore and explain some of the key findings of the quantitative study. This method is commonly used by the HRM and employment relations fields, thereby adding a level of depth and richness to the information and insight gained by organisational psychology studies.

Table 1.3 outlines the methods adopted for each research stage and the research questions that underpin each study to help answer the central research question. This methodological approach is referred by Creswell (2009, p. 211) as a 'sequential exploratory

strategy', which is typically adopted when a qualitative approach attempts to explain quantitative data. It is especially used when the organisational context needs to be better understood, yet difficult to measure and test quantitatively. While the two forms of data are separate and stem from different philosophical positions, they are usefully connected.

Table 1.3 Research stages, summary of methods, data employed and map of research questions

Stage	Method of analysis	Data source	Research question/hypothesis addressed
1 Chapter 2	Integrative literature review	Peer-reviewed articles and grey literature on antecedents, drivers and consequences of employee engagement 2000 to 2016 (N=700).	<i>Does the quality of the work environment have an impact on levels of employee engagement?</i> If so, which elements of the QWE have a larger impact on employee engagement?
2 Chapter 3	Quantitative analysis	Cross-sectional survey data based on ARC funded research project of Australian workplaces over a three year period (2006-2008) (n=10,000). Source: Voice Project 2013	Hypotheses tested: <i>QWE is positively associated with employee engagement, ceteris paribus</i> Hypothesis 1a: The physical work environment will be positively related to employee engagement. Hypothesis 1b: The psychosocial work environment will be positively related to employee engagement. Hypothesis 1c: The presence of personal health resources will be positively related to employee engagement. Hypothesis 1d: An organisation's enterprise community involvement will be positively related to employee engagement.
3 Chapter 4	Qualitative analysis	In-depth case study (N=150). Data collected through interview and focus groups (during October 2016 and January 2017) in Australia. Document analysis of company policies and procedures, organisational charts, and business/HRM metrics.	<i>What factors influence an employee's engagement levels at work?</i> Specifically: RQ1. How do employees describe the experience of being engaged? RQ2. What role does the work environment play in facilitating higher engagement? RQ3. Which of the four dimensions of the work environment, if any, play a more important role in eliciting higher engagement levels? Other questions explored: A. How does the HRM function perceive the concept of engagement? B. To what extent is the work environment/setting considered when introducing employee engagement policies and initiatives? C. What employee engagement measures and strategies are adopted by management/HRM to increase engagement levels?
Chapter 5	Discussion	Review of findings in Ch 2, 3, & 4	Central research question revisited

Stage 1 of the research involves an integrative literature review across the various social sciences including industrial/organisational psychology, organisational behavior, HRM, employment relations. The aim of this initial stage was to advance the state of knowledge and debate surrounding employee engagement by synthesising and consolidating the disparate literature that spans several disciplines. The theoretical background and developments of the engagement literature conducted during this integrative review helped shape the research questions and influenced the mixed method approach and the data analysis that was used.

Stage 2 utilises a quantitative analysis, the traditional and most common approach adopted by the founding discipline of organisational psychology. This discipline views employee engagement as a construct, a concept that has been deliberately created or adopted for a scientific purpose. A construct cannot be observed; it must be inferred. This positivist paradigm is the most common approach to engagement research. Chapter 3 continues with this tradition, but expands the focus of the research by testing for broader environmental factors. In particular, it tests for the contextual factors. That is, the study explores how the quality of the work environment (QWE) contributes to creating and sustaining a highly engaged workforce. This study is the first of its kind to examine and test the concept of the quality of the work environment (QWE). It examines and tests elements of the work environment as correlates and predictors of employee engagement, using cross-sectional data of Australian workplaces. The novelty of this quantitative analysis is its broadened scope through offering a contextual approach to engagement; it explores factors that are associated at both the micro and macro levels within organisations.

Quantitatively, the Voice Project's survey data is used, with the survey design based on the 7Ps multidimensional model of employee engagement. The Voice Project data is compiled from two key databases of employee engagement; the Research database and Client database. The Research database contains results from a number of climate and engagement surveys conducted since 2002, for research purposes. The data collected is anonymous, as it

is sourced from a range of participating organisations. Engagement is used as a dependent variable. The Voice Project survey comprises 102 questions that measure 31 lower-level factors (25 HRM practices and 6 outcomes) that group into 7 higher-order factors (the “7P’s”). The survey was designed to measure HRM practices as well as HR-related outcomes (organisation commitment, job satisfaction and intention to stay, aggregated to form the higher-order outcome of Passion) and employee perceptions of organisational outcomes (achieving objectives, change and innovation, and customer satisfaction, aggregated to form the higher-order outcome of Progress). Multiple regression analysis was conducted to test the relationship between the QWE and employee engagement. A confirmatory factor analysis of the items was also conducted, to test and devise a new factor that represents the contextual component of a workplace.

Stage 3 involves a qualitative case study analysis of an Australian organisation, using a variety of sources, to gain a more complete understanding of employee engagement. It’s in response to the finding in the literature review in Stage 2 that what we know about employee engagement drivers and outcomes is mostly derived from survey data. Little research exists that explores engagement through the personal experiences of workers. The case study involved one-to-one interviews with senior management and employees, coupled with focus groups of employees, participant observation, and document analysis. While focus groups have a tendency to yield less information on individual motivations than in-depth interviews, they foster the opportunity for people to share perceptions or experiences on the subject matter (Williams & Katz, 2001). The focus groups included employees from the business unit, with no senior management representatives involved in the same group. Employees may be less candid in a focus group environment if they feel that a management ‘stooge’ is in their midst. Line managers were involved in the focus groups, as they were not deemed to hold an authoritative role with staff. The initial informal interviews with senior management confirmed that line manager serves more as a functional supervisor, with no direct association

between the reporting line and remuneration. A separate focus group was conducted with a diverse mix of staff from across the business unit, including some senior management.

The aim of this case study research was to provide additional qualitative evidence to explore and understand the engagement phenomena in depth (Yin, 2013). It provides insight that is not otherwise attainable through quantitative methods. Kahn (1990) chose qualitative methods of data collection because an in-depth look at particular moments and situations at work was viewed as the only way to truly understand how engaged an individual was at work. The case study will explore the role and extent to which contextual factors contribute to creating and sustaining a highly engaged workforce. The review confirms that further exploration of dynamics and other elements of workplaces are required. Engagement is a multi-faceted construct that should not be limited in the way it is studied or tested. To date, the engagement literature has failed to produce the consistency and clarity required in order to advance the research agenda.

The benefit of case study research is its use of triangulation, using multiple sources of qualitative evidence, to add the breadth and depth to the analysis (Denzin, 2012). This approach has a unique strength stemming from its ability to combine a variety of data sources (such as documentation, interviews, and artifacts) to generating a level of understanding that is not otherwise obtainable through quantitative methods (Yin, 2013). Here, the relevant behaviours and attitudes cannot be manipulated, and the boundaries between the phenomenon itself and the context are not clearly distinguishable (Yin, 2013). The case study approach therefore enables the exploration of the various interactions and pathways that impact on employees and their engagement level. The case study draws out the insights and experience employees have at work. It also observes and explores an organisation's own experience in attempting to increase engagement levels through its use of measurement tools, policies and practices used to deploy these surveys, as well as the strategies and interventions subsequently developed to boost engagement levels.

1.6 Summary of thesis structure

The overall structure of this thesis takes the form of three key chapters in addition to this introductory chapter, followed by a discussion and concluding chapter. The chapters aim to explore employee engagement from a new perspective to shed new light on a heavily researched topic. Employee engagement is also a complex concept, addressed and defined by various scholarly disciplines as well as the business community. Many topics and concepts are being discussed, so there is some necessary repetition. The review and empirical studies reported in Chapters 2 to 4 represent three distinct stages of research. Each chapter represents a research article that has been prepared in final form and ready for submission for journal publication, which is standard practice for thesis by publication.

Given that it is a thesis by publication, the substantive chapters are based on papers proposed for journal publication. Thus, in order to meet the requirements of a thesis by publication, it is expected that there will be some repetition from one chapter to the next. For example, some overlap between the initial review of the engagement literature in this introductory chapter (Chapter 1) and Chapter 2 is evident. The review in Chapter 1 is drawn from across the various disciplines, ranging from the organisational psychology literature, to other emergent social science disciplines such as HRM, human resource development, organisational behaviour, and also towards the health sciences such as stress and nursing. On the other hand, Chapter 2 adopts the HRM lens to the integrative review, with a particular focus on understanding engagement's key determining factors and its links to organisational outcomes and benefits. This chapter directs the focus of the review towards the HR-performance link, also referred to as the black box of HRM. This is in recognition of the important role given to individual attitudinal variables, such as employee engagement, in understanding the relationship between HRM practice and performance. The purpose of the integrative review in Chapter 2 is to assist in developing a new conceptual framework for the study of employee engagement, by integrating perspectives and ideas from across the

literatures. At present, the scope of most reviews is confined to one discipline. Little has been made to reconcile or integrate the various findings of the extant literature.

The second stage of research, Chapter 3, empirically examines the determinants of employee engagement using the conventional quantitative analysis of employee engagement. What distinguishes this empirical study from other quantitative research is that it undertakes a contextual approach to the study of engagement. Chapter 3 extends the analysis to include the contextual issues as contributing factors of engagement. Lack of consideration of broader organisational factors was identified as a key shortage within the engagement literature in both Chapters 1 and 2. In order to adhere to publication requirements of HRM journals, some repetition of this issue is found in this chapter as a result, as discussion of this issue is required before proceeding with the empirical analysis. Using the conceptual framework adopted from within the workplace health and safety discipline, various survey items from an existing engagement model (7Ps model of engagement) were empirically tested and measured to derive a new concept that captures work environment factors as a determinant of engagement. The contribution of this empirical study is twofold: first, it adopts an existing concept of engagement through a new contextual angle aimed to explore and test its influencing factors. Second, it offers Australian evidence to a topic typically studied using American and European data.

The third stage (Chapter 4) extends the quantitative research conducted in Stage 2 (Chapter 3) by providing a qualitative component. This chapter aims to answer the question “How do contextual factors contribute to higher employee engagement?”. The study stresses the importance of an integrated or as some writers (such as Chalofsky & Krishna, 2009; Giddings & Grant, 2007; Gummesson, 2006) call a ‘holistic’ approach to engagement research, to understand the different meanings of engagement at different levels. The mixed method adopted in this thesis is a novel approach to the study of employee engagement, which is traditionally entrenched in the positivist paradigm using quantitative research

methods. Qualitative research offers the deeper insight and perspective which has the capability of exploring and connecting various interactions and factors that may otherwise be overlooked through the more conventional approaches adopted in past research (Bell, Kothiyal, & Willmott, 2016; Cornelissen, 2017; Guercini, 2014; Gummesson, 2006).

Confining the parameters to the individual, as previous studies have done, tends to restrict the ability to capture other contextual issues and conditions, and often overlooks the uncharacteristic permeations and that may also be relevant. The qualitative case study component of this stage of the research brings the determinants of engagement to the fore by sharing the insights of employees and management. Through a range of interviews, focus groups and observation methods, the analysis will focus on the experience of workers and how the organisation has created a work environment that is more likely to foster high engagement. Qualitative methods can potentially enhance the existing literature and enable firmer causations to be established (Reissner & Pagan, 2013; Shantz, Alfes, Truss, & Soane, 2013).

Overall, this thesis will contribute to engagement research by providing further insight into the determinants of engagement with consideration of important contextual factors through the work environment. It offers an integrated approach to a topic that has traditionally adopted a defined research method and an equally narrow set of parameters. The thesis builds on an existing conceptual framework and extends the research methodology in an attempt to advance our understanding of employee engagement. The thesis challenges the community of engagement scholars to consider novel approaches and different theoretical frameworks and assumptions that empirically and theoretically link the literature on employee engagement. Engagement research is at a critical juncture. In order for the debate and research agenda to move in a new direction, it must seek new ideas and alternative perspectives from social science disciplines such as HRM, organisational behaviour, and employment relations, sociology, and the health sciences. Currently there is limited research

from these alternate disciplines (Arrowsmith & Parker, 2013; Robinson et al., 2004). The literature also calls for more qualitative studies and longitudinal research that can provide the breadth and depth of analysis required to understand a complex and dynamic concept as employee engagement.

Chapter 1 has provided the background for this research and identified knowledge gaps that are the focus for the research questions. The history of the development of the concept of employee engagement is reviewed and the evolution of understanding of this concept, to date, is summarised. The complexity of the concept, together with the diverse interpretations and controversy are explained; the practical difficulties of lack of agreed definitions, as well as the shortcomings of uni-disciplinary analyses are demonstrated.

This essential baseline forms the basis of the first stage of this research, in Chapter 2, which focuses on investigating the concept of employee engagement through the HRM lens.

Chapter 2

Understanding employee engagement through HRM: A review

The following chapter presents a study that forms Stage 1 of the research program for this thesis. It presents an integrative review of the employee engagement literature across the various disciplines, identifying the commonalities and the gaps in the current literature. This chapter revisits a substantial amount of Chapter 1 in order to address the current shortcomings of the engagement literature and also for journal publication purposes.

The aim was to better understand the meaning of engagement, its theoretical foundations, key determinants, and its role as a mediator in the HR-performance link. The findings in this integrative review assist to generate a new conceptual framework that will be used to guide the research agenda for stages 2 and 3 of the research program in this thesis.

What distinguishes the review in this chapter from Chapter 1 is that it adopts an HRM perspective to the current literature in an effort to unveil new ideas and research avenues. Engagement has yet to be scrutinised from a critical HRM perspective. Focus is given to obtaining a better understanding of the role that attitudinal concepts such as employee engagement play within the broader spectrum of HRM.

References for this chapter and each subsequent chapter are incorporated in the combined thesis list.

Funding

This research was supported by the Macquarie University Postgraduate Research Fund (MQPGRF). However, the funding body had no involvement in study design; analysis and interpretation of data; in the writing of the report; nor in the decision to submit the article for publication.

An earlier draft of Chapter 2 was presented as a paper at the following conferences;

- Frino, B., (2014), “Organisational level drivers of employee engagement – an integrative review of the literature”, Paper presented at 28th AIRAANZ Conference, ‘Work, Employment and Human Resources: The Redistribution of Economic and Social Power’ 5-6 February, Melbourne, VIC
- Frino, B and Markey, R (2015) “Understanding the HR-Performance link through employee engagement: an integrative review and research agenda” Paper presented at the International Research Symposium on ‘Sustainable HRM and Wellbeing’ (ACU, Sydney, 4-5 November)

This chapter has also been prepared and ready for submission to the ‘Human Resource Management Journal’ (UK).

Author contribution:

Ms. Elizabeth Frino was solely responsible for the design of the research, data collection, analysis and write-up of this paper. Professor Markey and Dr Sarina provided research supervision, feedback and editorial comments throughout.

2.1 Introduction

Identifying the underlying mechanisms through which HRM systems and practices influence performance remains one of the most pressing issues confronting HRM scholars and practitioners (Heffernan & Dundon, 2016; Jiang et al., 2012; Paauwe, 2009). Equally, employee engagement has become the single most significant issue occupying the executive boardroom and academic thought, owing to evidence that highly engaged workers bring many benefits to organisations. They are more productive (Paauwe, 2009; Truss, Shantz, et al., 2013), they are a dominant source of competitive advantage (Macey & Schneider, 2008b), and display improved personal wellbeing (Harter et al., 2003; Purcell, 2014). Consequently, achieving a highly engaged workforce has become a primary objective of organisations, who are constantly seeking ways of understanding and measuring engagement. This is commonly sought through the use of engagement specific HRM metrics to inform their organisational strategies and practices (Arrowsmith & Parker, 2013). The purpose of this chapter (stage 1 of the research project) is to consolidate the sparse literature on employee engagement, through an integrative review of the literature across the various disciplines. This chapter uses the HRM lens to review the current evidence on the determinants of engagement.

2.1.1 Challenges in engagement research

Despite employee engagement's expansive progress in the academic sphere, it still lacks conceptual and theoretical clarity. Just as research on the HRM-performance link is beset with problems of theory and methodology (Boselie et al., 2005), employee engagement is presented with its own challenges. It has emerged as a contested construct, whose meaning, causes and outcomes have mutated over the years (Truss, Shantz, et al., 2013).

Engagement has a wide and growing disciplinary reach, stemming from organisational psychology (OP), to other social sciences including HRM, management, organisational

behaviour, sociology, and the health sciences such as nursing. Research evidence on its antecedents and outcomes is concentrated mostly in OP but is also dispersed across other disciplines. However, interdisciplinary research collaborations are absent. Scholars often operate in isolation, confined to their own disciplinary methods for observation and analysis. The absence of comparison or application of ideas across disciplines has led to a lack of coherence, flow and exchange of ideas between the disciplines (Albrecht, 2012; Bakker & Demerouti, 2008). This lack of dialogue or collaboration means that the ideas of other valid frames of reference are neglected, consequently hindering advances in engagement research.

The aim of this conceptual paper is twofold. Firstly, it will bring cohesion to the autonomous engagement literatures through a multidisciplinary review. Secondly, to identify new research paths and opportunities for research that aims to enrich our understanding of the engagement concept and consequently the HRM-performance link.

This study is innovative in seeking to integrate and consolidate research methods and theoretical developments across disciplines to provide a new platform of research. The chapter will draw together the state of research on the key determining factors of engagement through a thematic analysis, and its associated links with organisational performance.

2.1.2 Research on HRM and performance

More recently, HRM research has moved beyond the macro level (organisational policy, procedures, strategy, structure) towards the micro level of analysis in seeking answers to the elusive ‘black box’ of HRM (Boxall, Ang, & Bartram, 2011; Boxall, Guthrie, & Paauwe, 2016; Chowhan, 2016; Jiang, Takeuchi, & Lepak, 2013; May et al., 2004). Scholars no longer assume a direct relationship between HRM and performance, recognising the possible mediating effect of motivational and behavioural attributes of High Performance Work Systems (HPWS) (Boxall et al., 2016; Godard, 2004). This new focus has turned the interest of HRM scholars towards engagement (from a labour process, critical management

studies, and collectivist standpoint), recognising its potential role as a mediator in the HRM-performance link.

Much of the engagement literature is grounded in the established field of OP, with emerging inquiry from HRM scholars (Alfes, Shantz, Truss, & Soane, 2012; Arrowsmith & Parker, 2013; Robinson et al., 2004; Truss, Shantz, et al., 2013).

Past research within the HRM discipline has placed very little explicit focus on employee engagement. For instance, employee engagement has traditionally been implicitly explored by HRM academics within analyses of the 'psychological contract' (Guest, Conway, & Dewe, 2004), 'high-performance' or 'high-commitment' work systems (Appelbaum, Bailey, Berg and Kalleberg 2000, cited in Arrowsmith & Parker, 2013), 'employee participation' and 'voice' (Budd, Gollan, & Wilkinson, 2010; Busck et al., 2010; Dundon, Wilkinson, Marchington, & Ackers, 2004; Knudsen, Busck, & Lind, 2011; Markey & Townsend, 2013; Rees et al., 2013).

This study will document the research across the various literatures regarding engagement's meaning and origins, and will also outline its conceptual and theoretical development.

The focus of this literature review will be on two disciplines; organisational psychology (OP) and HRM. While the engagement concept has stemmed from earlier motivation theorists such as Herzberg and Maslow, it has been examined and recognised through the banners such as job satisfaction or commitment. Indeed it was Kahn's seminal study in 1990 which gave independent life to the concept in the management sphere, officially coining the term 'personal engagement'. Since this time, research on engagement as a concept in own right has arisen and grown rapidly. While the research originated in management/organisational behaviour discipline, it was quickly surpassed by OP scholars,

where the research has been most prolific. This study will review the literature since engagement's formal inception in 1990 by Khan.

The study in this chapter begins with a brief account of the meaning and origin of employee engagement, tracing the key theoretical stages of development and foundations. Secondly, the key factors influencing engagement and associated outcomes are highlighted across the various literatures. Finally, the paper identifies a number of limitations of existing research and discusses these in pursuit of new ideas for research and theory development. The study highlights main areas and issues that need to be addressed in order for engagement research to advance. Achieving clarity and better understanding of the concept and its key determinants will subsequently increase our understanding of its role in the HR-performance link. The most significant observation made in this study is the important, but currently neglected, role of organisational context in engagement research.

2.2 Meaning and origins of employee engagement

Chapter 1 of this thesis highlighted that the notion of engagement is founded on early motivation theories, and has since evolved into various forms and meanings. Consequently, questions have been posed about engagement's uniqueness, and voluminous literature exists on other similar and related constructs such as job satisfaction and commitment. To date, however, no generally agreed definition of engagement exists within the literature. Kahn's seminal study referred to 'personal engagement' as the way employees connect with their work role and their cognitive and emotional expression of that (Kahn, 1990). Baumruk (2004) defines engagement as the way individuals are intellectually and emotionally committed to the organisation, while Christian et al. (2011, p. 97) deem engagement as a broad construct where the entire self invests holistically via cognitive, emotional, and physical energies. Amidst the range of definitions offered, two key terms often underpin the essence of employee engagement; 'emotion' and 'effort' at work. Some scholars have questioned engagement's uniqueness, claiming it to be a management fad and a repackaging of other

constructs, such as satisfaction and commitment (Bakker et al., 2011a; Harter et al., 2003; Robinson et al., 2004).

The criticism and doubt regarding engagement's conceptual identity was partly attributed to its early popularity and adoption among practitioners and industry consultants (Saks & Gruman, 2014). Academic scholars question the methods and approaches used by the practitioner community, damning them for embracing the latest fads, giving little regard to theory or evidence afforded by the scientific community (Anderson, Herriot, & Hodgkinson, 2001). MacLeod and Clarke (2009) highlight the distinction between the way the scholarly and practitioner communities regard employee engagement. They note that most practitioners regard engagement as something that is *done* to employees (behavioural) while academics claim engagement is *experienced* by individuals (state or trait). Indeed, HRM academics typically view engagement as 'a state of being' that management strategies and approaches can affect. This implies a behavioural component to the meaning of engagement.

Empirical evidence to date verifies engagement as a distinct and valid construct, formed by a set of tightly integrated and interrelated constructs. After a lengthy series of debate, discussion and research amongst the engagement literature, engagement is often viewed and accepted as a latent motivational construct, with a multitude of dimensions (Christian et al., 2011; Hallberg & Schaufeli, 2006; Macey & Schneider, 2008b; Robertson-Smith & Markwick, 2009; Saks, 2006; Schaufeli et al., 2006; Seppala et al., 2009; Simpson, 2009). Various models/theories refer to engagement as a psychological state, trait, or a behaviour (or a combination of these) (Rich et al., 2010). Some models proposed employee engagement to contain two dimensions, with engagement 'behaviours' influencing the 'state' of engagement and subsequently impacting on performance outcomes or 'consequences' (Macey & Schneider, 2008b). The evolution of the engagement construct and its theoretical development has been collated in this study and are summarised in Table 2.1 below.

Table 2.1: Conceptual and theoretical phases of employee engagement, 1990 – 2017

Phase	Theory	Engagement Conception	Key assumption(s)
1: Kahn (1990)	“Personal Engagement” (Kahn, 1990)	Personal Engagement	Founded on Motivational Theories. Various aspects of the self in a work role. Broader approach - multiple characteristics of the work environment and the individual employee
2: Burnout Thesis (1996-2001)	<ul style="list-style-type: none"> • Maslach Burnout Inventory (MBI) (Maslach, Jackson & Leiter, 1996) • Job Burnout Model (Maslach, Schaufeli & Leiter, 2001) • Job Demands-Resources Model (JDR) & JDC (Support) Model (Bakker and Demerouti, 2001) 	<ul style="list-style-type: none"> • Job Engagement • Job engagement • Work engagement 	<p>Engagement is opposite of Burnout (burnout and engagement related to level of match between individual and elements of job environment).</p> <p>Engagement not viewed as polar opposites in JD-R model</p>
3: Positive Psychology Movement (2004-)	UWES (Utrecht Work Engagement Scale) (Schaufeli and Bakker, 2004)	‘Work’ engagement	Positivist approach to engagement
4: Practitioner effect (2002-2010)	<ul style="list-style-type: none"> • Satisfaction-engagement (Harter, Schmidt and Hayes, 2002) • Kingston Engagement Consortium’s Model of Engagement (Alfes et al, 2010) • Conceptual paper (Macey and Schneider, 2008) 	<ul style="list-style-type: none"> • Job engagement • Employee engagement • Employee engagement 	<ul style="list-style-type: none"> • Designed for practitioners – focus is on ‘drivers’ of engagement • Brings academic rigour to a model with a practical and universal application. • Acknowledges multidimensionality of engagement
5: Broader Approach – Cross disciplinary movement (2006-)	<ul style="list-style-type: none"> • SET-Social Exchange Theory (Saks, 2006) • 7Ps Model of Work Practices (Langford et al, 2009) • JES-Job Engagement Scale (Rich et al, 2010) 	<ul style="list-style-type: none"> • ‘Job’ and ‘Organisational’ engagement • Employee engagement • PeFtablersonal (job) engagement 	<ul style="list-style-type: none"> • Considers organisational context and recognises temporal nature of engagement. Symbiotic relationship – good treatment by employer reciprocated by higher engagement. • Multidimensional approach to engagement (broader social and organisational context). Reciprocal nature of engagement with its outcomes. • 3 dimensional scale based on Kahn’s model and definition of engagement.
6: Back to the Future? (2009-)	Meaningful work (Kahn revisited) (Chalofsky, 2009; Shuck and Rose, 2013; Fairlie, 2011; Soane et al, 2013)	Employee engagement	Broader approach which considers the importance of workplace environment, (social) context, and culture and ties this with meaningfulness and motivation.

Table 2.1 exhibits the four key dimensions of personal engagement, work engagement, employee engagement, and burnout/engagement. The table outlines the models of employee engagement that have been proposed at various stages since its inception. Phase 1 is Kahn's founding model of Personal Engagement, built on the work of motivational theorists and the notion of needs satisfying (Kahn, 1990). The degree to which each of the three conditions of 'meaningfulness', 'safety', and 'availability' is fulfilled determines the level of employee engagement or disengagement at work. Kahn's model adopts a more general approach to engagement that considers the individual, the work context, and antecedents outside of work engagement.

Phase 2 adopts a narrow approach, focusing on the individual in their specific job or work role. This stream of literature narrowed the focus of employee engagement to the job. Job engagement was viewed as the positive antithesis of burnout (Maslach et al., 2001). This school of thought viewed engagement to be characterised by high energy (as opposed to exhaustion), high involvement (as opposed to cynicism) and efficacy (as opposed to lack of efficacy). The Job Demands-Resources model (JD-R) was developed under this school of thought, proposing that employees with higher job resources than demands become engaged, whereas higher job demands than resources leads to burn out (Demerouti et al., 2001). The JD-R model also stipulates the circumstances where engagement affects various outcomes (such as performance, retention, or innovation). In this way, job resources function either in an inherent motivational role (through nurturing growth, learning and development), or extrinsically (by achieving goals) (Bakker & Demerouti, 2008). The Job Demand Control-support model (JDC-S) extended the JD-R model to incorporate mental strain and social support in a workplace context (Häusser, Mojzisch, Niesel, & Schulz-Hardt, 2010). Subsequent research refuted engagement and burnout as complete opposites (Crawford et al., 2010; Schaufeli & Bakker, 2004).

Phase 3 underwent a more positivist approach to engagement, influenced largely by the growth in the positive psychology movement. Much of the research in this phase was based on the Utrecht Work Engagement Scale (UWES) (Schaufeli et al., 2002). Work engagement is viewed here as an attitude or a state of accomplishment with high levels of energy and mental flexibility (vigour), being fully concentrated and immersed in your work (absorption), and experiencing significance, pride and challenge (dedication).

Phase 4 represents a return to a broader conceptualisation of engagement, recognising the organisational and social dynamics and the multidimensionality of engagement. The literature in this phase of research was driven by practitioners with an emphasis on the drivers of engagement. Some of these models and concepts consequently lacked the same level of scientific rigour used by the scholarly community. For example, the Gallup Workplace Audit (QWA) is an employee engagement survey instrument based on the engagement model by (Harter et al., 2002). This model identifies four antecedents of employee engagement based around employee perceptions of work characteristics, though overlaps with existing concepts such as job involvement and job satisfaction. Another example is the Kingston Engagement Consortium, using more rigorous methods to create a model with practical application (Alfes et al., 2010). The consortium formulated a model of employee engagement that identified the key drivers of engagement that create a virtuous cycle of engagement processes that employers can reinterpret in ways that fit with their own organisational context and circumstances (Alfes et al., 2010).

Phase 5 is the first stage of theory development that offers a broader approach to engagement and displays signs of cross-disciplinary research. HRM scholars contribute through a broader theoretical framework, positing that an individual's level of engagement is on a continuum, changing according to alterations in their situations and environment (Fletcher & Robinson, 2014). Social Exchange Theory (SET), for example, argues that engagement is a series of exchanges between parties at work that create a state of reciprocal

interdependence (Saks, 2006). More recently, the 7Ps model offers a multidimensional approach to the analysis of engagement and its antecedents and outcomes. It comprises five higher order work systems of 'Purpose', 'Property', 'Participation', 'People', and 'Peace' which impact on two outcomes coined 'Passion' (or engagement) and 'Progress' (Langford, 2009, 2010). The model is capable of investigating the correlation between 25 distinct management practices and real performance outcomes.

Phase 6 of theory development marks a return to engagement's origins, emphasising the importance of culture and context (social and workplace environment) and Kahn's notion of meaningful work (Fairlie, 2011; Shuck & Rose, 2013). For example, Chalofsky and Krishna (2009) develop a conceptual framework of the relationship between commitment and engagement by adopting the notion of meaningful work, and place this within the context of workplace environment and culture.

Employee engagement now covers a sparse nomological network, covering diverse theoretical and empirical frameworks. Both Kahn's model and the burnout theory have been empirically tested and confirmed (May et al., 2004). Other theories have attempted to address the temporal nature of engagement; from the satisfaction-engagement approach (Harter et al., 2002; Harter et al., 2003), to SET (Saks, 2006), and recently to the multidimensional approach of the 7Ps model (Langford, 2009). While they have contributed to our understanding of employee engagement, a common theoretical framework remains lacking.

2.3 Factors influencing engagement

Uncertainty also remains over key factors that impact on employee engagement, with various studies identifying some factors as more significant than others. The range of factors include: organisational identity, alignment of individual and company goals, the nature of the job, employee voice, career growth opportunities, employee development, co-worker relations, and relationship with manager/supervisor. Most notable is the recognition that there

is no 'one size fits all' approach to engagement, largely because of the different emphasis and value placed by each employee (Albrecht, 2012). Despite the lack of a universal set of factors, the literature is distinguished by three streams when conducting a quantitative analysis of engagement's key determinants. These include the 'job demands versus job resources' (as per the JD-R model), 'individual versus organisation level factors', and 'situation and context'.

The notion that the design of a job has motivating potential was most often tested using the JD-R, due to its practical applicability and simple delineation between 'demands' and 'resources' (Britt, 1999; May et al., 2004). Empirical support was found for the effects of task variety, task identity, task significance, task autonomy, and feedback. A study of Finnish teachers specifically identified job control, access to information, support by supervisors, and social climate (Hakanen, Bakker, & Schaufeli, 2006). May et al. (2004) identified factors such as job enrichment, work role fit, supportive work relations, and availability of resources. These factors identified support Kahn's idea that three psychological conditions required in order for engagement to occur include; meaningfulness, safety and availability. As an extension of this, actions of managers (variety, significance, autonomy and feedback) also affected engagement levels (Shantz et al., 2013).

Several studies identify the congruence between individual and organisational values (Rich, et al 2010) to be a strong predictor of engagement. Researchers from the Voice Project consistently identified a number of practices impacting engagement and organisational outcomes. The more significant of these were clear organisation direction, strong results focus, belief in organisational mission and values, and promoting organisational successes. Other practices included; managing change well, ethics, trust in senior management, recruitment and selection, learning and development, involvement in decision-making, rewards and recognition, performance appraisal, career opportunities, resources and processes (Langford, 2010; Langford et al., 2006). The UK Employee Engagement Consortium

identified factors such as meaningfulness of work, person-job fit, voice, line management, senior management communication, and a supportive work environment (Alfes et al., 2010).

2.3.1 Organisation versus individual

Wollard and Shuck (2011) identified 42 antecedents of engagement; half of these were centred around individual antecedents (such as optimism and self-esteem) and the remaining half were based on organisational factors (such as feedback and a supportive organisational culture). Further, the job demands-resources (JD-R) model considers job resources (autonomy and performance feedback) and personal resources (self-efficacy and optimism) as antecedents of work engagement (Bakker & Demerouti, 2008). Understanding the various antecedents can facilitate employees in becoming engaged.

Amongst the practitioners, Robertson-Smith and Markwick (2009) identified seven of the most commonly cited drivers of engagement to be the nature of the work, work with meaning and purpose, opportunities for development, recognition and rewards, respectful relationships, open two-way communication systems, and inspirational leadership. The Gallup Organisation's Q12 identified four antecedents of engagement: clarity of expectations and the provision of materials and equipment, a sense of contribution to the organisation, feeling of belonging to something beyond yourself, and opportunities to grow and discuss progress. The Conference Board identified common drivers as pride in one's company and relationship with his/her immediate manager (Gibbons, 2007). Engagement levels are also recognised to vary based on the various biographical and personality characteristics of employees, seniority, occupation, and even length of service in an organisation (Kim, Shin, & Swanger, 2008).

2.3.2 Situation and context

This is a new and growing stream of research, showing signs that engagement is subject to the situation or context in which it is present. For example, several studies show

that employee engagement is the result of various aspects of the workplace, and perceived working conditions (Anitha, 2014; Harter, Schmidt, Asplund, Killham, & Agrawal, 2010; Rich et al., 2010). Deci and Ryan (1987) claim that supervisors who foster a supportive work environment enhance creativity and perceptions of safety. Studies have also confirmed the impact of organisation level variables on engagement, such as perceived organisational support and procedural justice, alignment of individual and organisational values, co-worker relations, and rewards and recognition (Albrecht, 2012; Boon, Den Hartog, Boselie, & Paauwe, 2011; Knight & Haslam, 2010).

Saks (2006) study of antecedents were found to be job characteristics, perceived organisational support, perceived supervisor support, rewards and recognition, procedural justice and distributive justice. A meta-analysis of drivers of engagement identified feedback, autonomy, social support and organisational climate to be linked with engagement (Halbesleben, 2010). Research has also examined the link between job design and engagement (Salanova & Schaufeli, 2008), and between justice and engagement (Biswas, Varma, & Ramaswami, 2013).

To date this stream of research is disparate, and has lacked any set theoretical underpinning or rationale. However, the evidence to date is sufficient to warrant further consideration of context and situational influences as an influencing factor engagement.

2.4 Engagement and performance

The evidence confirming engagement's unique predictive capabilities is mounting, with several studies displaying a meaningful link between high engagement and performance (eg, Buckingham & Coffman, 1999; Harter et al., 2003; Kim, Kolb, & Kim, 2013; Rayton et al., 2012; Xanthopoulou, Bakker, Demerouti, & Schaufeli, 2009). The work related performance outcomes include lower turnover, improved productivity, enhanced customer loyalty, staff retention, lower absenteeism, job satisfaction, customer satisfaction, better safety (eg, Halbesleben, 2011; Macey & Schneider, 2008b; Rich et al., 2010; Saks, 2006). Gallup's

large-scale meta-analyses consistently find positive concurrent and predictive relationships between employee attitudes and business outcomes (Harter et al., 2002; Harter et al., 2003). A meta-analysis of 152 organisations by Harter, Schmidt, Killham, and Agrawal (2009), at the business unit level, found a relationship between employee engagement and each of nine performance outcomes including: customer loyalty/engagement, profitability, productivity, turnover, safety incidents, shrinkage, absenteeism, patient safety incidents, and quality (defects).

Despite advancements in research on engagement and performance outcomes, scholars still face challenges, particularly regarding the level of analysis: individual versus work unit versus organisational – both in role and contextual (Christian et al., 2011; Rich et al., 2010; Saks, 2006). Macey and Schneider (2008a) call for broader models to help describe the phenomenon. They turn to the typology of engagement behaviour by Griffin, Parker, and Neal (2008), which distinguishes between individual, team, and organisational referents, to establish how engagement behaviours combine to create organisational effectiveness. Another study of 800 business units, across two organisations, found both employee engagement and gender diversity independently predict financial performance at the business-unit level (Badal & Harter, 2013). A novel, multidimensional approach was adopted by Mingo and Langford (2008), drawing on a range of HRM practices to assess their relative effectiveness for predicting HR-related and organisational outcomes. This approach was in recognition of the complex and multifaceted nature of employee engagement. The study found the strongest partial correlations with ‘Purpose’ and ‘Participation’, and a strong relationship with ‘Property’ (job resources) (Mingo & Langford, 2008).

2.4.1 Engagement as a mediator

Much of the research on the HR-performance link to date has traditionally adopted a macro level approach, with scholars using an aggregate HR-practices score to assess the impact of HRM practices on performance outcomes at the organisational level (through HRM

practices or HRM bundling) (eg, Boselie et al., 2005; Guest, Michie, Conway, & Sheehan, 2003; Huselid, 1995; Wright, Gardner, Moynihan, & Allen, 2005). Recent research has moved towards a micro level of analysis suggesting the relationship is most likely mediated by attitudinal and behavioural variables which (eg, Harter et al., 2002; Kehoe & Wright, 2013; Macky & Boxall, 2007; Truss, Shantz, et al., 2013). The role of engagement as a mediator between HRM and performance has emerged as a strong contender (eg, Alfes et al., 2012; Alfes, Truss, Soane, Rees, & Gatenby, 2013). This research is premised on the notion that HRM systems affect both the psychological climates of individuals and teams of employees and the broader organisational context in which they are embedded (Nishii, Lepak, & Schneider, 2008). When viewed as a mediating variable, engagement is potentially able to explain how contextual variables influence important organisational outcomes.

Initial quantitative research exploring the link between HRM, engagement, and performance shows promise (Alfes et al., 2012; Alfes et al., 2013; Messersmith, Patel, Lepak, & Gould-Williams, 2011; Piening, Baluch, & Salge, 2013). For example, a study of firefighters found that engagement mediated the relationship between value congruence, perceived organisational support, core self-evaluations, task performance, and OCB (Rich et al., 2010). Support for the mediation hypothesis was confirmed by Patterson et al. (2004) who showed that company productivity was more strongly correlated with aspects of organisational climate that had stronger satisfaction loadings. These findings are consistent with the meta-analysis by (Christian et al., 2011) the mediating effect of engagement on the relationship between job characteristics, leadership, personal traits, task performance, and OCB.

A handful of studies have now explored various mediating variables. Using SET, Saks (2006) identified employee engagement to be a partial mediator of the relationship between engagement's antecedent variables (such as job characteristics, rewards and recognition, perceived organisational and supervisor support, distributive and procedural

justice) and consequences (Schaufeli & Bakker, 2004; Sonnentag, 2003). Findings by Salanova et al. (2005) were consistent with the mediation effect, identifying organisational resources and work engagement as a predictor of service climate, in turn predicting employee performance and customer loyalty.

The mediating role of engagement between job and personal resources and positive outcomes (such as organisational commitment) is also becoming apparent (see for example, Hakanen et al., 2006; Llorens, Bakker, Schaufeli, & Salanova, 2006; Patterson et al., 2004; Scrima, Lorito, Parry, & Falgaes, 2013). Engaged employees who have many resources available to them appear to perform better, and are also claimed to create their own job resources over time, benefiting both the individual and the organisation. Schaufeli and Bakker (2004) tested a model among four samples from different types of service organisations, confirming engagement's mediatory role. Similarly, a study by Salanova et al. (2005) found work engagement played a mediating role between job resources and service climate and job performance.

D'Amato and Zijlstra (2008) used a heuristic framework to study the influence and interactions of personal and environmental (organisational) factors on individual's behaviour and its outcomes. Their findings support the notion that work behaviour mediates the relationship between these antecedents and work/performance outcomes. They highlight that more focus is required to test comprehensive models of the joint psychological effect of individual and organisational-based variables for both the person and their working environment.

2.4.2 The importance of 'context'

Scholars recognise that HRM systems affect both the psychological climates of individuals and teams of employees and the broader organisational context in which they are embedded (Nishii et al., 2008). Johns (2006, p. 386) defines context as "situational

opportunities and constraints that affect the occurrence and meaning of organisational behaviour as well as functional relationships between variables”. Organisational context involves exploring the situational factors that affect individual attitudes, social behaviours, and interactions. That is, the employee perceptions of the organisation, their working conditions and the quality of management. Contextual factors may include: management strategies, workplace environment (climate and culture), HRM and business strategies and policies, economic conditions, and business unit and team structures, cultural norms, and institutional practices.

These factors are commonly modelled as ‘situational factors’ (as distinct from ‘individual factors’) in the work psychology literature. For example, JD-R theory takes into account wider concerns through the notion of ‘job demands’ and ‘job resources’ (Schaufeli & Taris, 2014). Job resources can refer to the *work group and relations* which bear resemblance to situational factors (leadership and support from colleagues and supervisors), *work organisation* (role clarity, work autonomy, information and employee involvement) and the *organisational level* (career and development opportunities, work safety) (Bakker & Demerouti, 2014; Bakker et al., 2007; Christian et al., 2011; Crawford et al., 2010; Demerouti et al., 2001; Idris & Dollard, 2011; Nahrgang, Morgeson, & Hofmann, 2011; Xanthopoulou, Bakker, Heuven, Demerouti, & Schaufeli, 2008). The concept of the workplace ‘psychological safety climate’ is also relevant (Bradley, Postlethwaite, Klotz, Hamdani, & Brown, 2012; Dollard, Tuckey, et al., 2012; Law, Dollard, Tuckey, & Dormann, 2011). Perception of organisational politics is another contextual factor seen as impacting individual engagement (Crawford et al., 2010).

The multidimensionality of engagement warrants consideration of broader issues such as the social and environmental ‘context’, including how employees perceive their working conditions and management approaches (Craig & Silverstone, 2010). Macey and Schneider (2008b) posit engagement to be the consequence of the interaction between one’s disposition

and environmental conditions. These conditions refer to issues that extend beyond the immediate factors, processes and relations of each individual towards the social and environmental 'context'. These dynamics must be the focal point in order to understand how they manifest into attitudes and behaviours (employee engagement) and outcomes (performance) at the individual, group and organisational level. The employee engagement construct is an ideal example of its malleable state, particularly by contextual factors. Context can have both subtle and powerful effects, either as a main effect or otherwise interact with personal variables to affect organisational behaviour (Johns, 2006).

Rousseau and Fried (2001) expressed the lack of focus on 'organisation' in organisational behaviour research, inviting scholars to construct research and theory development with greater attention to the variability that underlies the phenomena studied and how context plays a role in this. Rousseau and colleagues highlight the important role context plays in relation to research on testing bundles of HRM practices within an organisation. The tendency of such practices to co-occur suggests it may be difficult to interpret the connections between certain components in isolation without a consideration of contextual effects. This issue had not completely been neglected in engagement research, with the founding theorist, Kahn, recognising the need to observe the interaction between variables in the individual domain and collective domain (Ostroff, 1993). Kahn argued that relationships at work should be a primary factor as they shape one's work experiences, providing insight into relationships at work as a fundamental source of people's attachments and engagement at work (Kahn, 2007).

Purcell (2014) bemoans the lack of consideration of context in engagement studies, arguing issues about workplace conditions and benefits, pay, and social interactions are given inadequate recognition as influencing factors. Purcell alleges the idea of indoctrinating employees on aligning and achieving organisational goals is a dangerous reduction of work relations to individual attributes, showing no recognition of interpersonal relations nor the

conditions or systemic factors which impact on employees. Godard (2014) cautions the psychologisation of employment relations, whereby motivation are attributed to individual or interpersonal phenomena. Until recently, organisational context as an underlying phenomenon remained largely ignored. As an example in support of this, Diestel, Wegge, and Schmidt (2014, p. 373) argue that “the social and normative expectations within the immediate environment constitute relevant boundary conditions that may have a higher explanatory power”. Indeed, their research found that only under specific contextual conditions do satisfaction levels predict individual absenteeism. Similarly, Meneghel, Borgogni, Miraglia, Salanova, and Martínez (2016) confirmed that collective perceptions of social context act as antecedents of individual variables.

Several scholars now call for a broader perspective that overtly contemplates contextual cues and stimuli at the organisational level when predicting performance on the basis of individual attitudes and behaviours (Griffin, 2007; Johns, 2006). This is premised on the idea that organisations overt and implicit signals to employees about the extent to which they are valued and trusted, giving rise to employee feelings of obligation, who reciprocate through positive behaviours (Rees et al., 2013). Anitha (2014) claims that a meaningful workplace environment that aids employees to focus on work and interpersonal harmony is more likely to foster higher engagement levels. Understanding this context is required to assess how employees perceive their working conditions and management approaches and its impact on engagement.

HRM scholars recognise that HRM systems affect the psychological climates of individuals and teams and the broader organisational context in which they are embedded (Nishii et al., 2008). Arrowsmith and Parker (2013) assert that the HRM goals of employee commitment and performance need not preclude a critical and pluralistic understanding of work and management. Employee engagement is a collective activity (focusing on work groups not just individuals) (Little & Little, 2006; Purcell, 2014) and a ‘two-way street’. In

order to add values employees must also feel valued by their organisation (Craig & Silverstone, 2010). HRM scholars are exploring engagement more intently in recent years, though the societal and contextual implications of engagement have yet to be considered (Truss, Shantz, et al., 2013). In a rare case, Townsend, Wilkinson, and Burgess (2013) examine engagement strategies within the context of wider discussions of the employment relationship.

2.5 Overall insights of employee engagement literature

The review confirms employee engagement's potential as the new approach to understanding HRM's role in delivering performance (Truss, Shantz, et al., 2013; Wright, Gardner, & Moynihan, 2003). This provides a novel platform to inform and develop future HRM research. Similarly, the HRM discipline has much to offer the engagement literature, through its diverse perspectives and broader approach to research. The most notable finding of the integrative review was the emergence of engagement's mediating role in the HRM-performance link (Rich et al., 2010). This notion is premised on the view that HRM systems affect the psychological climates of individuals, teams of employees, and the broader organisational context in which they are embedded (Nishii et al., 2008; Schneider et al., 2017).

The engagement construct is riddled with challenges that have hindered research efforts seeking to answer the most sought after question, 'What factor(s) influence an employee's level of engagement?' However, these challenges can be overcome if the following limitations are addressed.

Firstly, employee engagement research adopts a narrow methodological approach, mostly quantitatively driven, relying on cross-sectional survey data to measure engagement. Their reliability and validity are questionable as surveys are often self-reporting, capture retrospective information based on a particular point in time, suffer from common method

bias and do not necessarily measure all components of a construct (Cote & Buckley, 1987). Such scales capture an employee's 'perception' of self at work but fail to adequately assess actual emotional or physical engagement (Macey & Schneider, 2008a). Further, the reliance on one type of methodology for assessing both predictor and outcome constructs can be a source of systematic error in behavioural research (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003; Shuck et al., 2011).

OP research is centred on measurements, understanding scale development, and relies on quantitative, cross-sectional data, and bound to existing (core) psychological theories. On the other hand, HRM research gives more consideration of contextual issues, and has a stronger focus on current practice and outputs (outcomes, performance), using quantitative and qualitative methods (such as the case study). It relies on quantitative data and longitudinal data (where possible) (performance data, KPI data, survey data), with interest in implications for practitioners, organisation policy and strategy. HRM's potential contribution to engagement research is in incorporating more qualitative research and longitudinal data and analysis. This is likely to enrich engagement research, reduce potential biases and errors, and provide more depth to a complex construct (Kahn, 1990). Longitudinal research is capable of testing theoretical and alternative causal explanations associated with measuring phenomena that change over time and in contexts that also change (de Lange et al., 2008). Kahn called for the development of dynamic process models explaining how antecedent conditions combine to produce moments of personal engagement (Kahn, 1990). A more considered distinction between the engagement experience and the antecedents and consequences of engagement can also be drawn out by the case study analysis (Weiss & Rupp, 2011).

Secondly, engagement has yet to take advantage of its multidisciplinary reach. While there has been an abundance of engagement research within disciplines, there has been little effort to integrate the research across the various disciplines. Widely disparate streams of scholarly research emanate throughout various disciplines, each operating in isolation and

creating a silo effect (Albrecht et al., 2015; Shuck, 2011). There is little evidence of multidisciplinary research, potentially limiting the generation of new ideas that could enrich our understanding (Padgett, 2016). Indeed, the literature review found that the majority of engagement research is confined to applying a single theoretical perspective in a given study, at the exclusion of others. This potentially leads to incorrect conclusions regarding the importance of a particular influencing factor or theoretical assumption. Research is therefore fragmented and incommensurable even in the translation of terminology that the very concepts express. Future research must adopt a broader lens through which engagement is viewed, measured and tested. The key assumptions and theoretical frameworks across the disciplines must be considered in unison, in order to form a more coherent approach. Importantly, we are now seeing the early stages of cross disciplinary research by HRM scholars which has unveiled some useful insights and gaps, especially in the link between employee engagement, wellbeing and performance (Truss, Shantz, et al., 2013).

Thirdly, studies often place the individual employee as the focal point, with little consideration of the workplace environment or context. The emphasis is mostly on micro issues surrounding employee characteristics such as attitude, competence and behaviour (Edvardsson & Gustavsson, 2003). This single line of inquiry is a common approach adopted by OP scholars (Balain & Sparrow, 2011; Truss, Shantz, et al., 2013). However, it is becoming increasingly apparent that engagement is not simple or linear and rather dependent on an array of complex interrelations between parties, practices, and various workplace settings (Purcell, 2014). Importantly, the HRM discipline has something unique to offer the engagement literature, given its traditional roots in the study of organisation, its environment and the individual within it (Watson, 2010).

This paper supports the notion that attitudinal variables are potentially the conduit between HRM practices and outcomes and that a more targeted focus on the organisational context is required. That is, work environment influences attitudes and these attitudes

influence turnover and performance (Jackson & Schuler, 1995). Oswick (2015) observes that, when viewed from the perspective of the individual employee, employee engagement is a largely ‘intrinsic factor’ which is self-determined, but might be stimulated by ‘extrinsic factors’ (e.g. workplace attributes, social relations etc.). Parker and Griffin (2011) found that only certain parts of work performance are prompted and sustained by engagement, suggesting the need to consider how both context and individual differences moderate the link between engagement and performance.

2.6 Summary

The HR-performance link continues to perplex scholars, with employee engagement offering much potential to help unravel the ‘black box’ of HRM. Its micro level focus offers new insight into a typically macro level topic. Conversely, this paper confirms the need to shift from the micro level processes and policies in order to advance our understanding of engagement’s antecedents and influencing factors, towards an examination of the wider organisational context. The employee engagement construct itself is complex and at present is not completely captured by one theoretical perspective or empirical approach. Employee engagement does not mean the same thing to everyone in every organisation, nor is it experienced in the same way. Consequently, Parker and Griffin (2011) call for a broader approach to the study of engagement that considers other connections in its ‘wider nomological network’. More understanding is required of how, when and why engagement is shown to influence performance, by giving more attention to contextual factors and the type of work performance.

Given engagement’s multifaceted features, this study advocates the need to contextualise existing theoretical perspectives of engagement within a broader framework. Several existing theoretical models are potentially capable of incorporating the contextual elements. Kahn’s engagement concept provides a more comprehensive understanding of performance as it accounts for the simultaneous aspects of the self in a work role and

considers the role of the social context and the organisational setting (May et al., 2004; Rothbard, 2001; Salanova et al., 2005; Schaufeli et al., 2002).

The potential of Kahn's theory has never been fully realised, and recent scientific and technical advancements in behavioural and social science research have opened up new avenues to explore and test the more complex associations of engagement. The framework of SET also shows promise and is worthy of further consideration. The multidimensional capability of the 7Ps model of work practices is capable of providing a meso-level of analysis in order to pinpoint which (combination of) factors impact on employee engagement, and how this translates to improved performance.

Bakker et al. (2011a) note that engagement is at a crossroads and presented with two avenues. The first is to continue along the path of generating new research and practice amongst the narrow and singular disciplines, albeit disconnected, using the wide variety of models and measures currently available. The alternate path is to provide a unifying theoretical platform by building on the existing foundation of knowledge through a consolidation of the various literatures. This review supports the latter notion, proposing a multidisciplinary approach to engagement that will broaden the analysis beyond singular discipline areas, provide synergy to a currently fragmented pool of research. This new approach is open to new ideas and adds a freshness that will likely create a new dialogue which considers the different disciplinary lenses at all levels of analysis. A pursuit of the narrow and linear paths of inquiry across various disciplines will only continue to produce fragmented research that offers little in the form of advancement. The multidisciplinary approach permits one to borrow insights from different disciplines that serve to better comprehend employee engagement as an organisational phenomenon. Incorporating a specific approach or method from one discipline may offer insight and create a novel idea that would otherwise be overlooked in another discipline. This cross-fertilization of ideas and

paradigms will stimulate academic debates and forge commonalities that will subsequently inform the respective disciplines (Hassard & Pym, 1990).

Addressing issues using a different lens is an important step forward. HRM has much to offer with its focus on issues using a broader perspective, giving more consideration to workplace dynamics, practice, policies, and output (Watson, 2010). A form of collective expertise can be formed by combining the specialist expertise from OP with the different avenues offered by HRM to understand how the work environment shapes employee attitudes and values (Jackson & Schuler, 1995). For example, the literature recognises the need for qualitative methods in advancing engagement research. Qualitative research is common research practice within the HRM discipline. Building on consensus will create research prospects that redress the fundamental issues confronting engagement in a consistent and coherent manner. Melding and enhancing the more useful theories can potentially create a new conceptual framework.

A multidisciplinary approach to engagement also has benefits for HRM research. HRM has traditionally been preoccupied with the broader systems and organisational processes of work. Yet engagement's focus on behavioural and attitudinal concepts potentially offers a new avenue of research and insight into the dynamics and processes of organisations and its people. This is particularly relevant for the long debated 'black box' of HRM. While in its embryonic stages, research exploring engagement's mediating role in the HR-performance link has emerged and is beginning to show promise. When viewed as a mediating variable, engagement is potentially able to explain how contextual variables influence important organisational outcomes.

Chapter 3

Quality of work environment (QWE) as a determinant of employee engagement

Following the review of the concept of employee engagement in the previous chapter, Chapter 3 addresses the lack of focus on the contextual factors that are claimed to play an important role as a determinant of engagement. This chapter therefore responds and tests for contextual factors using the traditional quantitative method. This stage of research forms the first component of the mixed methods analysis adopted in this thesis. It offers a rigorous analytical approach, using the traditional quantitative method, but extends the quantitative research by tackling the engagement issue from a broader perspective. That is, it gives emphasis to the primacy of ‘context’, arguing that the quality of the work environment (QWE) can be a significant determinant of engagement. Current research examining situational or contextual factors is fragmented and often considered in isolation. This study aims to extend the knowledge and theory of employee engagement by developing a conceptual framework that captures the contextual and organisational factors affecting employee engagement in a more integrated manner.

Earlier drafts of this chapter were presented as a paper at the following conferences;

- Frino, B and Markey R (2015) “The relationship between the quality of work environment (QWE) and employee engagement: a quantitative analysis” paper presented at 50th APS Golden Jubilee Annual Conference, Sept-Oct 2015, Gold Coast, QLD
- Frino, B and Markey ,R (2016) “The impact of the working environment on employee engagement: a preliminary quantitative analysis”, Paper presented at 30th AIRAANZ Conference, ‘Building Sustainable Workforce Futures’ 10-12 February, Sydney, NSW

- Frino, B and Markey, R (2016) “Quality of Work Environment (QWE) as a determinant of Employee Engagement: A Quantitative Analysis” Paper presented at the 2nd International Research Symposium, ‘Social identity in the Workplace and Employee Engagement’ (ACU, Sydney, 3-4 November 2016)

This chapter has also been prepared and ready for submission to the ‘International Journal of Manpower’.

Author contribution:

Ms. Elizabeth Frino was solely responsible for the design of the research, data collection, analysis and write-up of this paper. Professor Markey and Dr Troy Sarina provided research supervision, feedback and editorial comments throughout.

3.1 Introduction

Employee engagement is viewed and accepted as a driving force in delivering positive organisational performance and competitive advantage (Wah, 1999). As a result, understanding how to make a worker more engaged has become the focal point of practitioners and the business community. The scholarly literature too is filled with studies seeking to identify the key factors which lead to a highly engaged employee (Gruman & Saks, 2011). However, research findings have not brought clarity as they have offered an extensive suite of answers, making it difficult for managers to determine their course of action. Employee engagement is a relatively new concept, but already extensively explored. It is defined by Kahn (1990, p. 694) as “the harnessing of organization members’ selves to their work roles... [how] people employ and express themselves physically, cognitively, and emotionally during role performances”. This study adopts Kahn’s definition due to its broader conceptualisation, giving consideration to both the individual and the work context.

Engagement research has been heavily entrenched in the principles and practice of organisational psychology (OP), though it is now expanding to other social science disciplines such as human resource management (HRM), organisational behaviour (OB), sociology, and even the health sciences. Ironically, each discipline is seeking the answer to the same question. “What factors cause employee engagement to increase?” Past research has been focused heavily on individual attributes to explain behaviour, concentrating on micro level concepts and positivist paradigms. This is standard research practice by the OP discipline. However, a small but growing body of literature from alternate disciplines is recognising the importance of considering contextual factors and situational influences and how they interact to affect employee engagement (Albrecht, 2012; Alfes et al., 2012; Griffin, 2007; Jenkins & Delbridge, 2013; Richardson & West, 2010). These researchers argue that a narrow focus potentially overlooks other possible influences, especially contextual dimensions such as

opportunity and constraint (Johns, 2001; Mowday & Sutton, 1993), where a set of factors are considered together rather than in isolation (Griffin, 2007; Parker & Griffin, 2011; Rousseau & Fried, 2001). This is what Dollard, Tuckey, et al. (2012) call the interaction hypothesis, while in social science disciplines (HRM, OB, and Organisation Studies), this is referred to as the contextual approach. This paper therefore offers something new by extending the analysis of 'context' through the concept of QWE. QWE is an improvement because it focuses not just on individuals or individual components of contextual factors, but dynamically on groups, organisations and also by incorporating a collection of various contextual factors to the study of employee engagement.

Context is what Johns (2001) refers to as the stimuli or phenomena that surround the individual, and exist externally to the individual. These stimuli can be in the form of various dimensions relating to information (job roles, ambiguity), task (autonomy), physical (safety), and social (norms and expectations). Organisational context is about how the organisation impacts on and is perceived by the employee, their working conditions and management's approach (Craig & Silverstone, 2010). When it varies, context can serve as one of the main effects on organisational behaviour and may act to alter relationships at another unit or level of analysis (Johns, 2001; Rousseau & Fried, 2001). The contextual approach argues that context can moderate how an individual expresses their engagement as well as the extent to which an engaged individual performs well (Griffin, 2007).

The problem is that little empirical research currently exists to test these contextual factors for employee engagement. Chalofsky and Krishna (2009) point out that this is because current research practice separates the intrinsic aspects of employee engagement from the organisational and contextual factors that affect the development of employee engagement - studies explore the relational links with specific variables centred on the individual. The HRM discipline and other related disciplines such as organisational behaviour (OB) and employment relations (ER), in this regard, bring a unique perspective to employee

engagement. These disciplines recognise that employee engagement is a collective activity, placing focus on work groups and not just the individual. Essentially this is because employee engagement is viewed as a product of context and not just of personal traits.

Several studies suggest that employee engagement is the result of various aspects of and situations that occur within the workplace (Holbeche and Springett, 2003, cited in Anitha, 2014; Harter et al., 2010; May et al., 2004; Miles, 2001; Rich et al., 2010). This means that engaged employees who are enthusiastic and personally invested in the job will not necessarily behave uniformly in ways to benefit the organisation. Instead a meaningful work environment and interpersonal harmony is more likely to foster higher engagement levels (Anitha, 2014) or, in other words, that contextual factors influence the extent to which engaged employees behave (Alfes et al., 2012).

The study in this chapter responds to a call by Parker and Griffin (2011) who claim that a broader approach to engagement is required in order to build a more comprehensive and coherent understanding. Vosburgh (2008) had earlier noted that while individual traits are important, setting the right environment to work in further enhances employees' propensity to be engaged in their work.

This paper thus addresses a gap in the employee engagement literature by placing the organisational context at the forefront of inquiry. It is one of the first studies to shift the focus away from individualistic tendencies that have preoccupied this literature. Using the traditional empirical approach to engagement, this study will test the impact of the work environment on employee engagement. An all-encompassing concept of quality of work environment (QWE) is formulated to represent the contextual dimension, and tested to examine its role as a determinant of employee engagement.

This chapter begins with an explanation of the QWE concept and its origins. This is followed by a review of research which has explored or tested topics pertaining to QWE. The

review highlights the significant research gap in this area, and highlights the various contextual issues that are typically overlooked by traditional engagement research. A discussion of the conceptual framework, used to guide the formulation of QWE, is followed by the statistical analysis and testing of QWE and employee engagement.

3.2 Literature and conceptual framework

Being a new and underdeveloped concept amongst the engagement literature, QWE has received less attention relative to other determinants of engagement (Edvardsson & Gustavsson, 2003). Much of the research involving the work environment (or psychosocial factors) has focused on outcomes, such as stress and health, with very little on positivist outcomes, such as engagement. In light of this, this study reviews the literature across various disciplines of OP, OB, HRM, management, and occupational health and safety (OHS) to identify those studies that link engagement with any one or more dimensions of QWE.

3.2.1 What is ‘Quality of Work Environment’?

QWE is a concept with origins in safety science, OHS, and mental health. Earlier QWE definitions were narrow, limited to the more physical and tangible elements (such as office/work space, OHS features, workplace facilities, and layout) (see for example, Becker, 1985; European Agency for Safety and Health at Work, 2004). QWE has evolved to encompass the physical, psychosocial aspects, and organisational surrounds of work (Sell & Cleal, 2011). Various terms that depict QWE are used interchangeably, including; psychosocial environment, social context of work, psychosocial safety climate, workplace environment, work quality, and occupational stressors (see Nixon et al., 2011). These terms reflect the all-encompassing nature of QWE, including the influence and interaction of all aspects of work (relations with peers and supervisor, teamwork, working conditions, benefits, work life balance policies, health and wellness programs) that affect an individual’s behaviour, thinking and overall psychological wellbeing (Busck et al., 2010; Sell & Cleal, 2011).

This chapter adopts an all-encompassing definition of QWE, using the World Health Organisation's 'Healthy Workplace Framework' (Burton, 2010). Four dimensions encapsulate QWE using this definition; physical work environment, psychosocial work environment, personal health resources, and enterprise community involvement. According to this framework, evidence of a high quality work environment is apparent when the four dimensions are rated highly by employees. This is evident in their perceptions of their role at work and how much they are valued or cared for in an organisation. This may also be evident in more overt forms such as an organisation's policies, practices, and procedures. Such a definition permits a broad understanding of how people are affected by their work, extending to the experience of job satisfaction and stress (Hvid and Hasle, 2003 cited in Knudsen et al., 2013).

Various survey instruments have been designed over the years to measure the psychosocial work environment, including the Copenhagen Psychosocial Questionnaire (COPSOQ) (Kristensen et al., 2005), the Nordic Safety Climate Questionnaire (NOSACQ-50) (Kines et al., 2011), and the Stress Profile (Setterlind & Larsson, 1995). The COPSOQ was created as an instrument to use in the assessment of psychosocial risk factors in the work environment. Three versions of the survey questionnaire were developed for assessing psychosocial factors at work, stress, and the well-being of employees and some personality factors. The purpose of the COPSOQ concept is to improve and facilitate research, as well as practical interventions at workplaces. It has since been adopted in several Nordic countries (Nuebling & Hasselhorn, 2010). The Stress Profile is a psychosocial instrument for measuring stress in everyday life and working life at various levels (individual, group and organisation) (Setterlind & Larsson, 1995). Its purpose was to address the lack of measurement and assessment tools that can map and address the rise in the psychosocial symptoms at work (such as stress and burnout).

NOSACQ-50 was an instrument developed for measuring safety climate or culture that can be consistently applied in different contexts enabling comparative studies of safety climate between and within companies, industries and countries. The instrument consists of 50 items across seven safety dimensions that depict shared perceptions of: 1) safety priority, commitment and competence by management, 2) safety empowerment by management and 3) safety justice; 4) workers' safety commitment; 5) workers' safety priority 6) safety communication, learning, and trust; and 7) workers' trust in the efficacy of safety systems.

These instruments have been used to research various topics associated with the work environment. For example, using the 'Stress Profile', a cross-sectional study of over 16,000 Swedish workers investigated the relationship between organisational, individual and socio-demographic factors and the level of social support at the workplace. The study found that the largest impact on the degree of social support arose from organisational level determinants (especially perceived job control) (Sundin et al., 2006a). (Edvardsson, Larsson, & Setterlind, 1997) used the Stress Profile to test the relationship between the psychosocial work environment and internal service quality.

More recently the Australian Workplace Barometer has provided a scientific approach to work conditions and their relationships to workplace health and productivity (Dollard, Bailey, et al., 2012). Work environment has also been captured in the Gallup-Healthways Well-being Index, based on ratings by individuals on job satisfaction, ability to use one's strengths at work, supervisor's treatment, and an open and trusting work environment (Rath & Harter, 2010). However, none of these instruments have been used and tested with employee engagement.

3.2.2 Social and contextual factors as determinants of employee engagement

Work environment and engagement

Research on the work environment has traditionally been published within the health and safety and wellbeing literature. The last few decades has shown a growth in studies on

the impact of the psychosocial safety climate on the work environment and its subsequent impact on the worker health and organisational performance (Idris et al., 2011; Kalliath & Kalliath, 2012; Kompier, 2005; Van De Voorde et al., 2012). The World Health Organisation (WHO) has contributed substantially to research exploring the health impact of psychosocial factors at work (Leka & Jain, 2010). However, little attention is given to research specifically addressing the impact of the work environment (QWE) or psychosocial factors on employee engagement. Most of it is sporadic and spread across the wellbeing, management and sociology literature. Kahn's (1990) approach was the first to offer a contextualised account of engagement and disengagement; he also, importantly, highlighted how these states are momentary and vary over time. He recognised that situational factors can either promote or inhibit engagement and explains the multiple levels of influences that shape one's engagement levels: individual, interpersonal, group, intergroup, and organisational.

A review of the engagement literature has identified two studies formulating a model or conceptual framework that considers context and employee engagement (Chalofsky & Krishna, 2009). Using a multidimensional approach, they combine the individual and psychological aspects with the contextual and cultural factors. This novel approach links streams of research and conceptual development that have not been connected previously. Another novel study is by Griffin et al. (2007), who specifically examine how the context influences the expression of engagement. Their study proposes a model that integrates many performance related concepts, and links behaviour to the general requirements of the task environment. This model identifies two features of the work environment that influence the types of behaviours that are likely to contribute to organisational effectiveness: uncertainty and interdependence. These researchers distinguish between predictable and uncertain environments and how they might stimulate proactive improvement, promote teamwork and organisationally-directed behaviours.

Most studies of the work environment focus on its relationship to the health and wellbeing of employees and organisational benefits (Markey et al., 2010). Other studies explore environmental factors such as interpersonal relationships and social support are especially recognised in the stress and wellbeing literature (Cooper, 2005; Dollard, Opie, et al., 2012; Idris et al., 2012; Sundin, Bildt, Lisspers, Hochwälder, & Setterlind, 2006b; Törner, 2011).

Overall, the link between the organisational determinants (work environment) on motivational or behavioural components (employee engagement) is at its formative stages. Studies typically use concepts such as ‘organisational climate’ or ‘social support’ as a determinant of employee engagement (eg, Knudsen et al., 2013). Dollard and Bakker (2010) derived a new construct, called psychosocial safety climate (PSC) to explain how it affects psychosocial working conditions and in turn psychological health and engagement. Importantly, they build multi-level thinking into their logic by examining PSC at the organisational level and individual level.

In their seminal article, Bakker et al. (2011a) argue that the social context is a critical variable for a climate for engagement. They argue that employees are more likely to be psychologically involved in their organisation’s goals and values when a supportive, involving, and challenging climate is provided by their employer. A cross-sectional study of over 16,000 Swedish workers, (Sundin et al., 2006a) found that the largest impact on the degree of social support arose from organisational level determinants (especially perceived job control) rather than individual or socio-cultural issues.

More recently Shantz et al. (2013) assessed job characteristics with engagement, finding that workers will be more engaged if management provides them with variety, significance, autonomy and feedback in their jobs. Data from CIPD’s study of 5,200 employees found higher engagement levels where employee perceptions of support from others, a sense of teamwork, and no inhibitions to express themselves were present. They

concluded that engagement can be experienced by most people, but the work environment must be right in order for the potential for engagement to be realised and sustained (Alfes et al., 2010). Wildermuth and Pauken (2008) conducted pilot interviews with ten professionals, finding employee engagement to be connected with a range of environmental factors such as alignment of values between the individual and organisation, the quality of workplace relationships, and the ability to achieve a suitable work-life balance. Perceived organisational support (Rich et al., 2010), procedural justice (Saks, 2006), co-worker relations (Bakker, Van Emmerik, & Euwema, 2006; May et al., 2004), alignment of individual and organisational values (Rich et al., 2010), and leadership style (Babcock-Roberson & Strickland, 2010) have all been deemed as predictors of engagement.

Evidence to date shows that engagement is affected by both emotional and rational factors of the overall work experience (Bakker, Demerouti, & ten Brummelhuis, 2012; Markos & Sridevi, 2010). Several studies have identified the ‘work environment’ and ‘team and co-worker relationship’ as impactful (Alfes et al., 2010; Anitha, 2014). A study by Warr (2005 cited in Attridge, 2009) found engagement was impacted by workplace environment factors such as: removing disliked parts of job tasks and technical operations, adopting more ergonomic workplace equipment; adding some flexibility to work schedules and workload; improving role clarity and decision making authority of workers; and fostering opportunities for positive social relationships. Attridge’s review of the literature suggests engagement levels can be improved by adopting certain workplace behavioural health practices geared at addressing supervisory communication, job design, resource support, working conditions, corporate culture, and leadership style (Attridge, 2009). Kahn’s work (Kahn, 1990) was also supported by research which found workplaces with more psychological safety and meaningfulness increase the likelihood of engagement (AbuKhalifeh & Som, 2013; Robinson et al., 2004) .

Employee engagement is an emerging concept within the health psychology literature. Evidence shows an employee's health, happiness and wellbeing is linked with engagement levels, performance and even their colleagues' performance (Bakker et al., 2008; Jönsson, 2012; Rampersad, 2008; Rayton et al., 2012; Robertson et al., 2012; Wright & Cropanzano, 2007).

The evidence on the impact of work-life balance or wellness initiatives on engagement is mixed. Various studies have emphasised the importance of organisational policies and procedures geared to help balance employee work and home environments (Allen, 2001; Bal & De Lange, 2014; Mostert, Peeters, & Rost, 2011; Sladek & Hollander, 2009). Flexibility initiatives were found in one study to be a powerful positive predictor of engagement particularly for older workers (Pitt-Catsouphes & Matz-Costa, 2008). Similarly, Sonnentag (2003) showed that engagement levels increased when individuals had the opportunity to recuperate from workplace stressors. The study confirmed a positive exchange between parties is experienced when work-life benefits are provided at work. Employees perceive higher organizational support and affective commitment to the organisation and this is reciprocated through higher performance behaviours.

Some studies were less conclusive. In a longitudinal study of soldiers, the moderating impact of engagement was evident with high levels of self-engagement acting as a buffer from some stressors yet also serving to ignite other stressors (Britt, Castro, & Adler, 2005). Hallberg, Johansson, and Schaufeli (2007) discovered excessive workload was related to emotional exhaustion, however, they also discovered increased workload led to higher engagement levels. This darker side of employee engagement is beginning to emerge, with studies showing engagement creating work intensification. Employers begin to expect employees to exert greater effort and time in their work, which then becomes normalised (Rees et al., 2013). Or work interferes with employee family life as they invest in extra role behaviours (Halbesleben, 2011; Parkes & Langford, 2008).

Studies have also identified engagement to be affected by emotional and rational factors associated with the work environment and the general experience of work (Bakker et al., 2012; Karatepe & Olugbade, 2009; Ludwig & Frazier, 2012; Markos & Sridevi, 2010). Bakker and Demerouti (2008) cite two studies which apply the conservation of resources (COR) theory; they found that job resources (such as social support or that provided at the departmental/unit level) play an important role in fostering positive work outcomes like work engagement and also in reinforcing positive images of oneself (Halbesleben, 2006; Hobfoll, 1985 cited in Demerouti et al., 2001).

3.2.3 Conceptual framework

This study posits that the quality of the work environment positively impacts employee engagement, and the research will investigate the strength and form of the association between QWE and employee engagement. It will test key dimensions of the work environment as correlates and predictors of employee engagement, through a multiple regression analysis. It explores the extent to which a worker's perception of the work environment covaries with engagement levels. A high QWE is essentially determined by the values and actions of management within the workplace setting, and reflects management's concerns for the wellbeing and welfare of the workforce.

This chapter utilises a conceptual model, underpinned by Kahn's model of engagement and combined with the multidimensional approach of the 7Ps model of engagement (Langford, 2009). The multidimensionality of the Voice Project's 7Ps model of engagement is used together with the World Health Organisation's (WHO) Healthy Workplaces framework to formulate QWE (Burton, 2010). This blending of conceptual ideas permits a multi-level capability that is not currently offered in existing theories. The 7Ps dataset is a rich source of survey data of employee engagement across thousands of Australian organisations over a long period of time.

The value of the dataset rests not only with richness in its coverage but also with the design and functionality of the engagement model (Refer to Section 1.4 of this thesis for justification for these models.) Access to engagement data of this kind and nature is difficult to obtain.

The 7Ps model is a seven-factor model capturing a broad range of HRM and management practices that relate to key topics of Purpose, Property, Participation, People, and Peace (Langford, 2009; Langford et al., 2006; Parkes & Langford, 2008). The dual function of the model allows organisations to assess their key practices and also identify the main factors that maximise staff engagement and organisational progress. Under this model, engagement is labelled 'passion' and refers to the degree to which employees are passionate about their job, how positive they feel about belonging to the organisation, and their interest in staying with the organisation. The versatility of the 7Ps models and its comprehensive coverage of distinct work practices allow the testing of a range of variables to construct a new predictor variable, QWE. Each dimension of QWE within the existing survey data items of the 7Ps model is explored and tested. QWE represents the contextual dimension.

This study tests for the determinants of engagement by placing the organisational context at the core of investigation. This study hypothesises that a high quality work environment (QWE) will have a positive effect on employee engagement levels (see Figure 3.1). It is based on the notion that particular behavioural responses to engagement might be constrained or prompted by the environment. For example, an employee who perceives their work environment to have clear organisational structures and processes, fair reward systems, high levels of trust, and concern for employee wellbeing will feel more engaged.



Figure 3.1 Proposed Model of QWE and Engagement

3.2.4 Research objectives and hypothesis

This study is based on the premise that a higher QWE has a positive effect on employee engagement. A quality work environment is typically characterised as one in which employees feel fulfilled, challenged and respected. In view of the above, the current study sets the following objectives:

- (1) To measure and test QWE dimensions.
- (2) To establish which QWE dimensions are correlated with employee engagement.
- (3) To investigate whether the relation between QWE dimensions and engagement is affected by other independent variables such as firm size, seniority, age, gender, union membership.

For this purpose, the following research hypotheses are developed and tested.

QWE is positively associated with employee engagement, ceteris paribus¹

As a subset of this proposition, the following hypotheses were formed to determine which dimensions of QWE had a bigger impact on employee engagement:

Hypothesis 1a: The physical work environment will be positively related to employee engagement.

Hypothesis 1b: The psychosocial work environment will be positively related to employee engagement.

Hypothesis 1c: The presence of personal health resources will be positively related to employee engagement.

Hypothesis 1d: An organisation's enterprise community involvement will be positively related to employee engagement.

¹ Ceteris paribus assumes that other influencing factors are constant or remain unchanged. Refer to (Hausman, 1989) for 'Ceteris paribus' use in positive economics quantitative methods when testing for cause and effect.

3.3. Method

3.3.1 Sample and Procedure

These hypotheses are tested using archival data from the Voice Project's database of employee engagement surveys, underpinned by its 7Ps Model of Engagement. Voice Project specialises in the implementation of employee engagement, customer service and 360 leadership surveys. Voice Project's survey data has been used to develop a leading engagement model in Australia and has been validated and published in peer-reviewed journal publications (Langford, 2009; Parkes & Langford, 2008). Voice Project's dataset is commonly used amongst the business and research community in Australia for research relating to employee engagement. One of the ways in which Voice Project differentiates itself from other research and consultancy firms is its research grounding and the psychometric validity of its surveys. Voice Project has implemented more than 1900 consulting projects across 630 commercial clients, and delivered surveys in a wide range of countries and languages. For further description of the 7Ps engagement model, the survey items and nature of data collected see Langford (2009). Despite the widespread use of the engagement survey instrument, an unquantifiable self-selection bias is likely because organisations which are included in the dataset are those which have chosen to use the Voice Project for their own purposes. The research results may also serve to improve or expand the current 7Ps model of engagement.

Access to this dataset was gained by agreement that it was for research purposes only. Voice Project and Macquarie University have a long standing relationship involving several research partnerships with academic scholars. Voice Project Director, Dr Langford, believes the current study will reinforce Voice Project's research credentials and provide further development and evidence for the validity of its surveys. In particular, the expected benefits for Voice Project from the current research include increased exposure to the scholarly and

business community through the wide dissemination of the research results through academic and professional forums, journal publications.

Access was granted to a specific dataset comprised of cross-sectional survey data that was used for an ARC funded research project of Australian workplaces over a three year period from 2006 to 2008. Pooled cross-sectional time series data was used, based on responses from approximately 10,030 employees across 387 organisations during the period from 2006 to 2008. Each data record contains 124 fields which describes each participant's experience of their level of engagement and voice at work as well as a range of demographic features (such as sex, age, salary, seniority, employment status, weekly hours worked, union membership, years to retirement. Industry data was not available). Each record describes responses to each of the questions in the Voice Project engagement survey. All survey items from the engagement survey were examined and tested for statistical significance, however only those variables for which the t value is statistically significant are reported (see Appendix A2). For a further description of the 7Ps engagement model, the survey items and nature of data collected see Langford (2009).

3.3.2 Measures/Measurement Model

Measures were adapted from a previously published academic model and based on an existing theoretical framework, as follows:

Employee engagement. We used the Voice Project's 7Ps model of engagement (Langford, 2009) to measure engagement. All survey items were measured on a five-point scale (1 = never to 5 = always) and included statements such as "I am immersed in my work" and "I feel happy when I am working intensely." A "Don't Know/Not Applicable" response option was also provided. Cronbach's alpha of the scale was at .88.

Quality of Work Environment (QWE). The distinctiveness of this analysis of Voice Project data relative to other studies was in testing for contextual and work environment factors. Work environment was measured using the survey items from Voice Project's 7Ps

model of engagement, and guided by the WHO's Healthy Workplaces Framework (Burton, 2010). Within this framework QWE comprises four key dimensions that affect the physical or mental wellbeing of employees. These are: physical work environment (PHWE) - any aspect of a workplace facility detected by human or electronic senses; psychosocial work environment (PSWE) - concerns the organisation of work and the organisational culture (daily values, beliefs and practices); personal health resources (PHR) entails the supportive environment, health services, information, resources, opportunities and flexibility provided to motivate efforts to maintain healthy personal lifestyle practices; and enterprise community involvement (ECI) involves the activities, expertise, and other resources an enterprise engages in or provides to the communities in which it operates. Evidence in support of the validity and reliability of the measures is provided in Appendix A2. The reliability estimates (coefficient alphas) were high as follows:

I. PHWE (.89), II. PSWE (.83), III. PHR (.90), and IV. ECI (.84).

3.3.3 Control variables

Analyses also controlled for the following variables: gender (1 = female, 0 = male), age (<20yrs, 20-29 yrs, 30-39 yrs, 40-49 yrs, 50-59yrs, 60+ yrs); salary (<\$70,000, \$70,000+); employment status (full-time, part-time, casual), union membership (1=yes, 0=no); years to retirement (<10 years, >10 years); seniority (towards top of reporting line, bottom to middle of reporting line); and size of organisation (using the number of survey responses per organisation as a proxy)².

3.3.4 Statistical Tests

OLS regression was conducted to test whether the predictor variables (four QWE dimensions) are related to the engagement criteria after controlling for all the other predictors

² (Kumar, Rajan, & Zingales, 1999) advocate for the use of the number of employees as a proxy for firm size. While I do not have data on number of employees for this research, I have data on the number of survey respondents. This study acknowledges that it is unlikely that the two will be the same, however it is likely that there will be a positive correlation between number of employees and number of respondents because the population from which respondents are selected is the population of employees.

in the model. The analysis was carried out using SPSS (version 21). The usual tests for normality and outliers were undertaken on each variable. The standard deviates for each of the variables were found to be normally distributed. A missing variable (indicative of a non-response) was addressed by excluding the entire observation to which it relates (Briggs, Clark, Wolstenholme, & Clarke, 2003). The various regressions were undertaken following guidelines by Aiken, West, and Reno (1991). Regression analysis was undertaken on standard deviates (which involves subtracting the mean value of each variable and dividing by its standard deviation).

In order to test the impact of (1) Physical work environment, (2) Psychosocial work environment, (3) Personal health resources, and (4) Enterprise community involvement on employee engagement, the parameters were estimated on the following (QWE) model using OLS regression:

$$Engagement_i = a + \sum_{j=10}^x b_j PHWE_{j,i} + \sum_{k=24}^z c_k PSWE_{k,i} + \sum_{l=10}^w d_l PHR_{l,i} + \sum_{m=3}^y e_m ECI_{m,i} + \varepsilon_i$$

where Engagement is a variable drawn directly from the Voice Project data and measures the engagement level of each employee i , PHWE measures Physical Work Environment, PSWE measures the Psychosocial work environment, PHR measures Personal health resources, and ECI measures Enterprise community involvement (as discussed above). The term ε_i in the equation is the residual or error term. Although not appearing in the equation above, dummy variables were also added to control for firm and year fixed effects.

The R^2 captures the extent to which the variables in the regression model explain the variation in Engagement (Passion). In order to test the significance of each of the four dimensions on employee engagement, we dropped one of the variables (PHWE, PSWE, PHR and ECI) at a time and documented the drop in the R^2 . This reduction in the R^2 value

measures the variation in engagement, which is explained by each of the dimensions in turn.³ Exploratory factor analysis (EFA) and Confirmatory factor analysis (CFA) was also conducted to test the path diagram (refer to Appendix A2).

3.4 Results

Panel A in Table 3.1 provides descriptive statistics and documents that the dataset contains records describing the responses of 11,898 employees. Respondents are approximately balanced in terms of male/female mix (52.7% female), however it is higher than the overall Australian working population (46.2%) (ABS, 2016).

Panel B in Table 3.1 sets out the age distribution of respondents. Most respondents (64%) fall in the 20 to 39 age group.

Panel C in Table 3.1 shows most respondents to the survey earned annual salaries of less than \$70,000, reflective of Australian full-time adult total weekly earnings (ABS, 2009, Average Weekly Earnings, Nov, Cat. No. 6302.0) (ABS, 2009).

Panel D shows full time workers represented 61.8% of survey participants, compared with 70% of Australian workers in 2011 (ABS, 2011). Union membership amongst the sample of respondents were also reflective of the Australian workforce in 2009.

³ This approach of excluding variables and examining the drop in R^2 to determine the significance of the variable is widely used in the social sciences. See, for example, (Chan & Lakonishok, 1993) in the economics field.

Table 3.1: Descriptive statistics for employee engagement survey participants (by year)

		Year		
	ALL	2006	2007	2008
Panel A: Overall statistics				
Total number of respondents (N sample size)	11,898	3457	3710	2863
Number of organisations				
Number of respondents per organisation				
Mean	5.86	6.07	5.68	5.85
Median	6.0	6.0	6.0	6.0
Proportion women	52.7	53.5	51.6	53.3
Panel B: Age (yrs)				
<20	9.7	10.7	8.0	10.6
20-29	42.1	40.5	42.1	44.1
30-39	21.9	21.6	23.3	25.0
40-49	15.3	16.0	15.7	13.9
50-59	9.3	9.7	9.2	9.0
60+	1.7	1.5	1.7	1.9
Panel C: Salary (\$)				
<\$70,000	82.5			
\$70,000-100,000	10.9			
\$100,000+	6.6			
Panel D: Employment Status				
Full time	61.8			
Part time	16.0			
Other (casual etc)	22.2			
Proportion Non-union member	83.0	82.6	82.9	83.8
Panel E: Years to retirement				
<10 years	17.2			
>10 years	82.8			
Panel F: Seniority				
Towards the top	14.0			
Bottom to middle of reporting	86.0			

Source: Voice Project, 2009

The regression results for the overall sample are reported in Table 3.2 below. The table sets out the coefficients on each of the statistically significant explanatory variables, as well as; the R^2 of the overall model, the drop in R^2 from removing each variable relating to PHWE, PSWE, PHR and ECI and an F test to determine whether the drop in R^2 is statistically significant. These statistics provide a test of the significance of each of the QWE dimensions PHWE, PSWE, PHR and ECI on engagement.

Overall, the entire set of variables included in the model explains 49.6% of variation in Engagement. Panel A of Table 3.2 reports the adjusted R^2 for variants of the QWE model (see equation) when each set of dummy variables is excluded. The results demonstrate that most of the explanatory power of the model comes from the psychosocial work environment (PSWE) dimension. For example, the R^2 falls from 0.496 (49.6%), to 0.364 (36.4%) when

the items related to psychosocial work environment are excluded. In comparison, the R^2 only slightly changes when the items for physical work environment, personal health resources or enterprise community involvement are excluded (R^2 falls to 0.493, 0.493, and 0.494 respectively). Table 3.2 shows that all drops in R^2 are statistically significant, however psychosocial work environment accounts for most of the variation in engagement.

Panel B reports the estimated coefficients of the full QWE model for engagement, along with the significance levels of their t-statistics for those variables that are statistically significant at the 0.05 level. Firstly, consistent with expectations, all the coefficients that are significant are positive, with the exception of three (see Table 3.2, Panel B, Q75, 78, and 80). These three variables are negatively related to engagement because they are either anomalous or there is a statistical reason for it. For example, the results for Q75 suggest that anyone who is given enough time to do their job well is less engaged. Similarly, employees who are able to control their stress levels at work to an acceptable level appear to do so at a level that decreases their engagement (Q78). Q80 suggests that workplaces that allow employees to be involved in non-work activities may consequently result in a lower focus and interest at work.

Table 3.2: Explanatory power of physical work environment, psychosocial work environment, personal health resources and enterprise community involvement for engagement

Panel A: Adjusted R² for full model, and models with each set of variables excluded one set at a time (interaction effect)			
	R²	R² Change	F Change
Full Model (all 4 QWE dimensions)	0.496	0.496	-
(No of variables = 47)			
Excluding Physical Work Environment (PHWE)	0.493	-0.004	6.116*
(No of variables = 10)			
Excluding Psychosocial Work Environment (PSWE)	0.364	-0.121	83.58*
(No of variables = 24)			
Excluding Personal Health Resources (PHR)	0.493	-0.003	4.495*
(No of variables = 10)			
Excluding Enterprise Community Involvement (ECI)	0.494	-0.001	2.788**
(No of variables = 3)			
Excluding Firm dummy variables	0.468	-0.051	2.206*
Excluding Year dummy variables	0.496	.000	1.968
* = significance at .01 level			
** = significance at .05 level			
Panel B: Estimated coefficients that are significant for Full QWE Model			
Variable/Factor significant at 0.01	Co-efficient	t-statistic	
Physical Work Environment:			
Q22	0.042	3.654	
Q35	0.026	1.992**	
Psychosocial Work Environment:			
Q1	0.06	5.552	
Q8	0.114	9.206	
Q9	0.124	10.629	
Q36	0.028	2.072	
Q37	0.029	1.999***	
Q38	0.032	2.351	
Q39	0.032	2.390	
Q44	0.023	1.678***	
Q52	0.103	9.483	
Q58	0.045	3.475	
Q60	0.062	4.407	
Q62	0.035	2.618	
Q72	0.023	1.956**	
Q73	0.030	2.334**	
Q75 - I am given enough time to do my job well	-0.033	-2.921	
Q76	0.021	1.813***	
Q77	0.165	13.247	
Q78 - I am able to keep my job stress at an acceptable level	-0.024	-1.956	
Personal Health Resources:			
Q80 - I am able to stay involved in non-work interests and activities	-0.035	-2.667	
Q83	0.048	4.720	
Enterprise Community Involvement:			
Q10	0.019	1.682***	
Adj R ² = 0.496			
F = 19.991			
N = 8,359			

Source: Voice Project, 2006-2008

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

Note: ** = significant at 0.05 level (2-tailed), *** = sig at 0.1 level (2-tailed)

3.4.1 Robustness and sensitivity tests

In this section, the study tests the robustness and sensitivity of results for different sized firms and different types of subjects (by sex, age, salary, seniority, employment status, union membership, and years to retirement).

Results for firms partitioned on firm size (proxied using number of respondents for each firm)

It is possible that owing to the resources available to large firms as opposed to small firms, that some dimensions of QWE will be more important than others. In order to test this, the sample was partitioned into small and large firms (using number of respondents as a proxy for firm size) and repeated the analysis for each sub sample. Table 3.3 below reports the results of this analysis. The results show very little difference for the sample of small firms and large firms, and therefore the conclusions reported earlier are robust to firm size.

Table 3.3: Adjusted R^2 for full model, and models with each set of variables excluded one set at a time, by firm size

	Smaller firms <6 respondents			Larger firms 6+ respondents		
	R^2	R^2 Change	F Statistic	R^2	R^2 Change	F Statistic
Full Model (all 4 QWE components) (No of variables = 47)	.499	.553	10.279	.489	.541	435
Excluding Physical Work Environment (No of variables = 10)	.495	-.005	4.352	.485	-.005	10
Excluding Psychosocial Work Environment (No of variables = 24)	.372	-.117	39.375	.362	-.117	41.164
Excluding Personal Health Resources (No of variables = 10)	.494	-.006	4.549	.487	-.003	2.253
Excluding Enterprise Community Involvement (No of variables = 3)	.499	-.0001	2.692**	.489	-.001	1.416 X
Excluding firm dummies	.478	-.069	1.448	.461	-.74	1.613
Excluding year dummies	.498	-.001	4.109	.489	.000	.328 X

Note: number of respondents per organisation was used as a proxy for firm size (median = 6).

** sig @ 0.05, X = not significant

Robertson-Smith and Markwick (2009) from the Institute for Employment Studies (IES) noted how engagement is a choice, all depending on what each employee deems to be worth investing themselves into. Engagement levels were known to vary based on the various biographical and personality characteristics of employees, seniority, occupation, and even length of service in an organisation. Further, new workers display positive attitudes early in their employment, however this can change.

The results in Tables 3.4 to 3.10 indicate that the total and individual demographic variables such as gender, age, salary, seniority, employment status, union membership, and years to retirement, and organisational size were not found to be significant predictors of employee engagement. This suggests that QWE had an impact on engagement levels regardless of age, gender, income, seniority, employment status, or union membership.

Table 3.4 suggests that the model works better in explaining the responses for males than females because the R^2 for the male model is higher. In particular, the psychosocial work environment is marginally more important in explaining engagement level for males than females. Similarly, Table 3.5 shows that the psychosocial work environment is more important for younger workers than older workers.

Table 3.4: Adjusted R^2 for full model, and models with each set of variables excluded one set at a time, by male/female

	Male			Female		
	R^2	R^2 Change	F Statistic	R^2	R^2 Change	F Statistic
Full Model (all 4 QWE components) (No of variables = 47)	.527	.579	11.109	.478	.530	10.140
Excluding Physical Work Environment (No of variables = 10)	.575	-.004	2.954	.474	-.005	4.033
Excluding Psychosocial Work Environment (No of variables = 24)	.457	-.122	41.765	.361	-.109	37.414
Excluding Personal Health Resources (No of variables = 10)	.524	-.003	2.835	.476	-.003	2.192
Excluding Enterprise Community Involvement (No of variables = 3)	.526	-.001	1.416	.477	-.001	2.664**
Excluding firm dummies	.493	-.08	1.728	.446	-.078	1.682
Excluding year dummies	.527	.000	.738 X	.478	.000	.908 X

** sig @ 0.05, X = not significant

Table 3.5: Adjusted R^2 for full model, and models with each set of variables excluded one set at a time, by age

	Under 40 years of age			40+ years of age		
	R^2	R^2	F	R^2	R^2	F
		Change	Statistic		Change	Statistic
Full Model (all 4 QWE components)	.494	.530	14.563	.528	.617	6.951
(No of variables -= 47)						
Excluding Physical Work Environment	.491	-.004	4.224	.528	-.003	1.275 X
(No of variables = 10)						
Excluding Psychosocial Work Environment	.367	-.120	59.287	.405	-.106	20.653
(No of variables = 24)						
Excluding Personal Health Resources	.491	-.003	3.772	.523	-.007	3.055
(No of variables = 10)						
Excluding Enterprise Community Involvement	.493	.000	1.236 X	.529	.000	.623 X
(No of variables = 3)						
Excluding firm dummies	.465	-.65	2.104	.499	-.107	1.370
Excluding year dummies	.493	-.001	4.660	.528	.000	.951

** sig @ 0.05, X = not significant

Table 3.6 below suggests that the model works better in explaining the responses for higher income employees than lower income (.555 and .485 respectively), and this was particularly evident. In this instance, the physical work environment was not a significant factor in explaining engagement level for higher income earners, and enterprise community involvement was not a significant factor for either income group.

QWE was slightly more important for employees in senior positions within organisations (Table 3.7). Middle to bottom ranked employees considered all dimensions to matter to their engagement levels. However, the psychosocial work environment was the only significant factor for higher ranked employees. This is consistent with research that found engagement levels to vary based on biographical and personality characteristics of employees, seniority, occupation, and even length of service in an organisation (Robertson-Smith & Markwick, 2009).

Table 3.6: Adjusted R^2 for full model, and models with each set of variables excluded one set at a time, by salary

	< \$70,000 pa			\$70,000+ pa		
	R^2	R^2 Change	F Statistic	R^2	R^2 Change	F Statistic
Full Model (all 4 QWE components) (No of variables = 47)	.485	.519	15.268	.555	.662	6.214
Excluding Physical Work Environment (No of variables = 10)	.482	-.004	4.833	.553	-.005	1.630 X
Excluding Psychosocial Work Environment (No of variables = 24)	.371	-.109	57.941	.405	-.124	16.784
Excluding Personal Health Resources (No of variables = 10)	.483	-.003	3.224	.549	-.008	2.557
Excluding Enterprise Community Involvement (No of variables = 3)	.485	-.001	2.286 X	.556	-.001	.684 X
Excluding firm dummies	.453	-.066	2.190	.512	-.133	1.454
Excluding year dummies	.485	.000	.794 X	.556	.000	.050

** sig @ 0.05, X = not significant

Table 3.7: Adjusted R^2 for full model, and models with each set of variables excluded one set at a time, by seniority

	Middle to bottom			Towards the top		
	R^2	R^2 Change	F Statistic	R^2	R^2 Change	F Statistic
Full Model (all 4 QWE components) (No of variables = 47)	.480	.516	15.827	.514	.676	4.185
Excluding Physical Work Environment (No of variables = 10)	.477	-.004	4.849	.512	-.006	1.373 X
Excluding Psychosocial Work Environment (No of variables = 24)	.361	-.114	63.799	.387	-.097	9.771
Excluding Personal Health Resources (No of variables = 10)	.478	-.003	3.491	.513	-.005	1.210 X
Excluding Enterprise Community Involvement (No of variables = 3)	.479	-.001	2.997**	.514	-.002	1.274 X
Excluding firm dummies	.447	-.061	2.141	.491	-.163	1.155 X
Excluding year dummies	.480	.000	1.859	.515	.000	.523 X

** sig @ 0.05, X = not significant

Table 3.8 below shows QWE was marginally more important in explaining engagement levels for full time employees (.559) than part time employees (.541), and much less important for precarious workers (.482). Full time employees identified the physical work environment as the more important dimension of QWE to explain engagement, while the psychosocial work environment mattered more for part time employees. Table 3.9 shows very little difference between unionised employees and non-unionised employees. However, with the psychosocial components of the work environment appeared marginally more important for union members. No significant difference was identified between those employees nearing retirement, to those in the middle of their working life (Table 3.10).

Table 3.8: Adjusted R^2 for full model, and models with each set of variables excluded one set at a time, by employment status

	Full time			Part time			Precarious		
	R^2	R^2 Change	F Change	R^2	R^2 Change	F Change	R^2	R^2 Change	F Change
Full Model (all 4 QWE components)	.559	.615	10.981	.541	.714	4.138	.482	.633	4.185
(No of variables = 47)									
Excluding Physical Work Environment	.557	-.002	1.877**	.545	-.003	.592 X	.476	-.009	1.878
(No of variables = 10)									
Excluding Psychosocial Work Environment	.427	-.119	37.646	.459	-.067	5.097	.416	-.059	5.322
(No of variables = 24)									
Excluding Personal Health Resources	.553	-.006	4.882	.538	-.008	1.423 X	.478	-.007	1.577 X
(No of variables = 10)									
Excluding Enterprise Community Involvement	.559	.000	.414 X	.539	-.003	1.937 X	.482	-.001	.750 X
(No of variables = 3)									
Excluding firm dummies	.513	-.095	1.912	.450	-.232	1.586	.400	-.207	1.605
Excluding year dummies	.559	.000	.261 X	.542	.000	.194 X	.482	.000	.096 X

** sig @ 0.05, X = not significant

Table 3.9: Adjusted R^2 for full model, and models with each set of variables excluded one set at a time, by union membership

	Union member			Non-union member		
	R^2	R^2 Change	F Statistic	R^2	R^2 Change	F Statistic
Full Model (all 4 QWE components) (No of variables = 47)	.517	.627	5.714	.503	.535	16.689
Excluding Physical Work Environment (No of variables = 10)	.517	-.003	.972 X	.498	-.005	6.335
Excluding Psychosocial Work Environment (No of variables = 24)	.410	-.093	11.377	.377	-.120	67.503
Excluding Personal Health Resources (No of variables = 10)	.514	-.006	1.674 X	.501	-.003	3.760
Excluding Enterprise Community Involvement (No of variables = 3)	.516	-.002	2.136	.503	.000	1.352 X
Excluding firm dummies	.465	-.144	1.546	.471	-.060	2.098
Excluding year dummies	.518	.000	.091 X	.503	.000	.829

** sig @ 0.05, X = not significant

Table 3.10: Adjusted R^2 for full model, and models with each set of variables excluded one set at a time, by years to retirement

	Close to retirement (<10 years)			Far from retirement ($10+$ years)		
	R^2	R^2	F	R^2	R^2	F
		Change	Statistic		Change	Statistic
Full Model (all 4 QWE components)	.526	.655	5.100	.526	.655	5.100
(No of variables = 47)						
Excluding Physical Work Environment (No of variables = 10)	.521	-.007	2.190 X	.521	-.007	2.190 X
Excluding Psychosocial Work Environment (No of variables = 24)	.435	-.077	9.535	.435	-.077	9.535
Excluding Personal Health Resources (No of variables = 10)	.521	-.007	2.104**	.521	-.007	2.104**
Excluding Enterprise Community Involvement (No of variables = 3)	.527	.000	.208 X	.527	.000	.208 X
Excluding firm dummies	.460	-.176	1.572	.460	-.176	1.572
Excluding year dummies	.527	.000	.351 X	.527	.000	.351 X

** sig @ 0.05, X = not significant

Overall the results of the analysis in this study found that QWE is a predictor of employee engagement levels. Very little distinction was identified between certain categories of employees. However, these attributes did not present as a substantial issue. For example, employees on higher salaries, longer serving staff, older workers, and full time employees exhibited a slightly higher tendency to respond to the psychosocial dimension of QWE. However, all aspects of QWE had a direct impact on their levels of engagement at work. The same was found for all other employees.

3.5. Discussion and conclusion

The purpose of this paper was to provide some evidence of contextual factors on engagement. The study advocated greater emphasis on contextual factors and organisational dynamics in order to understand which (combination of) factors impact employee engagement. It is becoming increasingly apparent that engagement is dependent on an array of complex interrelations between parties, practices, and various work settings (Purcell, 2014). The findings of Chapter 3 confirm the hypothesis that work environment factors are a predictor of engagement. That is, QWE directly contributes to employee engagement, therefore confirming the important role of context. The results provide much needed insight on contextual factors, and a more expansive, integrative perspective of organisational phenomena such as engagement. Indeed, research has established that certain personality traits (such as conscientiousness and proactive personality) have been related with one's ability to control their thoughts and emotions in order to actively interact with their environments (Bandura, 2001 cited in Christian et al., 2011), which are then likely to lead to engagement (Hirschfeld & Thomas, 2008, cited in Christian et al., 2011).

However, it is important to note that researchers such also recognise the possibility that dispositional individual differences such as age, race, gender, and personality could influence how employees experience psychological conditions in order to engage or

disengage in their roles (Kahn, 1990; Langelaan, Bakker, van Doornen, & Schaufeli, 2006; Litten, Vaughan, & Wildermuth, 2011; Wildermuth, Vaughan, & Christo-Baker, 2013). For example, Kim et al. (2008) found that highly extraverted and adaptable individuals were more susceptible to become engaged, while a negative relationship was found with neuroticism.

The results in this study indicate a marginal and insignificant difference between individual demographic variables such as gender, age, salary, seniority, employment status, union membership, and years to retirement, and organisational size. This is in contrast to previous research. While the results of this study are robust, it is suggestive that other alternative methods of inquiry may be required. That is, for all their statistical sophistication, the situational and dynamic interactions that occur in organisations are possibly not captured through quantitative means.

3.5.1 Implications

Organisational context and the influence of macro-level factors on employee engagement has received limited attention in past research. Previous scholars have highlighted the need to explore the role and impact of contextual factors on employee engagement, but few have examined this empirically. The key contribution of this paper lies in the development of a model that quantifies and measures organisational context, via the work environment (QWE). The model identifies the conditions that determine an employee's perceptions of their work environment and its impact on employee engagement. By establishing a link between QWE and engagement, it confirms the importance of understanding the influence of the organisational context in shaping individual attitudes and behaviours at work.

These findings have various implications. First, it suggests the need to pay more attention to contextual factors as a causal force. It confirms Purcell's caution that a total lack of context in employee engagement studies risks oversimplifying the nature of work relations (Purcell, 2014). This paper supports the call for the development of an integrative framework

to broaden our understanding of engagement rather than examining individual features in isolation to one another. The HRM discipline has much to offer in this regard, with its focus on issues using a broader perspective, giving more consideration to organisational dynamics such as practice, policies, and output (Watson, 2010). Second, synchronisation between the disparate scholarly disciplines is required. This study exemplifies this approach, bringing a contextual approach from the HRM and OB disciplines to a topic entrenched in OP methods and approaches. Third, opportunities for development of future theory are evident. While several theoretical models are capable of incorporating the contextual elements, the multidimensional capability of the 7Ps model of Work Practices shows much promise, as does the JD-R model. Both models are capable of examining how a construct at the individual level (such as engagement) is impacted by groups of factors or organisational level dynamics.

From a practical perspective, organisations should seek people who are predisposed to being engaged during the recruitment stage Vosburgh (2008). Once employed, management must devise policies and initiatives that create a work environment that fosters a high engagement culture.

3.5.2 Limitations and future research

No empirical study is without its limitations. One limitation of this study is its reliance on self-report survey data. Such data is retrospective and may not accurately represent the moment or experience as they occur. Direct observation of employee engagement behaviour and experiences through research techniques such as observation analysis and diary studies may prove more effective.

Future research in this area may use variations of the empirical model to test different relationships of the four dimensions. For example, this study would benefit if more focus was given to the enterprise community involvement (ECI) dimension of QWE. While the survey scales under the 7Ps model contained 3 items that captured ECI. This was sufficient to

derivate this construct. However, further thought and development of this relatively new variable could potentially strengthen the robustness of the study, suggesting that the survey instrument be extended and adapted to capture these relatively new concepts.

The sample size used in this study was large and according to the Voice Project, is reflective of the key characteristics and profile of the Australian workforce (Langford, 2009; Langford et al., 2006). Two aspects of the data that showed some a skewed representation of the general Australian workforce was the male/female balance and age. The survey data had a slightly higher concentration of female respondents (52.7%) compared to the Australian working population (46.2%). Similarly, the sample also held a larger proportion of younger workers, with two thirds of respondents falling in the 20 to 39 age group alone. This compares with 67.5% of workers in Australia being across the working age of 15-64yrs. The data was also longitudinal, providing 3 years of responses. However, the longitudinal data was premised on the organisation as the unit of analysis, rather than the individual. Therefore, causal inferences were limited to the experience of the organisation. Future research of this kind would benefit from individual specific longitudinal data.

The quantitative analysis could also be strengthened through other methods, such as structural equation modelling, in order to better capture the interaction effects and the reciprocal nature of engagement with other factors. Capturing the interaction effects and organisational dynamics may also be achieved through other methodological approaches, such as multilevel design or qualitative approaches such as case study analysis. Given that attitudinal constructs such as employee engagement develop over time, a longitudinal research design would be able to confirm this causality. Surveys that measure a single point in time are limiting, because they fail to consider the interaction of various factors occurring simultaneously (de Lange et al., 2008). Qualitative analysis at the organisational level would also enrich our understanding of these complex dynamics.

The results of this study would be enhanced if supplemented with a qualitative or longitudinal analysis, providing sound and robust causal conclusions. This logically leads on to the exploratory case study of an Australian organisation – presented in the next Chapter. The next step in the research was to take a HRM approach to address one limitation found within the existing quantitative studies. It also recognises that the dynamics of the social and organisational forces at play may also occur at any one or more levels, such as the micro (individual), meso (team) and macro (organisational) levels.

This chapter also recommends that future research adopt multilevel designs to better capture the contextual effects impacting employee engagement. Past research has circumvented the complexities of multilevel systems, through the creation of specialist research experts that focus either on micro-level or macro-level factors (Fine & Hallett, 2014). These experts rarely engage each other in debates or collaborate and so adopt either a micro- or a macro- stance, which has a tendency to yield an incomplete understanding of behaviours at either level. Continuing along this path will create a divide in the research paradigms that, to date, have not yielded the insight on the nature or causes or consequences of employee engagement. Future research using multilevel modelling analysis is advocated due to its

ability to highlight the various contexts in which individual and collective behaviours occur, as well as how they influence individual interactions (within teams, and across the organisation) (Payne, Moore, Griffis, & Autry, 2011). Such an approach is better placed to offer a multidisciplinary approach to employee engagement that is able to consider the interaction effects of organisational context, engagement and other related constructs. Finally, the findings may have consequences for HRM strategies and policies.

Chapter 4

Employee engagement at a major Australian financial services firm: case study evidence

The study in Chapter 4 of this thesis is the third stage of the mixed method design of this thesis. It is an extension of paper 2 (Chapter 3), complementing the research through a qualitative analysis. This stage of the research was designed to address the shortage within the current engagement literature of qualitative research. Qualitative research adds a level of depth and richness to research inquiry, capable of exploring particular moments and situations in depth. This is especially relevant when examining complex phenomena, such as employee engagement. This shortage was especially noted in engagement studies that have attempted to identify the key determinants of engagement or to understand the experience of being engaged at work.

The conceptual framework in this Chapter builds on that established and tested in the quantitative study in Chapter 3. It attempts to consider the organisational context within which employee engagement manifests. This is recognition of the finding in stage 1 and 2 of the thesis which unveiled that engagement research fails to consider the situational and contextual factors that impact on engagement. This logically lead to the case study of an Australian organisation – presented in the next Chapter.

Earlier drafts of this chapter were presented as a paper at the following conferences;

- Frino, B (2017) “Bringing context back: case study evidence of the impact of work environment factors on employee engagement”, paper presented at APS 12th Industrial and Organisational Psychology Conference ‘From Ideas to Implementation: Embracing the Challenges of Tomorrow’, 13-15 July 2017, Sydney.

This chapter has also been prepared and ready for submission to ‘Work, Employment and Society’.

Author contribution:

Ms. Elizabeth Frino was solely responsible for the design of the research, data collection, and write-up of this paper. Ms. Elizabeth Frino conducted the analysis of results with some additional input and advice by Dr Troy Sarina. Professor Markey and Dr Troy Sarina provided research supervision, feedback and editorial comments throughout.

4.1 Introduction

The engagement literature has substantially expanded over the past 15 years, however the concept remains elusive. Questions remain about its meaning and measurement, as well as the theory that best captures the concept (Saks & Gruman, 2014). Two common definitions of engagement appear in the academic literature. Firstly, Kahn's definition sees engagement as the harnessing of one's self to one's work role, expressed physically, cognitively, and emotionally during role performance (Kahn, 1990). Individuals are psychologically present at work, meaning they are attentive, connected, integrated, and focused in their role performances. On the other hand, Schaufeli et al. (2002, p. 74) define engagement as "a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption". Both definitions accept engagement as a motivational state (rather than a trait), however Schaufeli and colleagues take a narrower perspective of engagement, stemming from their work in the stress/burnout literature (Schaufeli et al., 2002). This study adopts Kahn's view of engagement, capturing it as a profound, multidimensional motivational construct that involves all aspects of the self at work.

4.1.1 Research problem

Over the last two decades scholars have attempted to pinpoint which factors contribute to higher engagement levels, but the extant literature is fragmented (Saks & Gruman, 2014). Studies have identified such things as personal traits and personal resources, the type of job and its resources, the demands of a job, relationship with supervisor, leadership style, relationship with peers, remuneration, and alignment of organisational values (Attridge, 2009). This lack of clarity or uniform acceptance about its meaning and formation is a significant problem given engagement's practical application and impact on organisational performance.

Scholars such as Albrecht (2010); Bakker and Leiter (2010); Langford (2010) have also noted that engagement is mostly studied in a retrospective manner, and focuses on certain triggers or factors that are perceived by employees to impact on their level of engagement. Instead they posit the need for a more coherent focus on the worker and their subjective experience at work (Weiss & Rupp, 2011). This is premised on the idea that employee engagement is more than just what employees see, it is also “how employees experience and interpret the context around them” Shuck & Reio (2011, p.15). However, few studies have examined the lived experiences of employee engagement.

Despite the lack of clarity surrounding the actual term engagement there are currently two issues which limit our current understanding of employee engagement. Firstly, engagement research is dominated by the quantitative method, typically used within the organisational psychology discipline. These scholars opt for the rigour of the quantitative method of analysis, based on the positivist philosophical paradigm. Positivism assumes that scientific objectivity and empirical inquiry are ideal to investigate and explain social phenomena (see especially Bakker et al., 2008). However, this assumption brings with it some limitations which are further compounded by the fact that the majority of quantitative studies rely on cross-sectional retrospective survey data. Such data limits the effectiveness and power of explanation and causality (Bailey et al., 2017; Shantz et al., 2013).

The second issue relates to the preoccupation with the individual as the unit of analysis. The engagement literature is now abundant with narrowly conceived streams of engagement research, exploring a myriad of single linear relationships. Such research typically examines the relationship between an individual employee attribute, affect or behaviour with one other specific variable. Focusing on particular attributes or types of workers tends to de-contextualise engagement, often overlooking other dimensions that might be relevant. This narrow focus tends to restrict forms of inquiry when exploring employee engagement, leaving little scope to consider influences that are idiosyncratic to a person

within their work environment (Leiter & Maslach, 1999). In other words, this approach lacks the ability to provide a complete picture of the nature and causes of employee engagement (Gummeson, 2006).

Studies within the literature is beginning to recognise that engagement is a product of context (Dollard & Bakker, 2010; Meneghel, Borgogni, Miraglia, Salanova, & Martinez, 2016; Purcell, 2014). Context refers to employee perceptions of the organisation, their working conditions and the quality of management (Craig & Silverstone, 2010). Scholars, such as Jenkins and Delbridge (2013), have called for research to examine the wider influences linked to the organisation, arguing that contextual elements and organisational dynamics (such as the work environment or organisational climate) potentially have a powerful effect on engagement. Bakker et al. (2011b) acknowledge the different lenses through which engagement studies occur and that other dimensions also warrant consideration. The influence of the organisation as a source of engagement is one such dimension (Bakker et al., 2011b), yet very little research has tested this proposition (Barrick, Thurgood, Smith, & Courtright, 2015).

The study in this chapter hopes to address this deficiency by developing a better understanding of how employee engagement is experienced by employees and management in organisations. The aim is to understand what factors impact on the levels of engagement by adopting a unique method that captures the contextual factors. It seeks to explore and understand the situations and interactions that occur in organisations which have a direct bearing on an employee's engagement levels. The study seeks to understand the role and impact of the work environment on engagement levels. Therefore, the central questions guiding this study are:

“What aspects of the work environment impact on engagement levels?”, and

“What situations or interactions occur that contribute to employee engagement?”

4.1.2 Significance of this research

This study is a response to calls for further qualitative research on engagement to address the limitation of quantitative studies, and broaden the focus of analysis towards contextual issues. It provides depth and richness that traditional quantitative methods cannot provide. It is also the pioneering study that specifically targets contextual factors by introducing the concept 'quality work environment' to the engagement literature.

This study fills a gap by providing a qualitative analysis and secondly by adopting a holistic science approach to engagement that considers context or situational effects. Management scholars such as Gummeson (2006, p. 167) argue that complexity, context and persona (the human and social aspects of researcher behaviour) are all being largely disregarded by mainstream management research. He argues that qualitative research is able to address these. This thinking is in line with scholars such as Chalofsky and Krishna (2009) and Craig and Silverstone (2010), arguing that complex concepts such as employee engagement are best understood in context and in relation to one another and to the whole. This is in contrast to the analytic approach to engagement research that has traditionally been the most common approach. That is, the analytical approach considers each part of the object in isolation and its contribution that it makes its nature and function. Conversely, the holistic approach is based on the notion that in order to directly grasp the whole without consideration of the parts.

This study contributes to this shortfall in the literature by providing an in-depth examination of engagement through a case study analysis. It explores employees' and management's lived experiences to gain a more complete understanding of the engagement phenomenon. Aside from Kahn's seminal piece on engagement in 1990, this is one of a handful of qualitative studies of employee engagement in the diffuse academic literature (Bailey et al., 2017). A case study approach provides valuable insight that could not be attained through quantitative methods, due to its ability to tackle issues at various levels

(micro, meso and macro level) while simultaneously considering the interactions and dynamics of organisational settings. The case study recognises the subjective human construction of meaning through interpretation, yet permits some level of objectivity based on theory (Yin, 2013). As Johns (2001, p. 37) postulates “Qualitative data often highlight context... field notes ... feature contextual information, quotes from participants and so on”. Such a holistic approach offers a depth and richness of analysis that quantitative studies cannot match.

This chapter is structured as follows. A conceptual framework is presented, followed by a discussion of the data collection method and analysis and results. The chapter concludes with a discussion of key findings using a thematic analysis, and implications for future engagement research.

4.2. Literature

The following review focuses on studies across the various social sciences disciplines that explore the factors influencing employee engagement using qualitative research. The review also scanned research that explored studies focusing on the employee and organisational experience of engagement, including a brief review of empirical studies that consider contextual factors.

4.2.1 Qualitative evidence of determinants of engagement

Kahn’s ethnographic study explored the conditions by which people personally engage and disengage at work. This landmark study identified three psychological conditions (meaningfulness, safety, and availability) that impact an individual’s personal engagement and disengagement in their work (Kahn, 1990). Kahn posits that these psychological conditions are influenced by multiple characteristics of both the work environment and the individual employee. Kahn found that the workplace must offer an open and supportive environment where employees feel safe to experiment and to try new things and even fail

without fear of the consequences (Kahn, 1990). Kahn's work was the first in the literature to identify contextual factors, concluding that the role of teamwork, co-worker relationships and greater sense of peer support impact positively on engagement levels (Kahn, 1992).

Few studies have tested Kahn's theoretical notion (Reissner & Pagan, 2013). A field study by May et al. (2004) was the first to do so, confirming the three psychological conditions and determinants positively relate to engagement. The strongest relationship was to 'meaningfulness'. Such conditions include job enrichment, work role fit, co-worker relations, supervisor relations, resources, self-consciousness, and outside activities. These conditions have been identified as the main contextual components of work that this study will focus on. Another qualitative study by Reissner and Pagan (2013) examined the lived experiences of engagement activities of the parties in a public-private sector partnership organisation. It found that both managers (through directive and discursive communication) and employees were required to play a critical active role in the workplace in order to engage employees.

Perceived organisational support is another common factor identified as having a direct impact on worker engagement. This is anchored in Social Exchange Theory, which assumes that organisations are able to elicit higher engagement when employees believe their organisation is supportive and caring about their wellbeing (Biswas et al., 2013). Saks (2006) found that the perceived level of procedural organisational support and organisational justice impacts on engagement. A mining industry study found organisational support and growth opportunities in the job to be stronger predictors of engagement (Rothmann & Rothmann, 2010). Similarly, Locke and Taylor (1990 cited in Anitha, 2014) argued that individuals attain greater meaning from their work when they have positive interpersonal interactions with their co-workers, which then leads to higher engagement.

The qualitative study of two contrasting organisations by Jenkins and Delbridge (2013) is one of a few to offer a contextualised assessment of the drivers of engagement.

They explore six features at the organisational level: organisational values, job features, organisational support; social relations; employee voice; and organisational integrity. The study finds that the complexity of the internal and external contexts combined with management's organisational approach to its people significantly influence the prospects of generating an engaged workforce. Importantly, the study acknowledges the challenges faced by management arising from the complexities associated with handling a work setting and its practices that are continually contested, emergent, locally enacted and context specific (Jenkins & Delbridge, 2013).

Wildermuth and Pauken (2008) conducted pilot interviews with ten professionals, finding environmental factors amongst other factors to be connected to employee engagement. Environmental factors included the alignment of values between the individual and the organisation, the quality of the working relationships, and ability to achieve a suitable work-life balance. Rich et al. (2010) discovered the mediating effect of engagement between value congruence, perceived organisational support, core self-evaluations, and job performance.

Research by de Lange et al. (2008) confirmed the important role of autonomy (a task-related resource), social support (a team-related resource), and departmental resources (sufficient staff levels, good organisation of department), in creating a positive work environment to improve retention. However the enablers for engagement were not explored. Instead, predictors of engagement were limited to perceived organisational support or working conditions.

4.2.2 Employee/organisational experience of engagement

Another understudied area within this literature is the individual employee's unique experience of feeling engaged. Some progress is evident within the literature. For example, one study used experience sampling and diaries to study the intraday engagement levels and

how they fluctuate within the day (and even the hour) (Bakker & Leiter, 2010). Such fluctuations in engagement levels within a day were deemed a significant component of the engagement experience. This study also confirms that the engagement experiences may potentially be different from those reported in aggregate data, such as engagement surveys.

In a qualitative study of a large multinational organisation, three key themes emerged which determined if an employee felt they were engaged at work (Shuck et al., 2011). They were; the development of relationships at work, the important role of an employee's direct manager in shaping organisational culture, and the critical role of learning. The study concluded that the positive interaction of two key elements impacted the experience of engagement: the environment (colleagues and supervisors, organisational policies and procedures, organisation structure, physical layout), and intangible elements such as climate (trust, cooperation and perceived levels of safety), and the person element (emotions, personality, and physical traits). On the other hand, a quantitative study of female managers and professionals in a Turkish bank by Koyuncu, Burke, and Fiksenbaum (2006), found that work life experiences (such as control, rewards, recognition, and value fit) predicted work engagement and negated the impact of individual characteristics. Another study documented the experience of a government organisation undergoing change and restructuring and its impact on engagement levels and performance Gibson (2011). It found that involving employees throughout the process was important and that for engagement levels to improve, the process had to be a collective endeavour as this generated a social cohesion.

The important role of organisational dynamics and support in fostering engagement is confirmed; but engagement is a holistic experience perceived and interpreted through the lens of each individual based on their own experience, rationales and views of their context. They are in line with the HRM perspective that places importance on the role of 'employee perceptions' (Craig & Silverstone, 2010; Purcell, 2012). That is,

While in its early stages, current research evidence would suggest that one's experience of engagement is impacted by a variety of workplace factors and situations. Overall, the literature suggests that the context in which the work exists may have an impact on engagement and that individual employees understand and experience engagement differently in their own work environment (Leiter & Maslach, 1999). Further, context can vary vastly from one organisational setting to another (Coffman & Gonzalez-Molina, 2002). There is also an absence of research focused on organisational efforts and initiatives (Gebauer, Lowman, & Gordon, 2008). Overall, this review indicates the shortage of qualitative studies on the key influencing factors of employee engagement and about employees' lived experience of engagement. These findings confirm the need to address contextual issues associated with engagement.

4.3. Conceptual framework

This study adopts Kahn's broader concept of engagement, positing that engagement can be influenced by specific and wider environmental factors. Kahn recognises the multifaceted nature of engagement by giving focus to the cognitive, physical and emotional aspects of people at work (Kahn, 1990). His research concludes that the following three conditions relating to the broader work environment need to be present at work in order for employees to feel engaged: 'psychological meaningfulness' (perception of feeling of being useful or valuable), 'psychological safety' (feeling secure to express their preferred self and how much they can speak out about matters at work - interpersonal relationships, group dynamics, management style, and organisational norms), and 'psychological availability' (being physically, emotionally, and psychologically prepared to engage). Availability is concerned with work distractions such as role overload and work-role conflict, or the individual's personal life, their self-confidence, and personal security.

For the purposes of this case study analysis, conceptualising work environment factors was performed using the World Health Organisation's 'Healthy Workplaces' framework

(Burton, 2010). Under this framework, four key dimensions encapsulate the work environment; physical work environment (workplace facilities detected by human or electronic senses), psychosocial work environment (organisation of work and the organisational culture), personal health resources (organisational support provided workers to improve or maintain healthy personal lifestyle practices), and enterprise community involvement (whether and how an organisation engages in or provides to surrounding social and physical communities that may also impact the workplace). Importantly, unlike the JD-R model, which places primary focus on ‘resources’ as a key factor, this study distinguishes the various ‘resources’ from other contextual factors that fit under ‘work environment’.

4.3.1 Research question

The main aim of the case study is to determine whether and to what extent the work environment impacts on engagement levels. This study explores the employees’ explanation of feeling engaged and draws out the possible range of factors that may trigger higher engagement levels. The overarching research question guiding this study was “What factors influence an employee’s engagement levels at work?”. The specific questions guiding this study were:

RQ1. How do employees describe the experience of being engaged?

RQ2. What role does the work environment play in facilitating higher engagement?

RQ3. Which of the four dimensions of the work environment, if any, play a more important role in eliciting higher engagement levels?

In answering these research questions, other ancillary questions explored in the context of this case study include:

A. How does the HRM function perceive the concept of engagement?

B. To what extent is the work environment/setting considered when introducing employee engagement policies and initiatives?

C. What employee engagement measures and strategies are adopted by management/HRM to increase engagement levels?

4.3.2 Method

A broader approach to employee engagement is made using Yin's case study design to explore the phenomenon of being engaged at work (Yin, 2013). In order to gain a rich and detailed insight into a complex concept, this study adopts an interpretivist paradigm, using an inductive approach (Burrell & Morgan, 2017). A more considered distinction between the engagement experience and the antecedents of engagement can also be drawn out by the case study analysis. The case study method is deemed the most appropriate method when undertaking an in-depth analysis of a particular unit of study or to understand the dynamics and complexity of human behaviour (Patton & Appelbaum, 2003). The detailed observations enable one to explore the many different aspects, examining them in relation to each other and also to view the process within its total environment (Gummesson, 2006). Importantly, Runyan (1982) notes how the case study is useful for describing an individual's experience and for developing interpretations of that experience.

4.3.3 Sample and Procedure

This qualitative research uses the example of a business unit within a large Australian financial services organisation (anonymised for confidentiality). This study was conducted over a 4 month period between 2016 and early 2017. Focus groups and semi-structured interviews were conducted with over 25 participants over this period, and supplemented by document analysis. Due to the sensitivity of the information and the anonymity guaranteed both to the organisation and the participants in the study, the company has been given a pseudonym and participants have been referred to as Interviewee 1, 2, etc. The business unit (Lendco) covers 150 NSW employees, while the organisation as a whole (Finco) employs over 30,000 workers across Australia and New Zealand.

The population of interest within the organisation was both staff and management, as the aim of the research was to provide a comprehensive view of engagement. That is, it explores employee engagement from a number of perspectives from staff across various occupations. Interviews and focus groups were conducted together with a document analysis. The first step involved an initial meeting with the Manager of the business unit, the HR manager, and then followed by another group meeting with the leadership team (n=6). This was designed to acquaint the researcher with the business unit operations and also for the researcher to brief senior management on the role and purpose of the case study. The executive team also invited the researcher to attend the general staff meeting (referred to as 'town hall' meeting) as an observer. Step 2 entailed an initial analysis of public documents regarding the company's operations. Step 3 involved interviews with a broad cross section of the business unit including front line staff and the senior executive team. Kahn's concept of engagement was used to frame the interview research questions to capture the experience of engagement and general organisational setting. Step 4 involved conducting focus groups with the core group of staff (see table of interviews and focus groups for occupational profile of participants). The focus group questions were based on the interview responses, with a more targeted focus on contextual factors. This was guided by WHO's healthy workplaces framework.

Semi-structured interviews were initially conducted with members of the leadership team (known as PCEs) and also with some front line staff (n=7). This was followed by 3 focus groups of employees only (25 in total), whose job roles ranged from lending associates (PCAs) to line management roles (PCMs). Interviews and focus groups were conducted in a private meeting room. Interviews lasted between 60 minutes and one and a half hours. All participants agreed to have the interviews audio-recorded and confidentiality was guaranteed.

Step 5 involved thematic content analysis of the rich collection of interview and focus group data. This was supplemented with document analysis of various documents and

policies addressing the strategies, initiatives, programs and practices of employee engagement were examined (these are listed in Appendix 8 and anonymised). The interviews and focus groups were held sequentially and purposefully, with the interview step informing the design and content of the focus group. There was some overlap of participants from the interviews to the focus groups. Indeed, interview participants were encouraged and invited to attend the focus groups. Firstly, in order to incite greater participation. Secondly, group dynamics can generate new thinking or responses about a topic or can elicit different thoughts. Participants were selected by the management team and was largely based on timing and availability of staff. In two of the focus groups, participants involved a mixture of staff and line managers. This is because the interviews discovered a very trusting and open relationship between these levels of workers. In the third focus group, one senior manager also participated. However, this focus group involved participants from various roles within Lendco that typically fall outside the traditional lender/banker (eg business development manager, personal assistant, accounts).

4.3.4 Data collection and analysis

The process of triangulation was used to collect and analyse the data through an initial review of documents and policies, followed by an informal interview and site visit. This information was analysed and used to refine the interview questions. Initial informal interviews with management and subsequent discussion with the senior leadership team of Lendco were conducted to explore and ascertain the key issues at Finco more broadly, as well as a more specific focus on the attitudes and perceptions of employee engagement. This assisted with the final design of the second round of semi-structured interview questions. Informal discussions with the management team also helped to clarify issues arising from the interviews, and were also corroborated with the document analysis where necessary. The findings and analysis of the subsequent staff interviews assisted with the final design of the focus group questions.

Focus groups were then conducted with staff to build on the key issues, and identify the focal points that draw out the participants experience of feeling engaged at work and how, if at all, the work environment contributed to this. Focus groups were conducted because they are capable of eliciting more diverse and open responses, revealing dimensions of understanding that often remain untapped by more conventional data collection techniques. Using group interaction as part of the method means that people are encouraged to talk to one another and are able to exchange anecdotes and experiences, and can identify shared and common knowledge or interpretations (Kitzinger, 1995). While the focus group methods may appear inhibiting for participants compared to the privacy of an interview scenario, they serve to facilitate the discussion of forbidden topics and for exploring the thinking process of participants and clarifying certain points of view. The efficiency and timeliness of the focus group method was also important for this case study due to the limited availability of participants.

In an attempt to enhance greater participation, focus groups and interviews were held in private meeting rooms on the organisation's premises, minimising time away from work and assuring confidentiality to increase participants comfort and willingness to share their opinions and experiences. All interviews were recorded and transcribed. Participants' names and other identifying details were modified to ensure anonymity.

Due to its multidimensional nature, the key themes within the interview protocol will be guided by the 7Ps framework. The interview and focus group questions will explore the connection between participants' work environment and the engagement levels experienced in their work roles. Participants were also asked to reflect on their relationships with co-workers and treatment by management. Interview questions were framed around the following key categories: (1) expectations at work; (2) feelings about work; (3) systems and resources at work; (4) use of skills at work; (5) perceptions of the manager and leadership team; and (6) perceptions of co-workers and support (see Appendix C). These key themes were based on

the 7Ps multidimensional model of engagement that was used to conduct the quantitative analysis in Chapter 3 (Langford, 2009). This model was adaptable to Kahn's model due to its multidimensionality and consideration of contextual factors.

Post data collection, content analysis was used to interpret the results (Yin, 2013) using the axial method of coding (see Strauss & Corbin, 1998). This involved a systematic analysis of the interview and focus group data to explore and identify the emerging patterns. The data were first manually coded and analysed and followed up using qualitative data analysis software, NVIVO, to identify common patterns emerging from the research participants' responses. Theme nodes were created automatically by running a query based on a text search and also by running a coding query. The coding queries were guided by the interview questions. Some of the key themes identified in the findings were guided by these nodes (such as communication and employee participation, teamwork and performance, organisation goals, commitment, remuneration, client service culture, leadership, regulatory environment, team culture, financial targets and performance incentives). However, the analysis of participant responses was mostly based on an iterative process and content analysis to distil large amounts of data, allowing for an exchange of ideas between focus group and interview responses. Key themes were identified and are presented in s4.5 below.

4.4 The Case

This case was chosen based on a review of two main sources. A review of Australian newspaper articles over the past 12 months using the FACTIVA newspaper database, using a text search to identify Australian based organisations that discussed employee engagement as their strategic priorities. This was supplemented with a review of an Australian based research database of firms participating in employee engagement surveys (Voice Project, 2009). Medium to large sized organisations were prioritised due to the lack of studies of these organisations and their likelihood of containing a formal strategic policy to employee engagement (Shuck, Roberts, & Zigarmi, 2018). Finco was selected due to obtaining access

(a sector that in which it is difficult to achieve this), its firm size and also the lack of engagement studies in the financial services sector. More significantly, it is an established firm, which has embedded employee engagement into its organisational values. Employee engagement also forms a key component of Finco's business strategy, listed as one of its key performance metrics. The financial services sector is highly service-oriented, posing emotional demands on its workforce (Zapf, 2002) Organisations rely on its staff to meet and exceed client expectations, and with efficiency. Finco recognises that achieving this requires staff which is highly engaged.

During discussions with senior management, access was granted on the basis that the organisation remained anonymous, purely for competitive and benchmarking reasons. The leadership team also clearly stated that they could see the benefits of an independent, cost free, academic study (that is not initiated by the leadership team), and that staff would be more open to participating. Also, management realised that a study of this nature would serve the organisation's interests well, given that employee engagement is listed as one of the 5 key strategic priorities. The university ethics process was followed, as was the needs of the participant organisation. Management ensured confidentiality of participants and agreed to provide the necessary office space away from their work site.

As Yin 2009 advocates, analytical generalisation using the case study method requires an explanation of the background and context of Finco (Yin 2009). Based mostly in the domestic Australian market, Finco's core business function is to provide lending and financial services to a range of customers, from individuals to small, medium and large business. According to Finco's 2016 Annual Report, Finco commits to provide customers with quality products and services with fair fees and charges, based on key principles of 'help, guidance and advice to achieve better financial outcomes for our customers'.

4.4.1 Background and external context

Lendco is a unique small business unit within Finco, whose core business function is to provide lending and financial services to 'high end' individual clients and small-medium businesses. Finco is part of a long established banking and finance sector that has experienced long term stability. Australia emerged relatively unscathed from the global financial crisis over 10 years ago, however the industry faces other challenges, mostly economic and structural (Nicholls & Evans, 2015). One significant challenge is the faster-moving environment where technological advancements and innovation is continually changing the product market, services and the nature of work (PWC, 2017). Compounding this is the tightening of the regulatory environment and increased public scrutiny, placing increased pressure on financial firms to reconsider their operating models, brand and cost structures. The most significant development in the Australian context concerning regulation and governance was the establishment of the Banking Royal Commission, sparked by concerns for the public interest and serious allegations relating to the breach of both statutory and criminal acts relating to the operation of a corporation. The inquiry is designed to address the problems and scandals driven by a sales-driven culture that emphasised profit at all costs.

4.4.2 Workforce composition and strategic focus

Lendco is a small business unit situated under the head office functions of Finco. The workforce comprises 150 staff within the NSW division, of mostly professional occupations, and support staff. Roles range from Client Associate (PCA) and Administration/Personal Assistant at the entry level, to Line Managers, known as 'Client Manager' (PCM), Client Executive, Business Manager, Lending Manager, Executive Manager (PCE), HR Manager, and General State Manager. The core functional roles of Lendco are Client Associate and Client Managers. These roles are the customer face.

Until recently, the role of Client Associate and the Client Manager enjoyed a significant degree of autonomy in completing tasks, decision-making process for approving loans, and variety in the tasks performed. For example, Client Managers conducted most of

the processing themselves and had control of it. This forms the fundamental component of their business model, because it was the ability to ‘think outside the square’ for clients and offer new ways to get the job done, that provided the competitive edge over other competitors. Aside from meeting their monthly targets, Client Managers are able to schedule their work in way that best suits their own needs or those of their immediate team. However, systems are changing and automation is being introduced in finance sector organisations not only to improve efficiency and the delivery of services but also to meet the new regulatory requirements. Consequently, the ability of Client Managers to process and approve new loans has been curbed and this has impacted on job roles and levels of autonomy.

For Finco, culture is critical to building stronger relationships with customers and shareholders (2016 Annual Report). As part of its strategic review, the organisation instilled five core values to guide leadership and reward staff: Passion for customers; Will to win; Being bold; Respect for people; and Doing the right thing. Measuring performance is founded on three objectives; customers are our advocates; engaging our people; generating attractive returns. This case study will focus on the objective ‘engaging our people’. The prime metric used to measure performance of Finco’s employee engagement objective is a custom designed engagement survey, measurable at the business unit level and the organisational level. The survey has been in operation for 5 years.

4.5 Key emerging themes at Lendco

Overall, the results of the case analysis Lendco showed that the work environment presented as a significant factor that weighed in on the experience of being engaged at work. As one Executive stated, “...*being able to come in and have a nice working environment... It doesn't feel like work.*” (Executive Leader). The essential conditions for high engagement require organisations to produce the right context as well as a range of factors such as team level support, management support, meaningful jobs, recognition, and autonomy. This was reflected in several responses. For example, one Manager commented “I think the

environment and the team that you're in tends to also reflect on your intensity and your ability to work harder". A junior staff member also stated "...having the right support network, I guess that's number one. Engagement level number two, having a motivated team. Number three, having the technology and the resources, and the processes to back up my duties." (Client Associate). One executive succinctly explained the overall employee sentiment across the organisation as follows:

There is a massive engagement level, and a real loyalty and pride about Finco as a brand. Through the roof. They love the [company symbol]. Through the roof. That's across the whole enterprise, from the results that we've seen... and obsessed about the client. (Client Executive)

The following section outlines the key themes that emerged from the analysis of interviews and focus groups at Lendco. These include team culture, financial incentives and performance, organisational goals and values, client service culture, regulatory environment, and leadership. All of these themes presented as important issues that were raised by staff and appeared to bear some level of significance to staff perceptions around their role, work environment and expectations at work.

4.5.1 Team culture and engagement

Overall, the analysis of participant responses found that emotional contagion at Finco is high. This was particularly noticeable at the group level (line manager and direct report). That is, various attitudes and behaviours amongst staff led to shared feelings of engagement within the specific team. For example, one Client Associate highlighted the close relationship that each line manager has with their direct report:

The banker and associate will work really closely to each other, but another banker and another associate won't work. That's it. Management has created that structure. This is your banker, this is your associate. That's your banker, that's your associate. They purposely created that structure.

Another Client Associate commented on the powerful impact that their team members have on their own motivation and energy levels:

I feel like if you've got a team that's motivated, you're all working towards one goal. You feel so much more energised and driven. That's what I was really looking for when I moved teams, and was one of the things I said in my interview, actually. I'm looking for a team that's willing to accept change, more energised and willing to hear others' opinions. It's really hard to find that motivation within yourself when you've got a team that isn't. (Client Associate).

A Client Manager also noted that in times of constant changes, “*the good part is the way the whole culture is shown that resilience in terms of working together and still working up to the targets*” (Client Manager). This was supported by another participant in a different focus group, when describing the impact of a team on their own motivation levels. “That comes, I think, from a good team environment, everybody, a motivated team. They do make me step up.” (Client Associate). Another Client Associate added “*In my team in particular, we're all really close. We bounce off each other all the time...For me to be emotionally well at work is if I've got a happy team environment.*”

A member of the executive team also confirmed the value and importance of the team and the environment on effort:

I think the environment and the team that you're in tends to also reflect on your intensity and your ability to work harder. I'm sure it's one of the challenges of a people leader to be able to consistently maintain that motivational levels across multiple people... Really for staff it is ... their engagement comes from the impact that their team and their leaders have on them... that's really the individuals in the team working together (Client Executive)

4.5.2 Financial incentives and performance targets

Another important finding was that remuneration (bonuses) was found to be a key driver of engagement and performance by most Lendco employees. This is consistent with literature that employees are more likely to be driven by financial means, especially in the financial services sector (George, 2011). The Royal Commission recently pointed to this as a

major problem in the financial services sector. Various participants highlighted the fundamental role of remuneration and incentives and meeting sales targets. For example:

“I don't drive any engagement from leadership, it's from my desire to make a bit more cash than I did last year, and to do the right thing by my clients”. (Client Manager)

If there wasn't a bonus at the end, I don't think the financial services industry would exist. If you're going to set high targets and get people to exceed expectations and go under all that stress that they need to do to bring in an income, I think you need to give a little back. I think bonuses are important. (Client Associate)

“You need to be rewarded for what you do, I guess. Paid sufficiently, looked after. Receive all ... You need to have all your needs met, I guess. (Client Associate)

“We can do whatever but it always comes down to the end of the year. How do we perform? That's how our bonuses are considered. So ultimately it's a figure that we're working towards.” (Lending Advisor).

4.5.3 Organisational goals and values

Finco's five core values are centred on passion for customers, being bold in the pursuit of new clients, the will to win, respect for its people, and doing the right thing. These espoused values were promoted through developing reciprocal relations. The organisation valued and cared for employees, employees valued and attended to client needs, and consequently customers remain loyal. The strong client focus was highlighted by Finco's slogan 'the year of the customer'. Its people were based on familial values, emphasising 'trust' and 'care' for its workers and the appreciation of individual contributions. Doing the right thing was a value that was expressed through Finco's motto of being 'Australia's most respected financial organisation'. This was also reflected in the commencement of a restructure of its internal structure and processes in response to changes in the external regulatory environment as a way of minimising risk and acting with integrity. This was achieved by creating a specialist team to process key components of its systems.

Each division within Finco is able to roll out their own plan, according to the five core values. The values of all staff at Lendco display alignment with Finco's. This was evident in

interviews and focus groups, with participants demonstrating a clear understanding of how their role and the business unit as a whole contributes to Finco's values and goals. Similar cultural values, attitudinal and behavioural patterns were displayed by most staff in the business unit (Lendco). However, staff expressed a closer affinity to clients and colleagues than to the leadership team, suggestive of the existence of subcultures across teams and indicative of multiple levels of commitment (Meyer, Becker, & Vandenberghe, 2004). One manager poignantly said, "Am I as engaged with my business, my group of clients, the staff that I work with? Absolutely. Am I more or less engaged with the senior leadership? I would have to say I am less engaged, and I think that they are less engaged with us as well." Staff also felt less support from the leadership team, and consequently also felt less affiliation with their leader. "My direct manager, he's very supportive. My people leader isn't so much. My people leader, I think he's just the overarching guy that looks after the whole team, but not really anyone." (*Client Manager*). A long serving Client Manager noted the difference in today's leaders at Finco, and a lack of appreciation for the new leaders, stating "the leadership of the organisation came from the trenches, if you like. Today the leadership of the organisation is purely hired as leaders rather than people who understand the business."

4.5.4 Client service culture

The most striking observation was the loyalty and commitment displayed by employees towards their client base. This is a source of intrinsic job satisfaction. A strong client centric culture was best highlighted by one staff member's response when asked to complete the sentence 'My work gives me a feeling of personal accomplishment when ...'

I've satisfied what the client needs... You can sometimes tell how much it's impacted their lives, and it's pretty special sometimes. Yeah, well I guess that's my job. That's all I'd have to say. That's the end goal, no matter what you're trying to do. (Client Associate)

Indeed, staff consistently expressed that they derived the emotional connection in their work from their client relations. For example,

The end point when you achieve something for your client, that's when I feel like there's an emotional connection. All the groundwork you've done, how long it's taken you, you chasing different departments, escalating to get these things done. Then I feel I've done so much work to get to this outcome. The client's happy, we achieved what we wanted. Then I feel emotionally connected to my work. (Client Associate)

When asked what about the most satisfying aspect of their job, the common reply was often to deliver for clients. As one manager explained, “The only reason why I'm here, my job doesn't exist without my clients. We are here because they're here. Without them, we're not doing anything.” (Client Manager)

Lendco staff constantly expressed a passion for appeasing and servicing their clients, often ahead of reaching their own performance targets. This is against the current situation with the developments in the financial services sector, where several cases have already been identified to be acting with no integrity (Commonwealth, 2018). Indeed, some participants admitted that they had even compromised the interests of the firm or their own personal financial gain out of loyalty and obligation to their client. When asked about the tensions between meeting the organisation's goals and the customer's goals, one Associate commented:

Finco's goal is to make revenue, and the customer's goal is to pay as little money as possible. I guess you've got to decide whether you're going to make the revenue or retain the relationship... [I decided to] forfeit my scorecard, forfeit the 10 grand, and do it in house and retain the client. ...[Doing it in house] saved the client 10 grand. It cost me a heart attack and two, but I guess that's why I do this. (Client Associate)

I guess you've got to draw the line between meeting the bank's goals and the customer's goals. It's pretty full on sometimes. (Client Associate)

Indeed, client service culture appeared to outweigh the focus and importance placed on the engagement agenda. As one Client Manager put it:

Our business is all about the clients, and we do enjoy it. We're very protective of those clients that we do have, and that's what drives us. Whatever the goal post of change, and we've gone through some big changes, we're resilient, we're still supportive, and regardless of where your engagement levels are with the business, the main focus for us is that book of clients that we do have.

4.5.5 Regulatory environment and meaningful work

Participants strongly indicated the importance of having a sense of meaning in their work and its impact on engagement levels, and that this had declined in recent years. One significant barrier to engagement levels and staff morale was the impact of the external regulatory environment. This is attributable to the new systems and processes that organisations are putting in place is reducing the level of autonomy and discretion in decision-making that was enjoyed. The restructuring, automation and centralisation of roles and processes is reducing employee discretion and therefore engagement/commitment.

Participants expressed that Finco's leadership has not helped staff to adjust to the increasingly tighter regulatory environment and the recent Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry. In fact, the new business model, the automation of various duties and functions initiated by Finco management has had a deleterious effect on the meaning and identity that staff attaches to their work. As one executive team leader stated:

But, on the ground, ... I think there's a big level of disengagement, again, by what the organisation as a whole does to them [business unit]. I think they understand that at the State Manager's level, at my level, at the Executive level, we're all trying to do the right thing by them, and we're all trying to push as much as we can, but there are things in the organisation and the regulators that just mean that we become the messenger. (Executive)

We have a big lens on the top [industry players] that happens really often where you get something that comes down from the regulators that the organisation then reacts to and you look at that and go, that makes no sense in terms of your strategy

[at the business unit level], it makes no sense in terms of what the client wants, but you have to do it... I think it's a factor of working in such a regulated environment as well. (Executive Leader)

The new global and domestic prudential regulations designed to further strengthen the banking and finance sector is already impacting on the way Finco operates. The frustrations experienced by staff with the changes to the regulatory environment were evident and also appeared to impact their engagement levels and commitment to the firm. This was demonstrated by the increasing automation of key aspects of their jobs through a new internal independent and centralised unit. This establishment of a new processing unit resulting in the gradual removal of discretion in the decision-making afforded to staff, which had consequences for the meaning attached to their role. One participant commented on the hurdles faced when processing finance applications and its impact on the meaning they attach to their work:

In the past, things were left with the manager to determine and execute on their own authority, whereas the organisation is moving towards a model that requires a higher level of analysis and adherence to policy in order to execute and provide responses and decisions on finance applications. It is moving towards removing the decision making process from the manager and the business via a centralised business unit. (Client Manager)

Longer serving Client Managers also noted how this change has occurred during their tenure, and the impact it has had on autonomy and the meaning attached to their work:

Since I've joined, I've actually noticed that deterioration in that value proposition that Lendco had... it is becoming more and more difficult for us to act as the decision makers for our clients...I've had other managers even say that in the past we were paid to take risks and make decisions because we were trusted with that responsibility. Now, we're moving towards a business that is, as we've mentioned, just following a process in a book that will ultimately remove our competitiveness in the market

The hurdles we face to obtain approvals for finance, the way we interact with our clients and the information that we need to support finance applications is specifically what I'm talking about there. In the past, things were left with the

manager to determine and execute on their own authority, whereas the organization is moving towards a model that requires a higher level of analysis and adherence to policy in order to execute and provide responses and decisions on finance applications. It is moving towards removing the decision making process from the manager and the business via a centralized business unit. (Client Manager).

4.5.6 Leadership

The perceived lack of support from the leadership team within Lendco to ensure the business unit's function and viability across Finco instilled a lack of meaning employees attached to their work. That is, centralisation from the unit (Lendco) to the group (Finco) has consequently lowered staff's sense of purpose and value within the organisation and also reduced their engagement levels. Participants felt that they experienced a decline in their value to the organisation by their senior leadership team in recent years, despite the higher than average positive returns by the business unit relative to other units. That is, from a strategic perspective, there was a perception by employees that the function of the business unit and their unique position within the broader marketplace was not valued as much by Finco's senior management. Results from focus group and interview participants reflected this sentiment in well over half of the respondents. The examples below by various managers depicted this sentiment:

The organisation is moving towards a model that requires a higher level of analysis and adherence to policy in order to execute and provide responses and decisions on finance applications. It is moving towards removing the decision making process from the manager and the business via a centralised business unit. (Client Manager)

You know in five or six years, there will be no sense for this business. It will be folded back into a broader part of the [organisation], that if we as a business, and if our leaders do not take active steps to push back...There's a lot of experience in the room here, but I feel like things like having ... the processes centralised, I feel that I'm actually losing my skills." (Client Manager)

"Today the leadership of the organisation is purely hired as leaders rather than people who understand the business...There is not enough rhetoric or communication around

the new business model, how it is going to be sustainable, what's our role within that business model, and how will they maintain that environment for us to be still engaged, and motivated in comparison to the previous environment.” (Client Manager 2)

The lack of support by the immediate leadership team within Lendco was also a signal of doubt about their ability to stand up and represent the interests of the business unit.

“I think also the leadership team is struggling with that fact as well. They absolutely realise [the diminishing role of Lendco], and they are obviously in the middle of it because it's coming from a lot higher.” (Client Manager)

There is not enough rhetoric or communication around that new business model, how is going to be sustainable, what's our role within that business model, and how will they maintain that environment for us to be still engage, and motivated, and the like in comparison to the previous environment (Client Manager)

Participants were also able to distinguish the type of engagement they experienced between the leadership team, colleagues and clients. They clearly expressed a closer affinity to clients and colleagues than to the leadership team. For example, a Client Associate clearly delineated between achieving goals set by different managers/leaders:

I would look first to my manager to achieve our goals. You always get that high level view from up top about what we want to achieve and where we want to go. The priority for me is always to achieve the goals that I've been set first, before I worry about the higher up goals. (Client Associate)

A similar sentiment was expressed by a Client Manager as follows:

Am I as engaged with my business, my group of clients, the staff that I work with? Absolutely. Am I more or less engaged with the senior leadership? I would have to say I am less engaged, and I think that they are less engaged with us as well. (Client Manager)

Previous research by (George, 2000) found that a leader's influence can contribute to the production of shared motivation and affective responses which further validates the findings derived from this case study. The findings also confirms previous findings by the commitment literature of the existence of multiple and potentially conflicting loyalties (and

sources of motivation/frustration) between the levels of individual, work team, and organisation (Reichers, 1985). The findings also parallel the literature which demonstrates that employees want to be engaged in work where they feel that they are contributing in a positive way to something larger than themselves (Markey, Ravenswood, Webber, & Knudsen, 2013).

4.6 Employee engagement and work environment

Company records of engagement survey scores show an improvement in employee engagement levels at Finco (organisational level), with a 5 percent increase between 2015 and 2016 (56% to 61%). These levels now exceed the Global High Performing Organisations Benchmark of 60%. Engagement levels at Lendco are significantly higher than the organisational average, sitting at 74% in 2016 (a 5% increase over the same period). These trends were often cited by the Lendco leadership team, demonstrating a sense of satisfaction that their initiatives and targeted strategies have been effective. The excerpt below from one Executive leader demonstrates this:

We've done a lot in trying to bring the team together, trying to bring a sense of culture around. We have one team, we have a bit of fun together. We've really worked through some big, big, big things around making their job easier every day. We've done all of that and I think that's driven, with the result [of increased engagement]. (Executive Leader)

While the official employee engagement statistics held by the company show that the majority of employees experienced a sense of commitment, passion and loyalty to Finco, these sentiments were not reflected in the participant responses. Instead, the participant responses indicated a disregard for the executive team of Lendco. Employees did not always believe the leadership team's message, especially in relation to employee engagement. They often viewed the strategic goal of achieving high engagement levels as one that was mostly for the purpose of serving the needs of Finco's executive team, rather than a genuine interest in employees. That is, staff felt that management's interest in their level of engagement was

less about a genuine interest in the wellbeing of the workforce. This sentiment was depicted by one of the Executives in the Leadership team:

But, on the ground, if you come in everyday, I think there's a big level of disengagement, again, by what the organisation as a whole does to them. I think they understand that at the State Manager's level, at my level, at the Executive level, we're all trying to do the right thing by them, and we're all trying to push as much as we can, but there are things in the organization and the regulators that just mean that we become the messenger.
(Client Executive)

This poses a number of issues that need to be overcome. Firstly, that reported levels of engagement through a self-report survey may not always be a true indicator of actual engagement. This is in line with research that questions the suitability of survey tools as the ideal way to capture or measure employee engagement (Arrowsmith & Parker, 2013). Secondly, that it is possible that employees feel pressured to answer the engagement survey in a certain way, in order to achieve the engagement scores that management and the leadership team seek. Indeed, participants expressed that they sensed management's expectations around survey results, making staff feel somewhat coerced to overinflate their engagement scores. They even doubted the integrity of the organisation's survey administration process around maintaining confidentiality. This was depicted in a comment by a Client Associate, expressing concern about anonymity, "because I don't believe that's anonymous."

Participants were also asked to identify three key things that make them feel engaged: responses varied from 'Varied and interesting work', 'maintaining work life balance', 'recognition or feedback from clients or manager', 'relationships with colleagues', 'a supporting network', 'working with a motivated team', 'the right technology and resources' and 'work autonomy and voice'. Autonomy and voice were best expressed by a Client Manager who said:

...really allowing them the freedom, within a certain boundary of course, to be able to do what they're good at...fighting more [with the leadership teams] and not fighting in a bad way...but in a diplomatic way of course. How does [our business unit] get our story out? How do we say, this is what we're doing, this is why we're doing it? (Client Manager).

Another participant identified the importance of enjoying your work and colleagues by saying “coming to a place where they actually enjoy and want to come to work. Their work environment or their work colleagues as such is critical to whether they want to do that.” (Client Executive). This was expressed by other participants in a similar way. For example, “I think the environment and the team that you're in tends to also reflect on your intensity and your ability to work harder” (Client Manager).

Focus group participants were directed towards the four key dimensions of QWE and asked whether any of these impacted on their own engagement levels. This study also identified that the importance and significance of the following QWE dimensions varied considerably.

4.6.1 Physical work environment

The physical aspects of the work environment presented as a very important factor when asked about employee engagement. Finco operates under a high client service culture, and this is particularly the case within Lendco. This requires staff to have all resources (such as technology, operating systems, and processes) to be in good working condition order to process their client's request.

The ‘physical work environment’ dimension was identified as an important influence on engagement by participants. Employees felt more engaged when they perceived that the organisational resources and systems assist them to remove obstacles at work and complete their tasks efficiently. Providing autonomy in the decision making process coupled with efficient processes and high quality resources increased their ability to immerse themselves into their role to complete their task.

We have so many policies and processes, and some are so outdated. As a newcomer, I'm always looking for processes, procedures on how to do this, how to do that. Yet, you talk to everyone and everybody will give you a different procedure... you can't even find what you're looking for, so you end up having to walk around the floor and ask somebody who's done it before (Client Associate)

We have the reputation, internally, when you first start here they tell you the story as well about our IT systems. It took me eight weeks to get a phone number and a phone. People feel frustrated I think, and then that leads to a level of disengagement. Then there's almost this kind of apathy around it too, which I never understood. (Client Associate)

“I don't feel like management supports us in terms of resources. In terms of people and access to offices and hardware, software, all that sort of stuff”. (Client Associate)

Participants generally acknowledged that the tightening of the regulatory environment by the government agencies that's creating a sense of uncertainty and restriction of job autonomy and tasks, however they also suggested that what was lacking was support by the leadership team as they still have ability to create policies that still work for the organisation, business units, and staff. This was established in section 4.5.5 and 4.5.6 above. Another example of this sentiment was expressed by a Client Manager when describing the move to a more centralised process for credit preparation;

I think also our leadership team is struggling with that fact as well. They absolutely realize it, and they are obviously in the middle of it because it's coming from a lot higher. It's almost like we're running on a two tiered business where they're trying to manage the pressure from compliance, and our requirements as well as the commercialist of how we used to operate. (Client Manager)

4.6.2 Psychosocial work environment

Staff displayed greater emphasis and importance to their immediate team, social support, and organisational support when describing their engagement experience. This was expressed by participants across the range of occupations of Lendco. Examples include;

“I've been at the bank a long time, and it's your colleagues. If you're in the trenches and you want a helping hand or whatever, you can just walk two or three feet, and there's always someone to listen to you, and to try and help you out. That's one of the best things about working... your colleagues.” (Client Manager)

“Well, especially being in NAB Private, I guess you're in the head office of NAB. I've met their CEO myself. They are consistently training me, educating, coaching. I think NAB has developed me a lot from when I first started here. Things have changed. I definitely feel a part of the organization. (Client Associate)

“It's certainly the culture of the team. The individuals in the team working together and also I do see how leaders approach that in terms of behaviours and the culture they are looking to embrace and encourage across their teams. I know when times are tough, for example, or people are somewhat stressed out, a good release for them is to be talking to their colleagues and peers and venting and such, which I think certainly we promote. We don't want people keeping it all inside and exploding at some point but that certainly is a big part of it the people are working around you.” (Executive Leader)

It's awesome. It's got a really good culture. Day to day, it's not one of those places where you feel uncomfortable or overly stressed. It's good, it's laid out very well, and the way the business operates is really, really good. Quite a friendly culture. (Client Associate)

It's pretty cool. You're also working with people who have got heaps and heaps of experience that you can draw on. (Client Associate)

...things that make me feel well is when my team members are a lot happier. We've got a lot of team members who are like, "Living the dream," and that's their favourite phrase, but they're obviously saying it sarcastically. Why do you need to say that out loud? You really bring the environment down. I don't feel like that. I come to work happy. It's the people, their emotions. I think I'm very empathetic, and their emotions bring me down. For me to be emotionally well at work is if I've got a happy team environment. (Client Associate)

“In my team in particular, we're all really close. We bounce off each other all the time. When people are on annual leave, you pick up the slack and things like that. I couldn't complain about that one little bit.” (Client Associate)

You've got the work to do there, you're well supported, you're well trained to do the job, but if the support is needed, you've got others there you can reach out to, and you feel comfortable enough to go on and do that. (Client Associate)

You've got a few options. You can go to PAC, which is like a HR division, I guess you'd say. Go to your executive. You can go to anyone on the floor. I could even go up to [the State GM]. He sits probably like 20 meters from me. (Client Manager)

When asked specifically, 'what makes you engaged?', one client associate answered; Firstly, Coworkers. You need to enjoy the people you work with. Coming to work every day and mucking around and having friends is probably the best feeling. It's your home away from home, essentially. You need to like the people that surround you. (Client Associate)

4.6.3 Personal Health Resources

Several participants often noted the importance of maintaining a healthy lifestyle and that a balanced approach to work and life was vital in ensuring their wellbeing. Lendco's supportive approach to this was valued, as expressed by one participant, "[Aside from clients and colleagues], one thing the organisation does is support a work life balance." (Client Manager). However, issues associated with this dimension were not always directly obvious or specifically identified by participants as an influencing factor of engagement. Indeed, only when participants were probed to rank the QWE dimensions that personal health resources (PHR) were identified by the majority of respondents as a driver of engagement. Often, PHR was ranked second or third in order of influence. Some examples of participant responses of this are as follows:

That's really why it's good to work for place like this because you're dealing with that human element, rather than just the computer saying no (Client Manager).

The ability to maintain the balance between personal life and your professional career is definitely something that keeps you engaged. (Associate)

One thing that the organisation also allows you to do is I exercise. They've never stopped me from going for a run at lunch and disappearing for an hour and a half so I can de

stress if need be and running is a great way, or exercise in general is a great way to reset your mind for the day. (Client Manager).

4.6.4 Enterprise Community Involvement

Tapping into the social conscience of staff also appeared to bear significance to engagement levels at Lendco, but to a lesser degree relative to the other QWE dimensions. This is especially relevant given the Royal Commission Inquiry, suggesting it may become a more powerful influence over engagement levels in the financial services sector. As one participant noted, *“I mean I’ve chosen an employer in the past over their moral standing over another one because it was pretty similar in everything else that they did. I’m pretty balanced in that.”* (Client Manager). Perceptions of the organisation’s image and reputation also mattered. As one Client Associated noted;

I think our bank really stands for being respected. I think we're doing well at that, that previously we've had some mistakes by senior leadership, but our main goal is to be respected and to be the number one bank, try to get up there. In terms of what our bank really stands for, I just think we want to be the bank that cares for their clients and puts our clients first. That's what I believe they try to push out. (Client Associate)

However, relative to other dimensions of QWE, it ranked lesser relative to the physical and psychosocial dimensions of QWE.

4.6.5 Summary of findings

When prompted more specifically to rank each of the QWE dimensions in order of most influential to least influential, the results were as follows. Firstly, the psychosocial work environment was identified as the most relevant and influential by all participants. In particular, peer support and organisational culture, leadership support, and open communication were often highlighted. However, staff were not always convinced that the leadership team’s strategic goal of achieving high engagement levels was based on a genuine

interest in employees. Rather, they suspected it was for the purpose of serving the needs of Finco's executive team rather than genuinely addressing the interests of employees. Secondly, slightly more participants identified the 'personal health resources' dimension to bear more significance on their sense of engagement. That is, participants expressed that the organisation created a supportive environment, providing opportunities and flexibility to its staff to improve or maintain healthy personal lifestyle practices. Thirdly, the physical work environment was also deemed important for fostering engagement levels, falling only just behind. Indeed, some discussion and corroboration of ideas and rationale of these rankings occurred between focus group participants. This was especially the case regarding organisational process and systems, IT, resources, and financial regulation (external environment). Participants often were indecisive about whether the physical work environment or personal health resources had more of an impact on their engagement levels.

Finally, enterprise community involvement appeared the least important, but still identified to be a relevant factor influencing their level of engagement. In particular, Finco's mission, brand identity and community involvement were acknowledged by participants to elicit an appreciation for what the organisation stands for. A sense of pride was exhibited by participants in what Finco stood for and also and how the organisation acts upon this. Document analysis also confirmed Finco's commitment and active involvement in community issues and activities through a variety of initiatives.

The findings of the study address the research question, supporting the notion that the work environment presented as a significant factor that weighed in on the experience of being engaged at work, confirming the importance of contextual factors. While the descriptions of feeling engaged varied between participants at Finco, they all recognised the important role of a positive work environment and support network in providing the right climate for engagement. The psychosocial elements of the work environment appear to produce the most impact on engagement. More specifically, support from colleagues across the business unit

appeared to derive the greatest amount of satisfaction and commitment, while support from one's immediate manager provided the greatest sense of loyalty and value alignment.

Engagement was mostly elicited by client relations, peer support and meaningful work. Employees often expressed a genuine and deep interest in servicing their clients, at times showing greater care and interest ahead of organisational goals. Consistent with Kahn, relations with peers was considered paramount to creating a high quality work environment because it offered the psychological safety that was required in order to perform their roles efficiently and productively. Organisational identity and alignment of goals/purpose (at team and organisational level) was also a contributing factor. While leadership/management support was deemed by most participants as an influencing factor, some staff expressed a disregard for their leadership team.

Overall the case study confirmed that the work environment presented as a powerful enabler of engagement, and that the essential conditions for high engagement require organisations to produce the right organisational context, especially in relation to team level support, management support, meaningful jobs, recognition, and autonomy. This finding was consistent with a study of Dutch employees across 85 work teams, finding that engaged workers influence their colleagues engagement levels and therefore perform better as a team (Bakker et al., 2006). Earlier behavioural research also found people working together feel collective emotions, moods, perceived efficacy, and consequently display high group potency (González-Romá, Fortes-Ferreira, & Peiró, 2009). This finding confirms Kahn's notion that "when individuals are open to change and connecting to work and others, are focused and attentive, and complete rather than fragmented, their systems adopt the same characteristics, collectively" (Kahn, 1992, p. 331). Studies have identified this form of collective engagement, showing that engaged employees will influence their colleagues during social interaction at work to behave and feel in a similar way (Barrick et al., 2015; Costa, Passos, & Bakker, 2014a; Salanova et al., 2005). Indeed, studies have confirmed that engagement is not

restricted to the individual employee and rather can be seen as a collective phenomenon. Another study by (Bakker & Schaufeli, 2001) observed that the collective level of engagement of the team is associated with the individual level of engagement of the team members. The more engaged the team, the more engaged its members.

4.8 Discussion

This study explored impact that an organisation's work environment played in shaping an employee's experience of being engaged at work. The results of the case study confirm the significance of contextual factors (organisational and social) in shaping and influencing an employee's propensity to feel engaged in their work.

This study addresses a significant gap in the literature by using qualitative data on the employee experience of engagement in an Australian context. The study highlights the value of qualitative methodological approaches in researching employee engagement. This perspective allows us to address the limitations of relatively narrow and polarised engagement research from a more contextual approach emphasising the various meanings and levels of engagement at work (Chalofsky & Krishna, 2009). This has important implications for future theory development, showing the need for an engagement model which can offer a more comprehensive understanding of employee engagement.

In addressing the overarching research question about what factors influence an employee's engagement levels at work, the Finco case study finds that the work environment plays an important role. Indeed, all components of the work environment (physical environment, psychosocial factors, personal health resources, enterprise community involvement) were important in order to people to self-identify as being engaged. This was exemplified in the variety of responses when participants were asked to identify three key things that impact their engagement levels. That is, they are complexly interconnected that there has to be sense of synergy across the four different dimensions in order to incite an

employee's engagement levels. For example, changes to the product market and regulation, changes in staff (particularly at the senior management level), the level of resources, relations with colleagues and immediate management, and changes to performance targets are all noted by interviewees as factors which can re-shape and re-define feelings of engagement profoundly. This corroborates the findings of the literature because it suggests that engagement is deeply contextual and centres around the work environment. However, the best enabler of engagement appeared to be the 'psychosocial' dimension of QWE.

Secondly, there is evidence of fluidity in the concept and understanding of engagement. That is, not one participant questioned the meaning or the idea of engagement. Rather, when asked to describe the experience of being engaged, participants often used the notion of time passing quickly. For example, "I didn't speak to anyone for three hours. I just had paperwork and calculating different things. Then you come out of it, and you're like, wow. It's time to go home now" (Client Associate). Another example is, "The time flies here, I never find myself looking at the clock. I'm looking at it, hoping it will slow down. Just because it's busy, and I mean, it's highly relationship management, so it's not like we're chained to our desks".

In addressing the research question about the experience of engagement, the findings suggest that engagement occurs at different levels, and not just at the individual level. That is, there is no overarching definition or channel of engagement and rather different types of engagement at different levels exist. For example, an individual might be engaged with one's work, role, or occupation rather than team, department or division. This in turn is distinguishable from engagement at the organisational level. This suggests that engagement occurs at different levels and is an important outcome in engagement research which can only be drawn out by examining contextual factors. There appears to be a fracturing in the assumptions that have traditionally informed engagement research. Consequently, one's perception and understanding of engagement can vary between employees. This is in line

with findings from the current literature about there being contested notions of engagement. While there is engagement and commitment to organisational goals, engagement is grounded in a notion of professional autonomy by participants at Finco. This suggests a departure from the conventional ideas about engagement being held and experienced by the individual and represented in aggregate form at the organisational level. This is something that can be explored further via the HRM discipline.

Thirdly, a strong theme amongst the qualitative commentaries confirms findings in the existing literature, is that engagement occurs when there is an alignment between the individual goals and the overarching allegiance to the organisational goals, may need to be revisited. The case of Finco identified a fragmentation in the business model, where employees showed a greater connection to teams within their individual business unit and to their clients. For example, the score card notion (my business unit, my clients etc.) is cited by interviewees as if part of the engagement vernacular.

These findings have direct implications and significance for development of HRM policy and practice, where organisations must create work environments that provide a sense of challenge and meaningfulness for employees (Whittington & Galpin, 2010). That is, creating a context which generates meaning and a shared understanding. From a practical level, scholars such as (Albrecht et al., 2015) and (Guest, 2014a) suggest that engagement needs to be explicitly embedded within an integrated system of HRM policies, practices and procedures. In particular, five key areas need to be considered when constructing and implementing engagement strategies and initiatives; the right balance of management support towards their key tasks and roles at the team and organisational level, meaningful and challenging jobs for employees, client centred goals, recognition through financial and other means, and leadership support at both the team level and also the senior leadership group. However, the service climate also presented as a key influencing factor of engagement. This suggests that providing the work units with the required support at the individual and team

level, as well as the organisational resources and operating systems is likely to increase their collective engagement, in turn create a better service climate.

While new insights have been provided here, this case study has limitations. Firstly, it was conducted on a single business unit within one organisation. The experiences of this organisation are not necessarily reflected in all other organisations; the findings may be most applicable to organisations with a client service focus, particularly amongst professional service sector occupations. Additional qualitative studies of this kind are required. Secondly, while it explores the factors that make a worker engaged in more depth, the engagement experience is examined retrospectively. Future research should consider the methodological challenges presented here. While qualitative studies can provide a level of depth and richness compared to quantitative research, additional case study research in other industries and sectors is required to provide more robust representative research outcomes and reliable generalisable evidence. Further research is also needed on exploring the perceptions of management within organisations, the processes and initiatives sought to generate engagement, and how these are experienced by employees.

4.9 Conclusion

Employee engagement remains a focal point as organisations continue to search for ways to improve productivity and advance their competitive standing. However, engagement's conceptual and theoretical shortcomings have become significant barriers to advancing the research agenda. This study advances the conceptual understanding of engagement by challenging the current thinking. The case study highlights importance of a holistic approach in order to understand the different meanings of engagement and at different levels. Only by using a qualitative approach can those contextual factors be identified.

This step in the research process was to take an approach used within the HRM discipline to address the limitation found within the existing quantitative studies. The qualitative approach was able to explore the dynamics of the social and organisational forces

at play, and the various levels in which they manifest and develop. These levels were the micro (individual), meso (team) and macro (organisational) levels. The case study discovered that the team level dynamics played a significant role when it comes to employee engagement. This is especially through the way employees relate to their colleagues and immediate managers, and subsequently impacted on the meaning placed in their work and their identity to the organisation as a whole. Importantly, the study in this chapter shows that approaching employee engagement from an alternative perspective and alternative methodology can improve our understanding.

Chapter 5

Discussion and Conclusion

An earlier iteration of this chapter was presented at a conference as an issues paper, as follows:

- Frino, B and Markey, R (2016) “Understanding employee engagement through organisational context: prospects for a multi level analysis” Paper presented at 32nd EGOS Colloquium, ‘Organizing in the Shadow of Power’, 7-9 July, Naples ITALY, 2016, (based on Stage 2 of research) (MQPGRF Funded)

Author contribution:

Ms. Elizabeth Frino was solely responsible for the design of the research, analysis and write-up of this paper.

5.1 Overview and aim of this thesis

The key aim of this thesis was to understand the key factors influencing employee engagement in an Australian context. It aimed to better understand the nature of employee engagement and to investigate whether context plays a significant role in determining an employee's engagement level. The thesis has highlighted and consequently addressed gaps in the current research. These gaps are: (1) the literature is currently fragmented, lacking any overarching agreeable understanding about the concept or its theoretical make up; (2) research has adopted a narrow methodological approach based on the positivist paradigm, relying on cross-sectional survey data, and (3) there is a distinct lack of a contextual approach to engagement research, focusing on the individual employee. Consequently, a broader focus on the organisational context was adopted in this thesis to explore and advance our knowledge of employee engagement's complex cross-level dynamics as well as influencing outcomes at the various levels.

The prime focus of the thesis was to explore the extent to which a worker's perception of the work environment co-varied with employee engagement levels. It proposed that an organisation with high QWE is likely to elicit greater levels of engagement from its workforce. This is premised on the notion that a high QWE reflects management's values and concern for the wellbeing and welfare of the workforce. The rationale for the study was based on the limitation of current methods and approaches to employee engagement in mainstream research, which have failed to consider and capture the situational and dynamic forces that occur in an organisational context.

Employee engagement has shown promise as an effective way to achieve improved organisational performance. Previous research shows that organisations which adopt employee engagement strategies and initiatives have a more committed, innovative and healthy workforce which improves organisational performance. However, there are mixed results about what factors create an engaged employee and limited research investigates how

to generate an environment that is more conducive to higher employee engagement. This thesis investigated what factors influence employee engagement levels, with a specific focus on the role of contextual factors. For this purpose, the following central research question was formulated:

“Does the quality of the work environment have an impact on levels of employee engagement?”.

As a subset of this question;

“If so, which elements of the QWE have a larger impact on employee engagement?”

The central research question was addressed by firstly reviewing the vast engagement literature across multiple disciplines to gauge the current state of play of research, resulting in the development of a new model of engagement - in Chapter 2. The thesis then empirically investigated factors that positively impact engagement levels using a mixed methods approach in Chapters 3 and 4. Following existing practice, based on the positivist paradigm of research, a quantitative analysis of key influencing factors of engagement was performed – Chapter 3. The findings subsequently informed the nature of exploration and analysis for the qualitative study – Chapter 4. The qualitative study was undertaken to make meaning of the findings in the quantitative study, providing greater insight into some of the possible dynamics and interactions. This step in the research process is in keeping with the research philosophy and the mixed method design used in this thesis, providing an integrated approach to the study of engagement. Indeed, this novel approach to the study of engagement was the first of its kind in the literature. The case study analysis provided the depth and richness that traditional quantitative methods cannot provide, and offered a multi-level capability that is not currently available through the more traditional methods of existing research.

In this penultimate chapter the findings from the review and two empirical studies are discussed. The findings from the three stages of the research program confirm that the work

environment, as a contextual variable, influences individual-level engagement. A summary of the theoretical, methodological and practical implications of these results are also presented, followed by a discussion of the limitations of the current research and suggestions for future research.

In summary, this thesis undertook a multidisciplinary approach to the topic of engagement, drawing on a range of social science literature as a means to broaden the focus of engagement research beyond its current domain. This approach to the study of engagement integrated streams of research and conceptual development that had not been connected previously. The thesis proposed a new direction in engagement research that offers a more holistic approach. This thesis was also innovative in that it employed a mixed method analysis to address the central research question. The benefit of this approach was its ability to analyse complex or dynamic phenomena from multiple angles (Erduran & Dagher, 2014). The depth and breadth of this approach enabled an examination of the ‘how’ and ‘why’ questions of employee engagement, potentially offering new insight into employee engagement that previous and current methods and perspectives have overlooked (Gummeson, 2006).

5.2 Overall findings of this thesis

Bringing together the three research stages, the findings support the fundamental underpinnings of the QWE conceptual model which demonstrates the importance of considering the wider organisational context as a determinant of employee engagement. That is, employee engagement is affected by an organisation’s context and not simply confined to factors and influences that are immediate to an employee. While these immediate factors, such as the type of job, the resources, relationship with the manager or peers, the level of autonomy, employee involvement and participation in decision making, alignment of individual and organisational values, and remuneration were previously found to be contributing factors, engagement was contingent on a more complex relationship with its

overall work environment. The psychosocial element of the work environment requires further inquiry, as does the notion of employee wellbeing and management's regard for it.

The thesis findings support the notion that employee engagement is not simple or linear. Rather it is contextual and therefore dependent on an array of complex interrelations between parties, practices, and various work settings (Oswick, 2015; Purcell, 2014). Scholars are beginning to recognise the importance of understanding the influence of the organisational context in shaping individual attitudes and behaviours at work. Importantly, as Oswick (2015) suggests, given the complex and multidimensional nature of employee engagement, it is more suitable to think of it as something that can be encouraged and enabled rather than directly managed. Oswick refers to Foucault's notion of 'conditions of possibility' which is in keeping with the post-positivist paradigm (Kervin, 2000; Tashakkori & Teddlie, 2003). This research therefore acts as a springboard for others to investigate these possibilities.

5.2.1 Employee engagement and the HRM-performance link

A central aim of this thesis was to review current research on employee engagement as well as its links to performance. The thesis also discovers that employee engagement plays an important role in the study of the HRM-performance paradigm, as a key attitudinal variable. That is, employee engagement plays a mediating role in the link between HRM practice and performance outcomes.

Chapter 2 reviewed the literature across various social science disciplines, with focus on research testing relationships between environmental conditions (HRM) and individual characteristics affecting engagement. HRM scholars have increasingly looked toward individual-level behavioural criteria, such as employee engagement, to gain new insight into the link between HRM and performance (Boselie et al., 2005; Heffernan & Dundon, 2016; Truss, Alfes, Delbridge, Shantz, & Soane, 2013).

Chapter 2 also established the important role of the HRM discipline in understanding the engagement construct, and especially for future theory development. It was demonstrated that

employee engagement research has been dominated by studies from the organisational psychology discipline. Consequently, much of our knowledge of employee engagement is based on the positivist paradigm of research, concentrating on micro level issues to explain behaviour or outcomes. This thesis posited that scholars should recognise the complexity of engagement as a construct and move away from micro-level analysis, developing a broader, multidisciplinary framework that recognises engagement's multifaceted features. The HRM and organisational behaviour disciplines are especially useful given their reputation for adopting a broader approach to research. The HRM-performance stream of literature within the HRM discipline also has few studies specifically exploring micro level phenomena such as engagement. This potentially generates the opportunity for a new avenue of research that seeks to reconcile these shortcomings.

Overall, the integrative review in Chapter 2 confirmed the role of employee engagement as a mediator in the HRM-performance link. However, a gap was also identified; with few studies specifically exploring micro level phenomena such as engagement, in the HRM-performance research domain. This means there are limited studies which explore and analyse the perceptions of workers. (Vandenberg, Richardson, & Eastman, 1999) assert that organisations may have an abundance of written HRM policies, and top management may even believe they are practiced; but these policies and beliefs are meaningless until the individual perceives them. This thesis supports the idea proposed by scholars Wright and Boswell (2002) that exploring employee engagement experiences will add a new breadth of knowledge in understanding the complex relationship between HRM practice and organisational performance.

5.2.2 A contextual approach to employee engagement

The review in Chapter 2 confirmed that few studies adopt a contextual approach to engagement (Johns, 2001; Mowday & Sutton, 1993). In response, Chapter 3 tested the new conceptual framework proposed through quantitative analysis. But what distinguished this

study from previous quantitative studies of engagement was the expansion of factors to include contextual components recognising the multi-faceted and temporal nature of engagement.

The Voice Project's 7Ps model of engagement was used together with the World Health Organisation's (WHO) Healthy Workplaces framework to formulate and test a new concept known as the quality of work environment (QWE). QWE represented the contextual elements of organisations. The study reported in Chapter 3 empirically tested the causal relationship between QWE and engagement. The findings documented in Chapter 3 confirm the hypothesis that work environment factors are a predictor of engagement with analyses confirming a meaningful relationship between QWE and employee engagement. QWE explained almost half of the variation in employee engagement, which suggests that work environment factors have a direct impact on engagement levels. In particular, most of the explanatory power of the model was from the 'psychosocial work environment' dimension of QWE. Importantly, all four dimensions of QWE were found to impact engagement levels. The study also highlighted the role and input of HRM policy and practice in fostering a work environment that is conducive to fostering high engagement levels. The findings also validated the HRM discipline's contribution to future theory development in engagement research.

Chapter 2 discovered that engagement research inadequately addresses the situational and contextual factors that impact on engagement, while Chapter 3 confirmed the importance of context as a key factor influencing employee engagement. The analysis provided an important new evidence of the determinants of engagement, however it relied on the traditional quantitative method that currently dominates the literature.

The study in Chapter 4 specifically sought to examine the organisational context within which employee engagement manifests, exploring the interactions and dynamic processes that occur, and the experience of engagement by both management and employees.

This chapter explored the experiences of a large Australian financial services organisation (Finco). The organisation was identified to have undertaken a new strategic direction that made employee engagement a key priority. Document analysis together with interview and focus group data from the organisation, where employee engagement is placed as a key organisational metric.

The findings in Chapter 4 confirmed that the work environment represented a significant factor that weighed on the experience of being engaged at work. The essential conditions for high engagement centred on the ability for the organisation to create the right work environment, in addition to factors such as team level support, management support, meaningful jobs, recognition, and autonomy. Consistent with previous findings in Chapter 3, the qualitative paper also showed that the psychosocial elements of the work environment appear to produce the most impact on engagement because it offers the psychological safety that was required to perform their roles efficiently and productively. This is consistent with Kahn's psychological conditions of engagement (Kahn, 1990, 1992). Further, organisational identity and alignment of goals (at team and organisational level) also contributed to engagement levels; while leadership/management support was often raised by participants as an issue which impacted on their level of engagement and commitment to the organisation.

The qualitative study confirmed the complex nature of engagement, confirming that the interactions and processes that occur within the work environment impact on an employee's engagement levels. A range of factors were identified by participants, including; perceptions of role, role clarity and autonomy, relations with management, peers and subordinates, alignment of company values and goals, and relations with clients. The most influential component of employee engagement centred around client relations and the continual pursuit of making the customer happy. The service culture in this organisation played a significant role in engagement levels but also on the identity of the employee across the business unit.

5.3 Significance of overall findings

Research on organisational context and the influence of broader macro level factors on employee engagement has received limited attention in past research. This thesis addresses the deficiency of previous research. The quantitative analysis confirmed the significant role of contextual factors as key influencers of engagement, especially in relation to the work environment factors that form part of the psychosocial dimension. Further, the results indicated that certain groups of employees placed more importance on this dimension, such as those in more senior roles, higher incomes and in more permanent positions. This was further supported by the results in the case study (Chapter 4), demonstrating that employee engagement is derived from a number of sources and influences in the organisation. One influencing factor that requires more attention in future research is the quality of the work environment, particularly around managerial concern with employee wellbeing.

While such outcomes were identified, a qualitative approach was required to further explore the causality and the rationale for such outcomes. The qualitative analysis explored the contextual component further, through an in-depth investigation of the experience of employee engagement initiatives in an organisation. This analysis unveiled the complex interactions and associations of people at work, confirming that the work environment plays a pivotal role in generating a highly engaged workforce. The case study confirmed previous claims by scholars that one size doesn't fit all. That is, the triggers and situational forces in one organisation will vary to another, consequently affecting engagement differently.

While the research has identified a positive effect of QWE on engagement levels, it is important to consider other alternate explanations for changes in engagement. This was highlighted in the quantitative analysis in Chapter 3, which showed that QWE explained approximately half of the variation in employee engagement levels. This suggests that other contributing factors also serve to influence an employee's engagement levels. Aside from the work environment, other possible factors may include the external context, such as market

pressures and regulatory environment. These alternate factors surfaced in the qualitative analysis (Chapter 4), showing how a tightening of the regulatory regime that governs industry practice impacted directly on organisational policy and practice. This in turn negatively affected the ability of employees to do their job in the most efficient manner, consequently decreasing employee morale, engagement and performance. This is particularly significant for the financial services industry, where customer service relies substantially on the speed and efficiency to deliver services and conduct financial transactions. These findings therefore suggest that other possible explanations exist to explain changes in employee engagement. Such things may include; the size and nature of the organisation, organisational systems such as IT, HRM and logistics, historical context, business strategy and its alignment with organisational culture, together with existing explanations offered by the current literature.

Based on the research findings in each of the chapters, this thesis confirms that employee engagement is influenced by the quality of the work environment. The findings indicate that contextual factors, or work environment, play a much more significant role than the literature currently recognises. It supports the notion that engagement is a multifaceted multidimensional concept that is influenced by factors both within and outside the individual and their organisation. This was confirmed by the studies in Chapters 3 and 4. The study in Chapter 3 explored the relationship between work environment and employee engagement levels and found that half of the variation in engagement was attributed to the dimensions of the work environment. This suggests that particular behavioural responses to engagement might be constrained or prompted by the environment. In other words, although an engaged employee is enthusiastic and personally invested in the job, this does not necessarily imply that engaged employees are connected with the organisation in the same way. Consequently, an organisation's goals, policies and practices are also likely to impact engagement levels. Therefore, a greater understanding of how the work environment can impact on employee engagement is required. This finding is consistent with Ryan and Deci (2000) who identified

the quality of working relationships with peers, superiors and subordinates to be a key contributor to employee engagement.

The findings in Chapter 4 corroborated the model and findings in Chapter 3. The study in Chapter 4 examined issues at various levels while simultaneously considering the interactions and dynamics of the organisational setting. While past studies have pinpointed a range of factors that impact on engagement, they were often explored individually and in isolation. The study in Chapter 4 was able to explore these factors as a coherent whole. The experience of engagement was captured through discussions with management and employees at various levels within the organisation and across teams within the business unit. Similar to previous studies, numerous factors were identified as impacting on engagement. These included, the type of job and its resources, the demands of a job, relationship with immediate manager, relationship with peers, leadership style of the executive team, remuneration structures and rewards, and alignment of organisational values (Attridge, 2009).

The novel research approach to the study in Chapter 4 enabled the exploration of Kahn's three psychological conditions of engagement of meaningfulness, safety and availability. The study was also able to consider and specifically explore the 4 key dimensions of QWE that were proposed and tested in Chapters 2 and 3 of this thesis. This findings of this chapter corroborated Kahn's proposition that all 3 psychological conditions are required for engagement to occur. In particular, this applied to Kahn's notion of 'meaningfulness' and 'safety' as they were identified to be the most relevant and impactful in the Finco case study. For example, employees identified their role at work through their profession and strong desire to meet the client's needs. Recent changes in the regulatory framework directly impacted management's approach to organisational policies and systems, requiring more stringent processes and tighter controls in the processing of client requests. This was perceived by participants as a form of doubt or questioning by management about their role as a professional in financial services, which consequently reduced the meaning that

staff had in their job and also inhibited their ability to service their clients efficiently. Employee engagement levels consequently fell in this context. On the other hand, management perceived their actions and decisions as a form of protection of their staff, providing them with more psychological safety so that staff could perform their role with confidence and assurance and still maintain the high standard of client service. This example demonstrates the intricate and dynamic nature of interactions within organisations, highlighting that traditional method of research would not otherwise capture.

The study confirms a positive correlation between the quality of the work environment and engagement, finding that the psychosocial elements of the work environment appear to produce more overt and positive effects. This supports the finding in Chapter 3 which also identified the psychosocial work environment dimension to be the strongest predictor of engagement. Further, the study confirms the important role of organisational dynamics and support in fostering engagement. That is, engagement is a holistic experience that is perceived and interpreted through the lens of each individual based on their own experience, rationales and views of their context.

The Chapter 4 study also corroborated the findings of recent research which places importance on the environment (such as colleagues and supervisors, organisational policies and procedures, organisation structure, physical layout), culture (trust, cooperation and perceived levels of safety), and the person or individual element (emotions, personality, and physical traits) (Shuck et al., 2011). This is consistent with the newly proposed QWE model, which captures these environmental factors through the four dimensions of psychosocial work environment, physical work environment, personal health resources and enterprise community involvement.

The findings in Chapter 4 also identified two other factors deemed impactful that have not yet been discovered in previous research; client relations and meaningful work. Employees often expressed a genuine and deep interest in servicing their clients, at times

showing greater care, interest and effort than to management requests or the organisation's needs. Support from colleagues across the business unit appeared to derive the greatest amount of satisfaction and commitment, while support from immediate management provided the greatest sense of value alignment and loyalty. On the other hand, automation of various duties and functions coupled with an increasingly tighter regulatory environment has had a deleterious effect on the meaning that staff attach to their work.

This thesis highlights the importance of taking an integrated approach to the study of employee engagement. Taking the broader, contextual approach to the study of employee engagement opened up new avenues of research. Incorporating various disciplinary perspectives also generated new ideas and alternate approaches to the study of engagement. In this case, it led to the formation of a new conceptual model to assist in our understanding of how to create a highly engaged workforce. The mixed method approach adopted in this thesis permitted the testing of this model in various ways. The contribution of the research is valuable in that it re-emphasises, through quantitative and qualitative analyses, the importance of the work environment for engagement. This method has provided the novelty and innovation that was required to advance our understanding of the key factors influencing engagement. The convergence of evidence from different methods can assist with developing a broad explanatory structure or conceptual framework, especially when exploring complex phenomenon (Erduran & Dagher, 2014).

5.4 Contribution of this thesis

This research contributes to the generation of new knowledge about the study of employee engagement as well as the lived experiences of employee engagement and the influences of those experiences on engagement. The employee engagement field has been dominated for decades by OP, and the positivist seam is arguably mined. It has contributed to filling the gap in the existing literature on engagement in a number of ways; methodologically, empirically and conceptually. This thesis adds wider insights both from

the quantitative approaches by drawing on QWE concerns with wellbeing, and also using by exploring the more profound insights that qualitative research can add, develop and generate anew. It brought together the nascent and sparse body of research through an integrative review of the literature to provide coherence to the increasingly disparate research. While engagement's founding discipline of organisational psychology made significant progress, the literature has reached an impasse. To date, no study had incorporated and integrated the research across the various disciplines. The review identified the commonalities, oddities and gaps in research with the goal of establishing a new pathway and agenda for future research. The multidisciplinary approach adopted in this thesis was a major contribution to the creation of new knowledge and ideas for engagement research, inciting new endeavours beyond those commonly observed in the current literature. The review of the literature identified the need to test the existing research boundaries, and not be dictated by current theoretical or empirical approaches, but by adopting alternate or developing unique theoretical lenses that will result in major leaps forward in our understanding of employee engagement.

The first of these new endeavours was the proposed development of a new integrative framework that broadens the scope of research. Conceptually, the thesis offered a new framework that attempts to bridge micro and macro research (Rousseau & Fried, 2001). This is the first study of its kind in the engagement literature, as past research typically examines individual features in isolation of one another. The thesis was premised on the founding principles of the HRM discipline, recognising that employee engagement is a collective activity (focusing on work groups not just individuals) (González-Romá et al., 2009) and a 'two-way street' (in order to add value employees must also feel valued by their organisation) (Robinson et al., 2004). Consequently, the conceptual framework deviated from traditional practice by incorporating organisational context as a direct input or influencing factor of engagement. This was achieved by devising a new concept that captures and represents the role of the organisational context as a key determinant of employee engagement, emphasising

its primacy. As posited by Kahn (1990), the situational factors need to be given greater emphasis and explored further in order to understand employee engagement.

This thesis also used a novel approach to address the topic of employee engagement through a mixed method analysis. The literature was found to be heavily weighted in favour of quantitative approaches. Very few studies had used alternate methods, such as the qualitative method. This thesis sought to challenge existing conventional methods and wisdom, arguing that a qualitative approach to engagement would deepen connections and identify the contextual factors deemed to impact employee engagement levels. Indeed, this study provided both quantitative and qualitative empirical evidence to identify the key influencing factors of employee engagement, and also to highlight the important contribution of the HRM discipline to better understand the key determinants of employee engagement. Weiss and Rupp (2011) argue that treating the worker as an object does not allow for a deeper and continued understanding of how humans relate to work. Further, no study to date had adopted the mixed method approach. A mixed method approach offers an integrated approach to studying such a complex and multifaceted concept.

The use of the mixed method approach is also a reflection of the recent shift in research design over the past decade (Morgan, 2007) towards more qualitative approaches. The 'scientific method' is still the dominant approach to social inquiry, however qualitative research is seen to be more useful for the study of people. Quantitative methods transfer the 'voices' of subjects into statistical data or abstract parameters, leaving little understanding of the context in which particular social phenomena occur (Williams & Katz, 2001). On the other hand, qualitative methods allow the ability to observe and present a broader view of social reality and experiences which typically cannot be captured numerically. The qualitative analysis offers a richness that is not possible through quantitative methods, and also provides the ability to explore the multifaceted concept from various angles (Cooke & Rousseau, 1988).

The originality and contribution of this thesis lies predominantly in the attempt to offer a holistic approach to the engagement concept. Qualitative and quantitative methods are complementary approaches. Adopting a combination of these two methods therefore provides a powerful analytical capability. In this thesis, the scientific rigour of the quantitative method was strengthened through the depth of the qualitative analysis. The multi-method approach enables the exploration of dynamics that may not otherwise be captured in a quantitative study alone.

Overall this thesis presents new insights and proposes methodological approaches that aim to broaden and enhance our current understanding of the determinants of employee engagement. It develops an all-encompassing representation of organisational context (namely QWE) that captures various macro and micro level aspects of the work environment. QWE is tested to determine its role as a key influencing factor of employee engagement. It attempts to form new knowledge through a multilevel approach that offers a contextual focus, potentially adding a whole new dimension to future engagement theory and research by building a new framework to better understand employee engagement. This revised conceptual framework sheds a new understanding of engagement and clearly identifies areas for future research, thereby providing a platform for future engagement research that considers the dynamic nature and situational forces at play.

5.5 Implications for theory, methodology and practice

The overall findings of this thesis are relevant for both academic research and the practice of HRM. First, this paper calls for constructive dialogue across different disciplines and their approaches to the study of engagement to invigorate the debate and advance the research agenda. Engagement research is currently fragmented and incommensurable (from translation of terminology, to the very concepts expressed and reflected, to the procedures and methods for observing and analysing them). A multidisciplinary approach to research will broaden the ideas and give more consideration to alternate forms of inquiry such as mixed

method designs, qualitative research, longitudinal studies, and multi-level analysis. Interdisciplinary collaborations enable the building of new approaches to explore this increasingly diverse and complex concept (Halford & Strangleman, 2009). New perspectives provide an impetus to engage in meaningful, ground-breaking dialogue and ideas from other disciplines, such as health, engineering, IT, and science. It helps by building or extending conceptual frameworks, research designs, and analytic techniques rooted in disciplines outside of the traditional organisational psychology domain. For example, sociology and organisational behaviour disciplines rely on alternative forms of data sources and research methods (such as qualitative research).

Currently, the various disciplines have been operating in parallel with little recognition of each other and their common interest (Albrecht et al., 2015). Each use their discrete methods for observation and analysis (Boselie et al., 2005). In order to advance, future employee engagement research must seek ideas and approaches beyond the current paradigms and assumptions, and be open to the consideration of factors and patterns of organisational relations more broadly. Engagement is now being viewed in the broader setting of organisation studies and HRM (Truss, Alfes, et al., 2013). Engagement research must expand by building on work in the management sciences, specifically HRM given its broader and systems based approach to research. It also serves to consider the practical implications that science inherently overlooks.

The findings have opened new paths of exploration for engagement research. In particular, the QWE engagement model proposed in this thesis is innovative, drawing from two key literatures to identify the influencing factors of engagement. Extending the opportunities through interdisciplinary research is particularly relevant for theory development. For example, the adoption of the work environment model from the stress and wellbeing literature into engagement has proven to shed new light.

The findings of this thesis also serve to meet the needs of practitioners who are seeking sound theory that can be practically applied. This is particularly relevant with a topic like engagement since it has an applied organisational setting. In the past, researchers have considered employee engagement and well-being in a broad sense and not often in a way that translates into the realm of management practice, thereby making it more difficult for managers to action. This is discussed further below.

5.5.1 Theoretical implications

Engagement literature is known for its lack of consistency in definition and theoretical grounding. This has spawned a plethora of measurement tools and research evidence that has produced various results, and at times conflicting. Given engagement's multifaceted features, this thesis strongly advocates the need to contextualise existing theoretical perspectives. Several theoretical models are potentially capable of incorporating the contextual elements. The findings of this thesis have implications for future research and theory development as well as the development of organisational strategy and practice. This is discussed in the following.

This thesis provides a novel platform to inform and develop future engagement theory. Discovering the significant role of contextual factors on employee engagement levels has implications for future theoretical development. This is especially useful for building the inter-disciplinary connections to consider the theoretical ideas and assumptions of alternate disciplines.

The proposed conceptual model developed in the current thesis is the first to incorporate wellbeing and work environment into engagement theory. It concurs with Kahn's engagement model that both individual and situational factors are equally important. The 7Ps model of engagement by the Voice Project also holds potential for future engagement research, mostly due to its multidimensional nature that considers work factors at various

levels. For the first time in engagement models, both a lower-order factor structure of work practices and outcomes and a higher-order structure of work systems have been established in one. The 7Ps model is capable of incorporating the multidimensional aspect of engagement, and can also approach it from micro, macro and meso levels. In its current form, the 7Ps model of work practices is well equipped to apply and test Kahn's theory and has the capability of adapting various factors and practices to include broader workplace issues.

The value of SET is in the way it recognises the importance of the social context and working environment in addition to the personal characteristics of the individual. Drawing on social exchange theory (SET), this study posits that the effect of perceived HRM practices on both outcome variables is mediated by levels of employee engagement, while the relationship between employee engagement and both outcome variables is moderated by perceived organisational support and leader-member exchange. The Job Demands-Resources (JD-R) model is the other model which notably recognises the importance of the social context and working environment in addition to the personal characteristics of the individual, however currently limits engagement research to the confines of 'demands' and 'resources'. These dimensions do not currently give primacy to context. However, future interdisciplinary research may potentially address this and extend the JD-R framework and draw from the QWE model. Indeed, future research could also consider combining or incorporating both the 7Ps model and SET into QWE. Another possible avenue would be to consider the key idea behind self-determination theory (SDT) which emphasises intrinsic factors in wellbeing and motivation (Ryan & Deci, 2000). Their theory also has focused on the social-contextual conditions that facilitate the processes of self-motivation and psychological development.

Further, various survey instruments have been designed over the years to measure the psychosocial work environment, but have yet to be applied to the study of employee engagement. Such instruments include the Copenhagen Psychosocial Questionnaire (COPSOQ) (Kristensen et al., 2005), the Nordic Safety Climate Questionnaire (NOSACQ-50)

(Kines et al., 2011), and the Stress Profile. More recently the Australian Workplace Barometer has provided a scientific approach to work conditions and their relationships to workplace health and productivity (Dollard, Bailey, et al., 2012). Work environment has also been captured in the Gallup-Healthways Well-being Index (Rath & Harter, 2010).

5.5.2 Methodological implications

This thesis is the first of its kind to provide a mixed method approach to engagement research. It involved quantitative analysis of the key factors determining engagement using survey data, coupled with a qualitative case study analysis of an organisation's experiences of employee engagement. The study was largely motivated by the discovery that engagement is a complex and multifaceted concept, which is best understood through adopting various methods and approaches (Creswell, 2009). The mixed methods approach used here opened new avenues to explore the dynamic nature of employee engagement.

Aside from Kahn's seminal piece on engagement in 1990, this study is one of a handful of qualitative studies of employee engagement in the academic literature. The engagement literature is also overwhelmed by the positivist paradigm, based on quantitative methods using cross-sectional survey data. Future research needs to move beyond this tradition and give thought to valuable contributions that other approaches can make. The rigour of the quantitative method supplemented by the richness and depth provided by the qualitative analysis created a powerful combination that generated new insight and understanding of the engagement phenomenon. Case study research has much value and insight to add to engagement research. Against popular belief, single case studies can generalise to theory if not to all contingencies and 'fact' (Flyvbjerg, 2006).

This has implications for future engagement research, confirming the need for a more integrated approach. The findings of this thesis support and encourage more use of mixed method research in the field of employee engagement. However, researchers will be

confronted with the challenges and criticisms surrounding this new era of research philosophy, and what this means for objectivity, value judgment, and theory choice. Future theory or methodological approaches must give particular thought to the notion of what a good theory looks like. Consideration is also required of Kuhn's list of the characteristics of a good theory, such as accuracy, consistency, broad reach, simplicity and fruitfulness (Kuhn, 1970).

There is a need to conduct further qualitative research and mixed method approaches into employee engagement. The literature review in Chapter 2 noted a significant shortage of qualitative approaches to this research. This is ironic given that the employee engagement concept was founded on an ethnographic study of two distinct organisational settings (Kahn, 1990). This thesis suggests that a mixed method study similar to that adopted in this thesis could be carried out to other business units within Finco, and also in other industries to compare and validate the findings documented in this thesis. The contextual factors such as culture, history and even the regulatory environment of other industries may bear different results from the financial services industry. Future research in other industries will provide an ability to compare and generalise findings. Another possible research option would be to undertake a 'twins' analysis. That is, adopting the same methodological approach of two organisations within the same industry to corroborate the findings. Given that employee engagement is experiential, this thesis also suggests other alternative qualitative methods of future research, such as a diary study of employee engagement that can capture the lived experiences and temporal nature of engagement more effectively. Further still, other narrative approaches such as critical incident analysis could also be used in future case study research. Another research option would be a systematic study that evaluates the impact of new management procedures or personal routines on engagement.

Further, longitudinal studies are required as they are more capable of testing theoretical assumptions which then enables firmer causation to be made. This is especially

the case, given that employee engagement is temporal and dynamic. Other studies have identified the need to determine the extent to which different teams, business units and organisational units account for variance in engagement. More explicit longitudinal tests with different types of resources and environmental context that can observe and test respondents in their actual work setting are needed. A longitudinal analysis is capable of removing potential biases and errors associated with measuring a construct that is claimed to change over time, thus providing greater insight into states of employee engagement as they occur, and potentially altering and changing over time. Research of this nature will discover the true nature of causality. Longitudinal analyses, particularly those drawn over longer time periods, enables stronger claims to be made about causality and the reciprocal nature of influence of variables.

A multi-level approach is advocated to better understand employee engagement, its determinants as well as its outcomes (such as performance and wellbeing). Engagement research currently does not study the dynamics and organisational relations of employees at work at different levels simultaneously (Albrecht et al., 2015; Bakker et al., 2011b). Currently, there is a predominance of the individual employee as the focal point and a disinclination to multilevel inquiry. This thesis supports the call by Parker and Griffin (2011) for a broader approach to engagement research that recognises the range of connections with work. As discussed earlier in this chapter, a multilevel approach can potentially build a more comprehensive and coherent understanding. In a review of the engagement literature, Simpson (2009) often found that engagement was significantly affected by factors that fit into two broad categories; organisational factors (macro) versus individual contributors (micro). Only a few scholars have investigated micro-level and macro-level factors in the context of organisations (Albrecht et al., 2015). Employing a multilevel perspective has been espoused by various writers as the new direction forward for engagement research, due to its ability to address the various contexts in which individual and collective behaviours occur. Especially

relevant is the social interaction and influence of individuals within teams, and across the organisation (Payne et al., 2011).

Multilevel modelling is advocated due to its ability to capture the various interactions and contexts in which individual and collective behaviours occur and how they influence individual interactions (within teams, and across the organisation) (Payne et al., 2011). Past research has circumvented the complexities of multilevel systems, through the creation of specialist research experts that focus either on micro level or macro level factors. Multilevel analytic approaches are a useful way to differentiate differences and influences at the individual, group, and organisational level. There is also much to be learned from the organisational behaviour literature given its well established position on multi-level approaches to research.

This thesis argues that engagement occurs within a context of macro-level organisational practices, and simultaneously interacts at the meso levels (team and co-worker relations) and micro levels (individual level factors such as leader behaviour, job characteristics, and challenging goals). These three levels act as the antecedents to employee engagement. This idea is depicted in Figure 5.1 below.

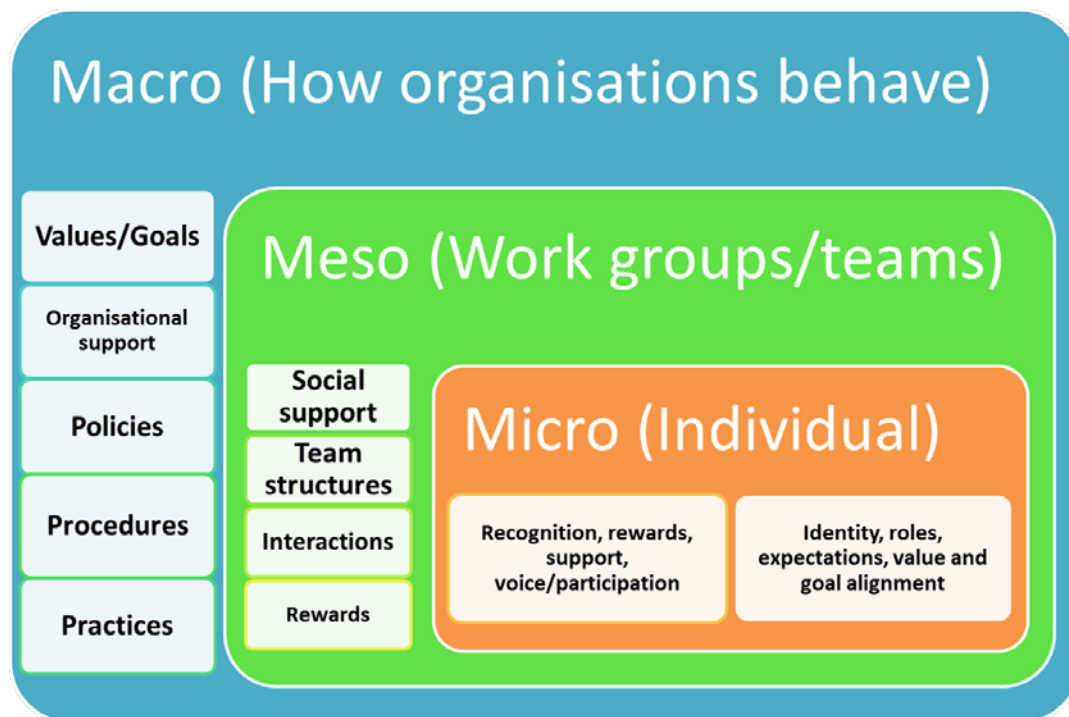


Figure 5.1 A multilevel perspective of the study of employee engagement

This study proposes a framework that bridges the macro- and micro institutional levels of analysis in understanding employee engagement. Multilevel approaches that differentiate variance by the individual to the workgroup level are particularly relevant given recent findings that distinguish between engagement at the individual, team and organisational level (Albrecht et al., 2015; Bakker et al., 2011b). Multilevel research addresses the levels of theory, measurement, and analysis required to fully examine the more complex research questions (Halford & Strangleman, 2009). Multilevel designs to existing models can better capture the contextual effects impacting employee engagement and are better placed to address the multifaceted nature of employee engagement.

One example of operationalising the multi-level approach would be a research design involving multi-sector case studies, or a combination of surveys and cases. Or more specifically, a business unit analysis, similar to that adopted in this thesis, could be carried out to other business units across a range of industries or sectors to compare and validate the

findings documented in this thesis. Another option within the positivist paradigm would be to design more sophisticated and focus ‘hierarchical linear modelling’ using longitudinal data.

Kahn’s conceptual model has a number of components, with a wide range of factors, in recognition of the multiple levels of influences that shape one’s personal engagement; individual, interpersonal, group, intergroup, and organisational. As Kahn (1990, p. 719) poignantly notes “It is at the swirling intersection of those influences that individuals make choices, at different levels of awareness, to employ and express or withdraw and defend themselves during role performances”. Kahn suggested that future research could consider developing dynamic process models to explain how factors combine to produce moments of engagement.

Bakker et al. (2011b) argues that it is theoretically and practically more interesting to examine such cross-level models than examining all constructs at the higher level. They suggest that the use of multilevel approaches, such as hierarchical linear modelling that differentiates variance on the individual from variance on the workgroup level may help to shed light on these issues. Multilevel modelling analysis is capable of addressing the various contexts in which individual and collective behaviours occur and how they influence individual interactions (within teams and across the organisation) (Payne et al., 2011) (Ceja & Navarro Cid, 2012).

Past research has circumvented the complexities of multilevel systems, through the creation of specialist research experts that focus either on micro level or macro level factors (Fine & Hallett, 2014). These experts rarely engage each other in debate or collaboration, and adopt either a micro or a macro stance which has a tendency to yield an incomplete understanding of behaviours occurring at either level. Continuing along this path will create a divide in the research paradigms that to date have not yielded insight on the nature, causes, and consequences of employee engagement (Gummeson, 2006). Other methods and research techniques require thought, such as experience-sampling, within-subjects designs or

multilevel modelling to develop and test models that are able to capture changes in engagement levels, and over time. Experience sampling is better able to capture and integrate information about dynamic processes. There is much to be gained from the measurement precision afforded by using regular (eg hourly) assessments over a period of time when studying a dynamic and non-linear concept with a temporal nature such as engagement (Daniels, Glover, & Mellor, 2014). Importantly, it is able to assess changes in level of engagement and in consideration of other contextual variables (Weston, 2016). Furthermore, experience-sampling, within-subjects designs or multilevel modelling are not only useful in themselves, but respond to a divide in the research paradigms that to date have not yielded insight on the nature, causes, and consequences of employee engagement.

The HRM discipline has much to offer in this regard given the discipline's traditional roots in the study of institutions, the organisation, its environment and the individual within it (Watson, 2010). HRM places focus on issues using a broader perspective, giving more consideration to organisational dynamics, practice, policies, and output (Watson, 2010). The HRM literature recognises employee engagement as a collective notion. It is not just a product of personal traits but also of context which entails employee perceptions of the organisation, their working conditions and the quality of management (Craig & Silverstone, 2010; Purcell, 2012).

5.5.3 Practical implications

This thesis intended to test and explore conceptual and theoretical issues, and use the findings to inform management practice. Employee engagement has much relevance and use to an applied organisational setting. As noted earlier in this thesis, the literature is particularly patchy in delivering working examples of employee engagement initiatives in practice. There has also been little inquiry regarding the consequences for HRM in organisations (Albrecht et al., 2015; Arrowsmith & Parker, 2013), consequently these research findings have direct implications for the way in which HRM functions within organisations attempt to tackle the

issue of engagement. The findings in this thesis can help organisations realise and understand the importance of providing an ‘engagement friendly’ environment for its workforce, which will likely enhance employee performance.

More specifically, the findings assist managers in their use of practices to develop and improve environmental factors geared to promote employee engagement directly. This thesis provides insight to HR Managers on which elements of QWE they should pay more attention to. The newly proposed QWE model can be applied in the business context through the HRM function, assisting organisations to determine the various dimensions deemed most suitable. Each QWE dimension has its distinct elements that can be tested and explored to assist the HRM functions within organisations to develop, prioritise, and implement suitable and relevant initiatives and practices to enable a work environment more conducive to higher levels of engagement. Applying this model in practice can therefore assist organisations to foster a work environment that is conducive to a highly engaged workforce. This has implications for the strategic role of HRM in contemporary organisations, and how engagement initiatives and policies developed by the HRM function serves to support the overall strategic business direction. Importantly, the notion of a ‘conductive context for employee engagement’ raised by Oswick (2015) suggests that organisations and practitioners adopt more subtle strategies for employee engagement by identifying and influence ‘intermediary factors and intervening variables’ that resonate with employee needs; such as ensuring good employment terms and conditions, encouraging involvement in decision making, creating a sense of inclusion and diversity, and socially responsible policies and practices.

This thesis highlights that organisational practices at both the macro and micro-level can lead to improved levels of employee engagement. Therefore the strategic selection of HRM practices in organisations play a specific role in promoting worker engagement. The QWE model is more capable of capturing the relational interplay of various dimensions of

QWE, contextual factors, and the multilevel nature of engagement. While past research links macro level factors with organisational success, Whittington and Galpin (2010) argue that these practices may lose their impact if they are not complimented by a set of micro level practices. This approach resembles that of Albrecht et al. (2015) who argue that in order to yield any of its espoused benefits, employee engagement needs to be integrated within the HRM fabric of an organisation. This ranges from the selection process, socialisation and induction period and processes, performance management systems and training and development practices, processes and systems. The newly proposed conceptual framework in this thesis helps to bridge the gap between organisational policies at the macro, meso and micro-institutional levels. The macro-level organisational practices provide the context in which an engaged workforce can develop, however such practices must be reinforced at the micro-level, in order for employee engagement to be effective.

The results of this thesis therefore have implications for HRM professionals, line managers and executive teams, assisting them to design more effective organisational policies and practices. For example, organisations can avoid spreading resources over various practices aimed at assessing and improving a variety of attitudes and motivational states, and instead can focus resources on practices that assess and enhance employee engagement. One example of this may be, that management develop more inclusive and effective decision making processes which creates greater knowledge and innovative behaviours. These ideas and practices may then create more productive and sustainable outcomes for organisations (financially, socially and economically).

Overall, the results of this thesis suggest that organisational policies and practices should provide employees with:

- the right balance of support at the team and organisational level
- meaningful and challenging jobs
- client centred goals

- recognition through financial and other means (flexibility etc)
- Leadership support

The findings of this thesis open opportunities for practitioners to examine systems and process within the organisational context that enhance engagement. For example, given the direct effects found for the psychosocial dimension on employee engagement, the model suggests organisations may look at the implementation of programs and initiatives aimed at setting systems and support to more effectively embed supervisory coaching and support, role clarity, and flexible work arrangements within the organisational context. This is consistent with Albrecht et al. (2015) who posit that engagement needs to be integrated as a focus across all facets of employee's lifecycle and the employment relationship.

Further, individual employees and their representatives (e.g. trade unions and workplace safety representatives) are also stakeholders in employee engagement and deserving of consideration. The research findings also have implications for government policy makers they are also seeking to address issues around productivity and wellbeing (Purcell, 2010; Society for Knowledge Economics, 2009).

5.6 Limitations of the study

This thesis adds to the knowledge about the key determinants of engagement, however it is only the starting point. While this thesis contributes to the theory and practice of employee engagement, the research is not without its limitations. These are discussed in the following.

While this thesis advocates the multidisciplinary approach, it focuses predominantly on the fields of organisational psychology and HRM, with some consideration given to the safety/wellbeing and organisational behaviour disciplines. While the field of HRM is multidisciplinary in nature (Godard, 2014), the thesis recognises that some scholars may argue that this is not a true interdisciplinary approach as it does not integrate concepts from fields such as operations, engineering, sociology, or humanities. However, this thesis

conjectures that it is a good starting point, being amongst the first to draw on and integrate other similar and related disciplines that have examined employee engagement. This thesis also acknowledges that a multidisciplinary approach can add more complexity and challenges, but this is compensated for by the positives that it provides, especially the creation of new ideas and opportunities. The HRM discipline has informed a multidisciplinary approach in its recognition of the collective nature of employee engagement (González-Romá et al., 2009). It's focus on work groups not just individuals, on interactions, and also sees engagement as a 'two-way street' (in order to add value employees must also feel valued by their organisation) (Robinson et al., 2004). Consequently, the conceptual framework deviated from traditional practice by incorporating organisational context as a direct input or influencing factor of engagement. This was achieved by devising a new concept that captures and represents the role of the organisational context as a key determinant of employee engagement.

Further, this thesis draws its qualitative findings from one case study based on one industry in Australia. Research findings may be most applicable to organisations with a client service focus, particularly amongst professional occupations. The industry context and occupational profile of the organisation studied may therefore restrict the generalisability of the research findings to other industries or occupational groups. The case study is also based on a large organisation within the industry, and explored one business unit within this large organisation. This questions the generalisability of the findings to other business units within the case study, and it also brings to question its representativeness for other smaller organisations. Importantly, however some scholars assert that criticism of the case study for lacking empirical generalisability (i.e. 'transferability') is only partially true (Flyvbjerg, 2006; Gomm, Hammersley, & Foster, 2000). Further, a larger sample from within the business unit or additional interviews and focus groups may have provided a more representative result. However, limitations around time and availability of participants prevented this. Further, the

existing interviews and focus groups captured the range of roles and occupations within the business unit.

One main criticism of engagement research is that studies are generally static, cross-sectional, reductionist, or determinist. This thesis notes that engagement may vary by individuals because of the different emphasis and value placed by each employee. This suggests that engagement differs for each individual (or perhaps clusters of individuals with similar backgrounds, characteristics, and values and perceptions). As earlier chapters have shown, studies have identified the temporal nature of employee engagement, which means that individuals may not be equally engaged at work every day. Assessing the general level of engagement might perhaps ignore the dynamic and configurational aspects of the engagement phenomenon. Thus, qualitative researchers would argue for diaries, experience sampling or ethnography as a way of exploring variation over time and across individuals. Investigating daily levels of engagement over a period of time and during a number of periods may provide evidence for different causal factors of engagement.

The same could be said of engagement at the team and organisational level, lending itself to being applied or understood in various ways and in different circumstances. Purists may argue that this validates the importance of research that isolates the effects of specific variables (the traditional positivist paradigm). On the contrary, this thesis argues against this, highlighting the value in undertaking more holistic measures and approaches to understanding such a complex phenomenon.

5.7 Suggestions for further research

Based on the shortcomings and challenges of the existing literature, a number of avenues for future research on engagement are discussed. This thesis has provided new insight for engagement research, however several issues and areas need to be addressed in future research. In order to advance the research agenda, future engagement research requires complementary techniques around a broader agenda. This thesis calls for methodological

plurality that taps into a range of alternative research techniques and data sources, akin to qualitative methods that will supplement existing approaches to capture the dynamic nature of engagement and identify its key influencing factors.

This thesis identified that there is a shortage of studies that explore engagement from different levels of analysis. The engagement literature is currently dominated by cross-sectional analyses which is limited in its ability to generalise findings more broadly. The engagement literature can be enriched and advanced further through methodological plurality by using a greater range of methodologies and approaches such as those mentioned above.

5.8 Conclusion

Overall, given engagement's multifaceted features, this thesis argues that we need to contextualise existing theoretical perspectives. Consistent with the literature, this thesis concludes that context can vary vastly from one work setting to another (Coffman & Gonzalez-Molina, 2002) and advocates the need to address contextual issues associated with engagement.

The findings suggest that existing theories can be extended or adapted in a way that captures the work environment more specifically. Effectively, to be able to identify and test is a key influencing factor of employee engagement. Current models could also be modified to distinguish organisational level and team level resources from the more specific job level resources. Several theoretical models, such as JD-R (to some extent), Social Exchange theory and the 7Ps model of engagement, are capable of incorporating the contextual elements and at the various levels identified here.

From a practical perspective, this thesis argues that these new (modified) theories can then be used in future research and practice. For example, management would be able to discern the key work environment dimensions that are most relevant to their organisation and accordingly, direct the allocation and distribution of such resources towards employee

engagement activities and initiatives. HRM's role in organisations therefore becomes paramount, guiding the executive team in establishing a strategic direction that offers the right work environment and conditions, that support staff and enhance engagement.

This thesis highlighted that engagement research has reached a critical juncture. In order to further develop our understanding of worker engagement, the scholarly literature needs to consider new perspectives and approaches to address the unanswered questions surrounding employee engagement. It can no longer be confined to one discipline, method, perspective or unit of analysis. Rather, future engagement research requires an integration of the approaches and perspectives across the current and emerging critical sociological perspectives. At present, the literature has studied the engagement phenomena using theories and frameworks that are often grounded in thinking from decades ago. The designs adopted are bounded by tradition or past practice, with the analytic approaches becoming the latest incremental improvements on past standards. By applying the same theories, logics, and assumptions, we are simply reformulating commonly used approaches at the risk of overlooking important issues and consequently repeating history and past mistakes. New ideas can be sought from alternate disciplines that can either be applied to existing theories or the formulation of new theories resulting in a more nuanced understanding of the complex nature of employee engagement. Taken together, the three stages of research offered an integrated approach to the study of employee engagement compared to past research, contributing to the literature through new insight and future theory development.

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Appendices

Appendix A1: Survey items used in formulation of QWE

Table A1: QWE dimensions and survey items included in the regression analysis

Dimension	Q No	Question
Physical Work Environment (total no of items: 10) (q20-22, 26-7, 31-5)	20	• I have access to the right equipment and resources to do my job well
	21	• I have easy access to all the information I need to do my job well
	22*	• We can get access to additional resources when we need to
	26	• The technology used in this organisation is kept up-to-date
	27	• This organisation makes good use of technology
	31	• Staff are aware of their occupational health and safety responsibilities
	32	• Supervisors and management engage in good safety behaviour
	33	• The buildings, grounds and facilities I use are in good condition
	34	• The condition of the buildings, grounds and facilities I use is regularly reviewed
	35*	• The buildings, grounds and facilities I use are regularly upgraded
Psychosocial Work Environment (total no of items: 24) (q1,2,8,9, 13, 18,23, 36-9, 43-5, 52, 57-8, 60-62, 72-8)	1	• I am aware of the vision senior management has for the future of this organisation
	2	• I am aware of the values of this organisation
	8	• I believe in the values of this organisation
	9	• I believe in the work done by this organisation
	36	• I have confidence in the ability of senior management
	37	• Senior management are good role models for staff
	38	• Senior management keep people informed about what's going on
	39	• Senior management listen to other staff
	43	• There is good communication across all sections of this organisation
	44	• Knowledge and information are shared throughout this organisation
	45	• There is co-operation between different sections in this organisation
	52	• The rewards and recognition I receive from this job are fair
	57	• The way my performance is evaluated is fair
	58	• The way my performance is evaluated provides me with clear guidelines for improvement
	60	• My manager listens to what I have to say
	61	• My manager gives me help and support
	62	• My manager treats me and my work colleagues fairly
	72	• I have good working relationships with my co-workers
	73	• My co-workers give me help and support
	74	• My co-workers and I work well as a team
	75	• I am given enough time to do my job well
	76	• I feel in control and on top of things at work
	77	• I feel emotionally well at work
	78	• I am able to keep my job stress at an acceptable level
Personal Health Resources (total no of items: 10) (q16-7, 19, 29-30, 79-83)	16	• Sexual harassment is prevented and discouraged
	17	• Discrimination is prevented and discouraged
	19	• Bullying and abusive behaviours are prevented and discouraged
	29	• Keeping high levels of health and safety is a priority of this organisation
	30	• We are given all necessary safety equipment and training
	79	• I maintain a good balance between work and other aspects of my life
	80*	• I am able to stay involved in non-work interests and activities
	81	• I have a social life outside of work
	82	• I am able to meet my family responsibilities while still doing what is expected of me at work
	83*	• This organisation has enough flexible work arrangements to meet my needs
Enterprise Community Involvement (total no of items: 3) (q10-12)	10*	• This organisation is ethical
	11	• This organisation is socially responsible
	12	• This organisation is environmentally responsible

Note: The analysis uses all available data and survey question responses from the Voice Project survey. Confidentiality requirements prohibited the listing of all survey items used in the Voice Project survey.

Appendix A2: EFA and CFA results

Exploratory factor analysis, and confirmatory factor analysis were used to estimate the measurement index (QWE).

Factor analysis was used to reduce the large number of explanatory variables from an existing engagement survey, in order to remove multi-collinearity issues and to simplify the complex relationships associated with the employee engagement construct. The reduction in the number of explanatory variables was conducted by reviewing the total number of scale items in the Voice Project engagement survey and identifying those which were associated with the four dimensions of QWE, as informed by the literature. Using the World Health Organisation's Healthy Workplaces Framework (Burton, 2010), the initial 50 survey items were identified to resemble an aspect of the work environment (QWE). This was the first objective of the study – to uncover latent dimensions underlying a data set and to subsequently examine which items have the strongest association with a given factor (engagement). The first stage of the analysis involved conducting an Exploratory Factor Analysis on the 47 survey items as a means of identifying the dimensions of QWE (see Table A1 in Appendix for results). The results show that the 4 QWE dimensions were characterised by good structural reliability, and appear to be measuring the same underlying concept.

Confirmatory Factor Analysis Results and Reliability Analysis results for the 47 items in the current study are summarised in Table A1. The factor scores from the EFA and CFA were computed (using the refined computation method using the Bartlett's approach) and used in subsequent analyses.

Table A2: CFA and reliability analysis results summary for QWE dimensions

QWE dimension	Number of items in scale	KMO test for appropriateness of Factor Analysis	Bartlett's test of sphericity	Cronbach's Alpha
Physical Work Environment	10	0.637	0.000	0.798
Psychosocial Work Environment	24	0.500	0.068	0.410
Personal Health Resources	10	0.625	0.000	0.838
Enterprise Community Involvement	3	0.712	0.000	0.749

Preliminary results of regression analysis of QWE and Employee Engagement (using COMPUTED FACTOR SCORES)

Variable/Factor	Co-efficient (β)	t-statistic
Constant	0.014	1.9
Physical Working Environment	0.091	8.2 *
Psychosocial Working Environment	0.529	44.9 *
Personal Health Resources	-0.016	-1.5
Enterprise Community Involvement	0.096	9.6 *
Adj R ² = 0.427		
F = 1857.1		
N = 9888		

* *significant at 0.01*

The study proposed that the quality of the work environment would be positively related to employee engagement. To investigate this, the variables were entered into a hierarchical multiple regression. The control variables were entered at stage 1 (size of firm, sex, age, seniority, salary, and so on), and then added the 4 dimensions of QWE at stage 2. The results of the standardized coefficients β are presented in above Table. Model 1 shows that age, marital status, and position level significantly influence employee engagement. In Model 2 it can be seen that physical work environment ($\beta = .369$, $p < .001$), psychosocial work environment ($\beta = .268$, $p < .001$), personal health resources ($\beta = .268$, $p < .001$), and enterprise community involvement ($\beta = .268$, $p < .001$) were positively related to employee engagement. Thus, Hypotheses 1a, 1b, 1c and 1d were supported.

Results of regression analysis, using the computed factor scores found that the independent variables of physical work environment, psychosocial work environment and personal health resources were significant predictors of employee engagement. This is consistent with the multiple regression analysis of the 47 individual items. A significant regression equation was found, $F(1857.1) = 42.7$, $p = .001$, with an R^2 of .427. The analysis revealed that an estimated 43% of the variance of the engagement of employees can be accounted for by QWE predictors. This study makes significant contributions to theoretical development and practical application of engagement.

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	4134.501	4	1033.625	18.31791	.000 ^b
Residual	5577.249	884	.631		
Total	9711.750	888			

a. Dependent Variable: ZPassion Zscore: Passion

b. Predictors: (Constant), QWE4_ENTCOMMUNITY, QWE3_PERSHEALTH, QWE1_PHYSICAL, QWE2_PSYCHOSOC

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	.014	.008		1.894	.058
	QWE1_PHYSICAL	.141	.015	.106	9.327	.000
	QWE2_PSYCHOSOC	.729	.016	.533	44.554	.000
	QWE3_PERSHEALTH	-.059	.015	-.043	-3.885	.000
	QWE4_ENTCOMMUNITY	.106	.010	.106	10.602	.000
a. Dependent Variable: ZPassion Zscore: Passion						

Correlations				
	Physical Work Environment	Psychosocial Work Environment	Personal Health Resources	Enterprise Community Involvement
Physical Work Environment	1			
Psychosocial Work Environment	.682**	1		
Personal Health Resources	.660**	.665**	1	
Enterprise Community Involvement	.550*	.607**	.546**	1

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



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INVITATION TO PARTICIPATE IN A RESEARCH STUDY:
**"Impact of The Quality of The Work Environment on
Employee Engagement At Work"**

25 October, 2016

Dear XXX Staff Member

You are invited to participate in a study that examines the quality of the work environment, employee wellbeing and employee engagement.

(1) What is the study about?

The purpose of the study is to determine how the work environment affects an employee's motivation and engagement levels at work. It aims to establish what parts of your work environment (such as relations with supervisor/manager, co-workers, communication levels, job demands, social structures, pay and conditions, goals of the company, etc) have the greatest influence on your employee engagement and wellbeing.

(2) Who is carrying out the study?

The study is being conducted by Elizabeth Frino, Centre for Workforce Futures, elizabeth.frino@students.mq.edu.au, Ph: 9850 7444) at Macquarie University. It is an independent research study that is being conducted to meet the requirements of a Doctor of Philosophy in Marketing and Management under the supervision of Professor Ray Markey (Ph: 02 9850 7444, email: ray.markey@mq.edu.au), Director of the Centre for Workforce Futures.

This study is not designed or driven by XXX management, however it has received full support. There are several indirect benefits to yourself and your role at work.

(3) What does the study involve?

The study involves conducting a case study of your organisation. The researcher will conduct one on one confidential interviews with employees such as yourself, and relevant senior and line management. This will be followed by a number of focus groups, each involving 10-12 employees. The interviews and focus groups will gather information about the daily working life and experiences of employees, and how their workplace environment affects their attitudes, emotions, and behaviours. Importantly, we are interested in hearing from people who are currently very engaged at work and also from those who are not so engaged at work.

ATTACHMENT B:
Participant Information and Consent Form
Employee Engagement and Quality of Work Environment

Pg 1 of 3



(4) How much time will the study take and what is required from me?

If you decide to participate in the study, you will be interviewed for 30-60 minutes. You will also be invited to be part of a wider discussion amongst other peers by attending a focus group, on a separate occasion, which will last 45-60 minutes. All information will be treated in the strictest confidence and only the research team will have access to the information.

The questions asked are pre-determined and will be asked of all participants. Audio recordings will be used during interviews and focus groups, however they will be confidential. The findings will be reported in an anonymous manner. All material identifying participants will be removed in any reporting of findings, so that individuals are not identified. A copy of a summary final report will be provided to all participants on request.

(5) Why have I been approached, and can I withdraw from the study?

Your workplace has been approached to be involved in this study because we are particularly interested in an organisation that has already undertaken employee engagement initiatives in the workplace. The management team have already approved this research study to be conducted in your workplace and are supportive of your participation.

Participation in this study is entirely voluntary. If you decide to participate, you are free to withdraw at any time without having to give a reason and without consequence. If you decide you do not wish to participate, even after giving consent, you are free to withdraw from the study at any time. You may stop the interview at any time if you do not wish to continue. If you withdraw your consent, any information you may have previously provided will not be included in the study.

Your decision to partake or not in this project, or if you decide to withdraw, will not affect your relationship with your employer or the researchers

(6) Will anyone else know the results?

Any information or personal details gathered in the course of the study are confidential, except as required by law. No individual will be identified in any publication of the results. Only the researchers will have access to information on participants. A summary of the results of the data can be made available to you on request. Simply contact Elizabeth Frino via email.

We hope you are able to offer your time to participate in this valuable research study. If you are interested, we ask that you sign the consent form below and return it via email to Elizabeth Frino at elizabeth.frino@students.mq.edu.au. We will be in touch with you shortly after this. For any other questions about what is involved, you may contact Elizabeth on 0434 411547.

Kind regards

Professor Ray Markey

ATTACHMENT B:
Participant Information and Consent Form
Employee Engagement and Quality of Work Environment

Pg 2 of 3



**“Impact of The Quality of The Work Environment on
Employee Engagement At Work”**

PARTICIPANT CONSENT:

I, _____ (*participant's name*) have read (*or, where appropriate, have had read to me*) and understand the information above and any questions I have asked have been answered to my satisfaction. I agree to participate in this research, knowing that I can withdraw from further participation in the research at any time without consequence. I have been given a copy of this form to keep.

I also understand that the interview or focus group sessions may be recorded (audio only) and I give consent for this to occur. I also understand that I have permission to stop the interview/focus group at any time if I do not wish to continue and the audio recording will be erased and any information I may have provided will not be included in the study.

Participant's Name: _____
(Block letters)

Participant's Signature: _____ **Date:** _____

Research Investigator's Name: _____
(Block letters)

Research Investigator's Signature: _____ **Date:** _____

The study has been approved by the Macquarie University Human Research Ethics Committee (Ref No 5201600629), and meets the requirements set out in the National Statement on Ethical Conduct in Human Research (2007 – Updated May 2015) (the National Statement). If you have any complaints or reservations about any ethical aspect of your participation in this research, you may contact the Committee through the Director, Research Ethics (telephone (02) 9850 7854; email ethics@mq.edu.au). Any complaint you make will be treated in confidence and investigated, and you will be informed of the outcome.

Appendix A4: Ethics Approval letter

Office of the Deputy Vice-Chancellor
(Research)

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4 October 2016

Dear Professor Markey

Reference No: 5201600629

Title: *The relationship between employee engagement and quality of the work environment (QWE): a longitudinal analysis using Australian evidence*

Thank you for submitting the above application for ethical and scientific review. Your application was considered by the Macquarie University Human Research Ethics Committee (HREC (Human Sciences & Humanities)).

I am pleased to advise that ethical and scientific approval has been granted for this project to be conducted by:

- Macquarie University

This research meets the requirements set out in the *National Statement on Ethical Conduct in Human Research* (2007 – Updated May 2015) (the *National Statement*).

Standard Conditions of Approval:

1. Continuing compliance with the requirements of the *National Statement*, which is available at the following website:

<http://www.nhmrc.gov.au/book/national-statement-ethical-conduct-human-research>

2. This approval is valid for five (5) years, subject to the submission of annual reports. Please submit your reports on the anniversary of the approval for this protocol.

3. All adverse events, including events which might affect the continued ethical and scientific acceptability of the project, must be reported to the HREC within 72 hours.

4. Proposed changes to the protocol and associated documents must be submitted to the Committee for approval before implementation.

It is the responsibility of the Chief investigator to retain a copy of all documentation related to this project and to forward a copy of this approval letter to all personnel listed on the project.

Should you have any queries regarding your project, please contact the Ethics Secretariat on 9850 4194 or by email ethics.secretariat@mq.edu.au

**THE RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND QUALITY
OF THE WORKING ENVIRONMENT: A LONGITUDINAL ANALYSIS USING
AUSTRALIAN EVIDENCE**

INTERVIEW PROTOCOL: EMPLOYEE QUESTIONS

Date:

Interviewee number:

Brief description of position

(1) The organisation and the workforce

1. Tell me a little about what your organisation does
2. What is your job/role? What are your main tasks at work? How long have you worked in this role here?
3. Tell me what your organisation stands for (mission) and its goals in achieving this
4. Describe your workplace surroundings and culture
5. Tell me one thing that stands out about your workplace

(2) General feelings about work and identity at work (PURPOSE)

1. Do you have confidence in the ability of the NSW Leadership team to provide the necessary support and guidance to achieve the organisation's strategy and goals?
2. Do you think your own job is important in helping the organisation achieve its goals?
3. Do you feel that your place of work is of great personal importance to you?

(3) Resources at work (PROPERTY)

1. Do you feel well supported in your work by management (Immediate manager and senior management – NSW Leadership team)? How/why?
2. Is it important to you for the organisation to be committed to ongoing training and development of its workforce? Why?
3. Do you think that it is important for organisation policies and procedures to be efficient and well-designed? Explain

4. How happy are you with the physical working conditions? Is this important to you? How does it make you feel?

(4) Supervision, Communication and Involvement (PARTICIPATION)

1. Is your own work varied? Do you like the kind of work you do?
2. Complete this sentence "My work gives me a feeling of personal accomplishment when....."
3. Taking initiative – is this something that occurs in your job?
4. How often do you get help and support from your supervisor/manager? From your colleagues?
5. Do you think you receive sufficient opportunities to develop your skills and career?
6. Are you happy with the opportunities that you are given to provide input or feedback about your work? What about input regarding the organisation's goals?

(5) Perceptions of manager and of co-workers (PEOPLE)

1. Describe your relationship with your immediate co-workers.
2. Do you all work well in a team?
3. Are your peers motivated? Are they skilled and talented?
4. How does this impact on you and your work?
5. What kind of relationship do you have with your people leader?
6. Do you feel that your manager is good at allocating work and providing guidance?
7. What options do you have when you are concerned about something or have an issue that needs resolving?

(6) PEACE (Wellbeing)

1. Does your work demand a great deal of concentration?
2. Do you have any influence on HOW you do your work?
3. Do you feel you are given enough time to do your job well?
4. Do you feel on top of things at work?
5. What things help you feel emotionally well at work and able to keep job stress at good levels?
6. Do you feel your job allows you to have good work-life balance?

(7) PROGRESS (PERFORMANCE)

1. Do you understand how your job contributes to your team's performance? To the overall success of this organisation?
2. Is this important to you? Why?
3. How do you receive feedback about your own performance? Team performance?
4. How are employees rewarded for their performance?
5. Have you had to deal with change in your workplace? If yes, explain.

(8) PASSION (ENGAGEMENT)

1. Do you feel a part of this organisation? Why?
2. Do you get emotionally involved in your work? How?
3. Describe the enjoyment and accomplishment you get from your work
4. What things make you want to work harder and with more effort?
5. Are there moments when you are working where you get carried away? (prompt: times when you felt that the hours/day went quickly). If so, give me some examples of when you feel most absorbed.
6. Complete this sentence "I am most satisfied with my job when I ... "
7. Over the next 3-5 years, where do you see yourself working?

(9) Other

1. Overall, what do you think are the three key things that influence your motivation/engagement levels in your job? (most influential first)

**THE RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND QUALITY
OF THE WORKING ENVIRONMENT: A LONGITUDINAL ANALYSIS USING
AUSTRALIAN EVIDENCE**

INTERVIEW PROTOCOL: EMPLOYER/MANAGEMENT QUESTIONS

Date:

Interviewee number:.....

Brief description of role/position

(1) The organisation and the workforce

1. Tell me a little about what your organisation does
2. What is your role within the management/executive team? How long have you been at NAB? What other roles?
3. Tell me what your organisation stands for (mission) and its goals in achieving this
4. Tell me about your own team of staff

(2) General feelings about work and identity at work (PURPOSE)

5. How much do employees understand and align with the organisation's strategy and goals?

(3) Resources at work (PROPERTY)

6. Do you think management provides the right support to its staff to get the work done? Explain
7. Is it important to you for the organisation to be committed to ongoing training and development of its workforce? Why?
8. Tell me a little about management's approach to training and resources
9. Do you think staff receive sufficient opportunities to develop their skills and career?

(4) Supervision, Communication and Involvement (PARTICIPATION)

10. Tell me about the way staff communicate ideas and issues at work; with management and with each other

11. What kind of opportunities are given to staff to provide input or feedback about their work? What about input regarding the organisation's goals?
12. What options do staff have when they are concerned about something or have an issue that needs resolving?

(5) Perceptions of manager and of co-workers (PEOPLE)

13. Describe your relationship with your direct reports. What kind of relationship do you have with your team?
14. As a manager, how do you allocate work and provide guidance to your staff?

(6) PEACE (Wellbeing)

15. Does working here demands a great deal of concentration? Time?
16. Do staff have any influence on HOW they do their work?
17. What things help staff feel emotionally well at work and able to keep job stress at good levels?
18. Do you feel working here allows staff to have good work-life balance?

(7) PROGRESS (PERFORMANCE)

19. Do you understand how your job/role contributes to your team's performance? To the overall success of this organisation? Your staff's understanding
20. Tell me about the way performance of staff is measured and recognized/rewarded
21. How do you provide feedback about performance of your staff? Is it individual or team based performance?

(8) PASSION (ENGAGEMENT)

22. Do you feel a part of this organisation? Why? Tell me about your staff and their engagement.
23. Describe the enjoyment and accomplishment you get from your work. What about your staff?
24. What things make you want to work harder and with more effort? What about your staff?
25. Are there moments when you are working where you get carried away? (prompt: times when you felt that the hours/day went quickly).
26. Is this any different with your staff?
27. In your opinion, what do you think are the three key things that influence motivation/engagement levels of your staff? (most influential first)

(9) Other/work environment/strategy

28. When you think about this organisation, what aspects of the work environment do you think impact on employee engagement?
29. Is this different between workers? Yourself?

30. What issue can this organisation improve on that will make workers more engaged or passionate about their work?
31. What aspects of the organizational strategy would you change in order to improve engagement levels?
32. What is the main reason why staff leave the organization?
33. Is there anything else you'd like to add?

FOCUS GROUP PROTOCOL – TOPIC HEADERS

(WORK TEAMS & MANAGEMENT)

The key themes within the focus group protocol will be determined in line with the Voice Project's 7Ps Model of Engagement and also based on initial findings from the in depth interviews.

As an example, key themes may include:

- (1) understanding of expectations at work (organisational goals and culture);
- (2) general feelings about work (behaviours, attitudes);
- (3) resources at work/job roles;
- (4) the use of skills or talents at work, training/development;
- (5) perceptions of manager and leadership; and
- (6) perceptions of co-workers, impact of team work and working units/departments
- (7) Performance/Progress (Effort, Output and Rewards)
- (8) Role of the HRM function (policies and procedures) (How is the notion of employee engagement conceived or reflected in HRM strategies and initiatives?
- (9) Relationship between the work environment/setting and employee engagement
- (10) Other

FOCUS GROUP QUESTIONS

Identifying with the organisation (purpose)

1. Tell me one thing that stands out about your workplace
2. How important is your own job in helping the organisation achieve its goals?

Resources and support at work (property)

3. When I am well supported by management in my work I feel...
4. Describe the atmosphere and level of collegiality at work
5. Describe the physical working conditions and how they impact on you

Supervision, Communication and Involvement (participation)

6. Complete this sentence "My work gives me a feeling of personal accomplishment when....."
7. Tell me about the opportunities to provide new ideas and input about your work

Perception of MGR and coworkers (People)

8. Highlight one key point about your relationship with your peers
9. How good is your manager/people leader at allocating work and providing guidance?
10. Describe your confidence in the senior management team
11. Do you feel confident in the way things are resolved when you have a concern?
12. Complete this sentence, without the community spirit in this organisation, my level of engagement would...

Peace (wellbeing)

13. Do you feel on top of things at work? explain
14. What should change to improve your overall experience at work (if any)

Progress

15. How does your job contribute to your: a) team's performance; b) success of this organisation?
16. Are you recognised fairly for your efforts at work?

Passion/ENGAGEMENT

17. Complete this sentence "I feel a part of this organisation mostly when..."
18. Describe the enjoyment and accomplishment you get from your work
19. What things make you want to work harder and with more effort?
20. Are there moments when you are working where you get carried away? (prompt: times when you felt that the hours/day went quickly). Example?
21. Complete this sentence "I am most satisfied with my job when I ... "
22. Over the next 3-5 years, where do you see yourself working?
23. What's the main reason people leave this organisation?
24. Identify the 3 key things that influence your engagement levels at work
25. My engagement levels are the highest when ...

Appendix A8: Interview and Focus Groups

Table A8.1: List of Interview and Focus Group participants

Date	Interview/Focus Group	Title/occupation	Number of participants
27 th Oct 2016	Informal interview	People Leader	1
19 th Nov 2016	Informal interview	State Manager	1
19 th Nov 2016	Leadership meeting	State Manager, People Manager, 5 PCEs	7
19 th Nov 2016	General Staff Meeting	NSW, Qld, ACT	
26 th Nov 2016	Telephone interview	PCE – North Sydney	1
28 th Nov 2016	Interview	State Manager	1
28 th Nov 2016	Interview	People Leader	1
2 nd Dec 2016	Interview	PCA	1
8 th Dec 2016	Interview	PCA	1
8 th Dec 2016	Interview	PCM	1
9 th Dec 2016	Interview	PCA	1
13 th Dec 2016	Focus Group	Head Office team: Lending Adviser Operations Manager Business Development Manager Personal Assistant Events Manager/Commercial Client Relations Business Development	6
27 th January 2017	Focus Group	Client Managers x 4 Client Associates x 3	7
31 st January 2017	Focus Group	Administration Client Managers x 3 Client Associates x 5	9

Table A8.2: Documents used for analysis

Name of Document	Public or private document
Finco Enterprise Agreement 2014	Public
Finco Annual Financial Report 2015	Public
Finco Annual Financial Report 2016	Public
PWC Banking Matters - Major Banks Analysis: December Quarter Snapshot 2018	Public
Commonwealth Govt (2018) Some Features of the Australian Banking Industry, Background Paper 1	Public
Finco Summary Review 2011	Public
Finco Summary Review 2013	Public
Finco Summary Review 2014	Public
Finco Summary Review 2016	Public
HayGroup Employee Engagement Case Study 2014	Private
Media Release “FINCO first to recognise working parents’ long service” (March 2017)	Public
FINCO REACHES ENDORSEMENT FOR 2016 ENTERPRISE AGREEMENT (02 Sep 2016)	Private – internal document (Newsletter)
Finco Annual Review 2015	Public
2014-15 public report form submitted by FINCO to the Workplace Gender Equality Agency (19-May-2015)	Public
PWC Banking Matters - Major Banks Analysis and Hot Topic: Future of operating models, May 2017	Public
Internal Company Engagement Statistics and Survey Instrument	Private – internal documents