

**RACE AND EMPLOYEE ENGAGEMENT IN A DIVERSIFIED SOUTH AFRICAN
RETAIL GROUP**

SHEETAL PATEL

RESEARCH PROJECT

Submitted in partial fulfilment of the requirements for the degree of

Master of Commerce in Management

FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES

SCHOOL OF BUSINESS AND FINANCE

UNIVERSITY OF THE WESTERN CAPE

SUPERVISOR: PROF PHILIP HIRSCHSOHN

MARCH 2014

Contents

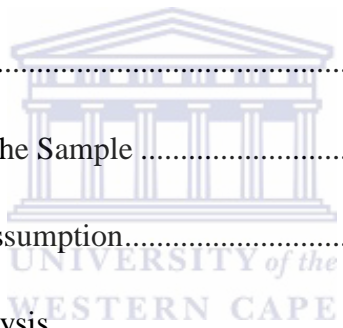
Contents	1
DECLARATION	5
ABSTRACT.....	6
CHAPTER 1: INTRODUCTION.....	7
1.1 Employee Engagement.....	7
1.2 Engagement and Race Groups	8
1.3 Purpose of the Study	10
1.4 Objective of this Study.....	11
1.5 Hypothesises.....	11
1.6 Limitations	12
1.7 Overview of Chapters.....	12
CHAPTER 2: LITERATURE REVIEW	14
2.1 Conceptual Framework	15
2.2 Employee Engagement.....	16
2.2.1 Theories of Employee Engagement	17
2.2.2 Engagement and Related Constructs	20
2.3 Performance Management.....	22
2.4 Work/Life Balance	23
2.5 Commitment.....	23



2.6	Empowerment	24
2.7	Leadership	25
2.8	Nature of Job	26
2.9	Relationship.....	28
2.10	Reward	29
2.11	Career Growth.....	30
2.12	Intent to Stay	31
2.13	Race.....	32
2.14	Conclusion.....	34
Chapter 3: RESEARCH METHODOLOGY		35
3.1	Introduction	35
3.2	Theoretical Assumptions.....	35
3.3	Population.....	36
3.4	Sample.....	36
3.5	Procedure of Collecting Data	36
3.6	Questionnaire Design	37
3.7	Data Analysis	37
3.7.1	Testing the construct validity of each of the components (relationship, reward, performance, nature of job, leadership etc.) of employee engagement.....	38
3.7.2	Testing the factor validity of the model of employee engagement used in the survey	



3.7.3	Identifying the best factor structure, based on exploratory factor analysis of data	39
3.7.4	Testing whether the models are similar or different	39
3.8	Ethics	39
3.9	Conclusion.....	40
CHAPTER 4: DATA ANALYSIS		41
4.1	Introduction	41
4.2	Data Examination and Screening	41
4.3	Data Preparation	41
4.4	Profile of Respondents	42
4.5	Descriptive Statistics for the Sample	44
4.6	The Test of Normality Assumption.....	44
4.7	Confirmatory Factor Analysis.....	45
4.8	Exploratory Factor Analysis	46
4.9	Structural Equation Modelling (SEM).....	50
4.10	Evaluation of Original Model Fit.....	50
4.11	Revised Model Specification	52
4.12	Model Modification.....	53
4.13	Descriptive Statistics for the Six Constructs	57
4.14	Relationship between constructs	58
4.15	Construct Differences across Race Groups	59



4.15.1	Kruskal Wallis Test.....	59
4.16	Multi-Group Analysis	62
4.17	Conclusion.....	65
CHAPTER 5: FINDINGS/CONCLUSION.....		66
5.1	Introduction	66
5.2	Inferential Statistics.....	66
5.3	Limitations	72
5.4	Recommendations	72
5.5	Conclusion.....	73
APPENDIX.....		74
Appendix A	.....	74
Appendix B	.....	76
Appendix C	.....	80
Appendix D	.....	82
Appendix E	.....	83
BIBLIOGRAPHY.....		86



DECLARATION

I declare that the thesis “Race and Employee Engagement in a Diversified South African Retail Group” is my own work, and that it has not been submitted for any degree or examination in any other university, and that the resources I have used or quoted have been indicated and acknowledged by complete references.

Sheetal Patel



Racial Diversity and Employee Engagement in a Diversified South African Retail Group

ABSTRACT

Background: Many South African companies are faced with the challenge of integrating a racially-diverse workforce into a white-dominated environment. This research sets out to assess the relationship between race and engagement activities within the workplace.

Significance/Objective of the Research: This study aims to explore employee engagement and how employees of different races perceive their work environment, and in so doing, enhance the employer's ability to respond.

Research Methodology: The analysis made use of confirmatory and exploratory factor analysis and structural equation modelling to validate the employee engagement concepts of an empirical survey that was conducted across all trading divisions within the retail group.

Ethics Statement: The research survey ensured ethics by assuring respondents voluntarily contributed to the research, whilst guaranteeing them anonymity, honesty and full disclosure.

Findings/Conclusion: The study confirms that race, leadership, nature of job, intent to stay, empowerment, relationship and reward are factors influencing engagement amongst employees within the South African retail group.

Keywords: Employee engagement, leadership, empowerment, reward, relationship, nature of job, race

CHAPTER 1: INTRODUCTION

In recent years, employee engagement among the various racial groups has become an important challenge within South African organisations, due to the broad economic transformation agenda pursued by government. The challenge that South African businesses face is the ability to simultaneously pursue transformation and remain competitive in the market place.

Recent research by Gallup (2013) highlights the implication of employee engagement in South Africa. Gallup's study among 26 countries and territories in sub-Saharan Africa during 2011 and 2012, established that among the employees in South Africa, 9% are engaged and 91% are not engaged. South Africa was also found to have one of the highest percentages of disengaged employees in the world.

Using a survey instrument based on Gallup's model of employee engagement this study aims to explore in greater depth how employees of different races perceive their work environment, and in so doing, enhance the employer's ability to respond and improve the level of employee engagement.

1.1 Employee Engagement

The term employee engagement was first presented by the Gallup Organization, a consulting company, who investigated a company in attempt to understand employee's attitudes and performance (Little and Little 2006, p.111). For that matter, the concept was created by practitioners with direct application to the company. Employee engagement is a concept that has been created by human resources consultancy firms, but academics are slowly joining this concept (Macey and Schneider 2008, p.3), hence, the existence of several definitions of employee engagement.

Employee engagement emerged in academic literature in two primary groups, namely, personal engagement and work engagement. Kahn(1990) defined personal engagement as the “the harnessing of organization members’ selves to their work roles”. Kahn (1990), further defined three psychological conditions associated with personal engagement, these included meaningfulness, safety and availability. According to Maslach and Leiter (2001), work engagement is defined as a positive, fulfilling, work-related state of mind that is characterized by vigour, dedication, and absorption. Maslach et al. (2001) model considers engagement as a mediating variable for the relationship between work conditions and work outcomes.

According to Vazirani (2007) some of the most widely accepted advantages of engaged employees is that they will stay with the company, advocate the products and services of the company, and contribute to bottom line business success.

Employee efficiency is clearly connected with employee engagement, as it creates an environment that encourages employee engagement which is considered to be essential in the effective management of employees (Khanna 2008).

1.2 Engagement and Race Groups

Organisational culture plays an important role in the way individuals experience the workplace. The influence that race has on engagement is a crucial subject matter to understand and highly complex to analyse.

Prior research demonstrates that organisational commitment (Smith 2010) and job satisfaction (Somers 2001) within an organisation could vary between various race groups. This could indicate that employees from different racial backgrounds may need to be treated differently by

their employers (Igbaria 1992), in order to increase engagement levels and to enhance competitiveness in the market.

Somers (2001) found that black employees were more involved in their job and exhibited higher levels of commitment than white employees. This higher level of commitment resulted in lower levels of job mobility, which in turn, lowered their expectations, thereby, increasing their levels of job involvement. In contrast, Igbaria (1992) found that black employees reported lower levels of met expectations and thus, career satisfaction, compared to white employees. The lower levels of met expectations and career satisfaction were supported by evidence that black employees felt that they received less career support from their supervisors than the white employees.

Organisations need to relook their institutional policies and practices, because a large number of organisational interventions/policies have been focused on changing the individual. Because the organisation and the individual interact with one another, changes in both may become necessary. Much of the work done at the individual level is limited by the lack of work focusing on organisational level issues in diversity management (Smith 2010).

Several limitations have been identified in previous research, such as the fact that most studies examine the race differences among a sample of individuals with graduate degrees (Smith 2010; Somers 2001; Igbara 1992). In order to gain a fuller, clearer picture of the differences in engagement between race groups, this study was performed across all job levels with the sample drawn from all trading divisions within the retail group.

1.3 Purpose of the Study

A critical role of any organisation is to provide an environment that boosts the potential of individual employees. Without understanding this, it is impossible for managers to formulate effective organisational strategies.

The retail industry, as a whole, is constantly evolving and consequently, undergoing major transitions all the time. In an effort to maintain a competitive advantage, organisations need to encourage higher employee engagement, in order to thrive.

The purpose of this exploratory study is to examine race differences across the divisions of the retail group, in order to identify some of the main reasons why certain race groups are more engaged at work than others.

The study has two practical implications. Firstly, there is a need to examine the validity, reliability and utility of the employee-engagement survey instrument used by the consultancy firm to measure concepts in a developing-country environment, such as exists in South Africa. This is required to ensure that the results reported to employees actually what they purport to measure. Against the background of increasing global and local organisational competitiveness, it is crucial for any organisation, particularly those in developing countries with limited skill resources, such as South Africa, to ensure that it develops and retains a loyal, dedicated, committed and able workforce on a consistent basis. Implications from this study may very well benefit developing country's Human Resources (HR) departments with methods of engaging the workforce.

The second practical relevance of this study is to establish the effect of race on employee engagement. This study could enhance the employer's ability to develop responses to how

employees of different races perceive the work environment, and help managers understand why employees are engaged or disengaged at work. Disengagement at work is likely to be detrimental to the employees' performance. By examining the different levels of engagement, the study aims to elicit explanations that might assist the organisation in determining appropriate management techniques, and to understand how these enhance employees' job performance.

Additionally, the study aims to bridge the work performed by consulting firms, who have popularised the concept of employee engagement, with research literature.

1.4 Objective of this Study

Based on a large scale survey of employees conducted by consultants for a South African retail group using an instrument developed by Gallup, the study seeks to:

1. Test the validity of the survey instrument as a measure of employee engagement and its component constructs using confirmatory factor analysis.
2. Develop better measures of employee engagement based on exploratory factor analysis
3. Identify divisional and racial differences in the level of employee engagement within a South African retail group.

1.5 Hypothesises

Hypothesis 1:

A 1st order factor model composed of 11 original constructs (nature of job, reward, work/ life balance, career growth, leadership, market opportunity, performance management, empowerment, commitment, relationship and intent to stay) is a better fit to the data relating to employee engagement, than the original 2nd order factor model.

Hypothesis 2:

The best 1st order factor model, based on modified concepts, is a better fit than the 1st order factor model composed of the 11 original concepts.

Hypothesis 3

There is a statistically significant relationship between the modified concepts.

Hypothesis 4

Based on the best overall model, the level of employee engagement is significantly different across the six major trade divisions.

Hypothesis 5

Based on the best overall model, the level of employee engagement is significantly different across race groups.



1.6 Limitations

There is a lack of specific studies pertaining to race and employee engagement within the retail industry. The sample of this study focused on respondents in a retail group in South Africa.

Consequently, generalisations, comparisons and assumptions cannot be made about other retail organisations elsewhere. This study was cross-sectional and therefore only focused on respondents' perceptions about employee engagement at a particular time.

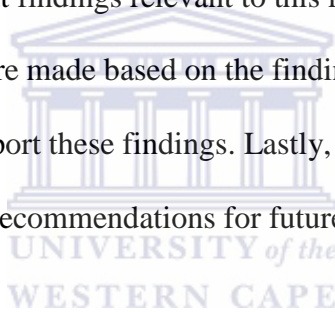
1.7 Overview of Chapters

Chapter 2 presents a synopsis of the theoretical background of the indicators of employee engagement, thus providing the basis for this research study.

Chapter 3 explains the research design that is utilised to investigate the research problem. Specific attention is devoted to measuring instruments, namely the web-based employee engagement survey. The chapter also highlights statistical methods such as factor analysis, structural equation modelling and descriptive statistics, which were used to analyse the data in this research study.

Chapter 4 reveals the research results that were retrieved from the analysis of data collected in the research study, and concludes with the explanation of the hypotheses, which were subjected to statistical testing.

Chapter 5 discusses the most salient findings relevant to this research study, with regard to the results in Chapter 4. Conclusions are made based on the findings in the previous chapter, and previous research is utilised to support these findings. Lastly, this chapter highlights the limitations of the study and offers recommendations for future research.



CHAPTER 2: LITERATURE REVIEW

Retail businesses today are faced with the challenge of how to adapt to a rapidly changing economy while retaining cultural values and traditional knowledge in such a way that it increases their competitiveness. This may result in difficulties when gaining commitment from experienced employees. Committed employees are expected to adopt new roles and those who are not committed will leave the organisation. The loss of experienced employees from an organisation results in a lack of knowledge transfer of practices within the firm. Organisations therefore, need to preserve their knowledge base by effectively utilising the knowledge that is relevant to their business, and at the same time, make it available to employees.

Preliminary results from numerous studies have indicated that employees are more likely to demonstrate high levels of employee engagement when they are able to use their skills and knowledge practically, perform enriched and varied tasks and experience positive employee-management relations. Employee engagement is also enhanced when the organisation adopts a participative approach to decision-making, recognises and rewards employee talents and instils the values and principles with which employees can identify (Bailey 1999; Berg 1999; Levin & Stokes 1989; Mester, Visser, Roodt & Kellerman 2003)

The influence that race has on engagement is a crucial matter to understand and a highly complex subject to analyse. Apart from the range of theories that cover both these subjects, employee engagement can also be broken down into a spectrum of variables.

Therefore, this study will investigate and define indicators that measure employee engagement and thus, justify the importance of its link to race groups.

2.1 Conceptual Framework

The aim of the research is to test the validity of the survey instrument used by the consultancy to study employee attitudes, in order to ensure it as a reliable and valid survey, with accurate conclusions being drawn from the results. In addition, the research aims to gain a comprehensive insight into the relationship between race and the latent constructs comprising of indicators of employee engagement. The study seeks to identify how race across divisions impacts the level of employee engagement.

According to the literature review, employees are more likely to experience employee engagement when they experience positive employee-management and employee-co-worker relations. Employee engagement is also achieved when they feel empowered, when the organisation recognises and rewards their talents and when employees enjoy the work itself.

Based on these interrelationships and the hypotheses formulated throughout the literature review, a conceptual model has been developed and graphically presented in Diagram 1. The measurement model incorporates the two primary groups of engagement, namely, personal engagement and work engagement. As shown in the Diagram 1, employee engagement is depicted as the independent concept, whilst empowerment, leadership, relationship, nature of job and reward are depicted as the indicators of engagement.

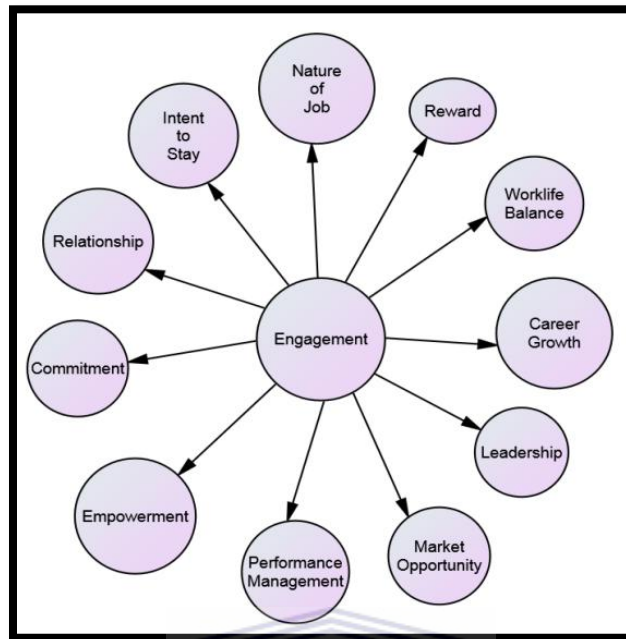


Diagram 1: Employee Engagement Model
(2nd Order Factor Model)

2.2 Employee Engagement

Globally, organisations are being exposed to economic changes. These economic changes have been initiated by a modern world characterised by transformation (Mauno & Kinnunen, 1999). Such transformation has forced businesses to adapt by retrenching and restructuring in order to survive the difficult economic conditions. As a result of the downsizing, employees are now expected to provide more of themselves in terms of time, effort, skills and flexibility whilst receiving less in terms of career opportunities and job security (Hartley, Jacobson, Klandermans, & Van Vuuren, 1991).

The challenge organisations face is the ability to satisfy customer needs, whilst achieving quality through engaged and committed employees. It is therefore important for managers to encourage work engagement, given that disengagement is central to the problem of workers' lack of commitment (Bleeker & Roodt, 2002; Schaufeli & Bakker, 2004).

Employee engagement is a broad concept that is linked to a number of elements of human resource management, such as job satisfaction, commitment and career growth. There is no single definition for the term employee engagement. However, some of the various definitions include employees' readiness and skill to assist their company to thrive and meet their objectives, by consistently being involved and committed (Perrin, 2003). Perrin's Global Workforce Study (2003) found that engagement is affected by various emotional and logical factors linked to work and in general, the work experience. Robinson, Perryman & Hayday (2004) define employee engagement as "a positive attitude held by the employee towards the organisation and its value. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organisation. The organisation must work to develop and nurture engagement, which requires a two-way relationship between employer and employee". The Corporate Leadership Council (2004) defines employee engagement as "the extent to which employees commit to something or someone in their organization, how hard they work, and how long they stay as a result of that commitment".

Employee engagement is a strong interpreter of optimistic organisational performance because it shows the relationship between employer and employee (Saks 2006). Prior research by Saks (2006) found that engaged employees, who are emotionally connected to the organisation, are more involved in their work and have a greater eagerness for achievement.

2.2.1 Theories of Employee Engagement

Employee engagement is a concept that has been created by human resources consultancy firms, but academics are slowly joining this concept (Macey and Schneider 2008, p.3), hence, the existence of several definitions and theories of employee engagement.

Personal Engagement

Kahn(1990) defined personal engagement as the “the harnessing of organization members’ selves to their work roles”. Kahn (1990), further defined three psychological conditions associated with personal engagement, these included meaningfulness, safety and availability.

Kahn’s (1990) research indicates that psychological work experiences has an impact on people's attitudes and behaviours, and that individuals, groups, and organisational factors affect that experience.

Kahn developed a framework in which employee engagement correlated to the three antecedent psychological attributes: meaningfulness, safety and availability. Meaningfulness refers to “the value of a work goal or purpose, judged in relation to an individual’s own ideals or standards”; safety is “feeling able to show and employ one’s self without fear of negative consequences to self-image, status, or career”; and availability means “an individual’s belief that s/he has the physical, emotional or cognitive resources to engage the self at work” (May et al., 2004; Kahn, 1990). May et al. (2004) empirically tested Kahn’s framework and found significant relationships between engagement and meaningfulness, safety and availability, respectively.

Kahn (1990) suggested that individual differences shape a person’s nature, which in turn, affects their ability to personally engage or disengage in all or some types or role performances.

Furthermore, perception and personality have been suggested to be key influences on how individuals respond, thus shaping and directing how engaged they are.

Work Engagement

According to Maslach and Leiter (2001), work engagement is defined as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption. Maslach et

al. (2001) model considers engagement as a mediating variable for the relationship between work conditions and work outcomes.

Schaufeli et al. (2002) built on Maslach's (2001) framework and defined work engagement as "a positive, fulfilling, work related state of mind that is characterized by vigour, dedication, and absorption". Vigour can be defined as "high levels of energy and mental resilience while working, the willingness to invest effort in one's work, and persistence in the face of difficulties". Dedication is defined as "a sense of significance, enthusiasm, inspiration, pride, and challenge" and absorption refers to an optimal, instant experience involving a state of focused attention and intrinsic enjoyment (Schaufeli et al. 2002).

Practitioners Literature

Many consulting groups including Towers Perrin and Gallup offer services to help firms measure and improve employee engagement. Practitioner literature suggests that companies are using measures of employee engagement to influence a variety of management practices.

Towers Perrin's (2003) defines employee engagement as the employees' readiness and skill to assist their company to thrive and meet their objectives, by consistently being involved and committed (Perrin, 2003). However, this is affected by various emotional and logical factors linked to work experiences.

The Gallup Organisation (2008) describes engaged employees as those who, "work with a passion and feel a profound connection to their company" and "drive innovation and move the organization forward." Gallup considers quantitative and qualitative measures of employee perceptions of management practices in their 12-item Worker Engagement Index (Gallup, 2013).

Other Engagement Theories

The Job Characteristics theory created by Hackman and Oldman (1976), states that there are five core job characteristics, namely, skill variety, task identity, task importance, autonomy, and feedback which influence work outcomes. These core job characteristics can enhance work performance, motivation and produce low absenteeism which could allude to higher work engagement.

According to Saks (2006), a strong theoretical rationale for employee engagement can be found in the social exchange theory, The Social Exchange Theory (SET), claims that work engagement results from the belief of exchange and conditions of give-and-take between employees and organisations. In other words it claims that human beings evaluate all social relationships to determine the benefits they will obtain out of the relationship.

2.2.2 Engagement and Related Constructs

There are many contemporary concepts that relate the positive relations between employee engagement and the work place environment. Often they may be semantically interchangeably utilised but are theoretically quite distinct. The concepts with their respective definitions are described in Table 1.

Nominal Definitions

Table 1: Nominal Definitions	
Concepts	Definition
Employee Engagement	Robinson et al. (2004) define employee engagement as “a positive attitude held by the employee towards the organisation and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organisation.”
Performance Management	Performance management consists of activities, such as performance agreement/goal setting, performance monitoring, performance appraisal and feedback (Armstrong 2000; Pulakos 2009).
Work/Life Balance	Work/Life balance can be defined as “employee’s measure of control over when, where and how they work. This is achieved when an individual’s right to a fulfilled life, inside and outside paid work, is accepted and respected as a norm, to the mutual benefit of the individual, business and society” (Employers and work–life balance 2007).
Commitment	Commitment is a psychological state that characterises the employee relationship with the organisation. A committed employee is one who stays with the organisation under favourable and unfavourable circumstances (Rashid 2003).
Empowerment	Empowerment allows employees the freedom and ability to make decisions and take on responsibilities (Forrester 2000).
Leadership	Leadership assesses employees’ perception of their relationships with their managers.
Nature of Job	Nature of Job is an indicator for the degree to which people understand and like their job.
Relationship	Relationship assesses employees’ perception of their relationships with members of the organisation.
Reward	This includes extrinsic reward i.e. pay, as well as intrinsic reward, which are the positive psychological states that can be experienced in performing one’s duties (Macey& Schneider 2008).
Career Growth	Career growth can be defined as employee satisfaction with their position and their potential career path (Igbaria 1992).
Intent to stay	Employee retention examines the ability to retain employees within the organisation (Harter 2002)
Race	This study will differentiate between four racial groups namely, African, Coloured, Indian/Asian and White.

2.3 Performance Management

Performance management consists of activities, such as performance agreement/goal setting, performance monitoring, performance appraisal and feedback (Armstrong 2000; Pulakos 2009).

Gruman and Saks (2011) suggest that the performance management process should include an assessment of an employee's engagement behaviour in order to enhance engagement. Feedback also promotes engagement because it fosters learning, which increases job competence and the likelihood of being successful in achieving one's work goals (Bakker & Demerouti, 2008).

According to a study conducted by Wagner and Harter (2006), employees were more likely to remain at their company and recommend the company as a good place to work when they receive constructive and constant feedback from their manager. Hence, providing supportive feedback allows employees to know that managers care about their performance and success, which increases their levels of engagement (Marciano, 2010).

Additionally, Gruman and Saks (2011) suggest that in order to enhance the levels of engagement, employees need to perceive that appraisals and feedback are provided in a fair manner. Macey et al. (2009) stated that trust and fairness are important to enhancing engagement among employees. Trust is defined as how positively people feel that others will act for them and with them in the future (Macey et al., 2009), and fairness is the "extent to which decisions at work are perceived as being fair and equitable" (Maslach & Leither, 2008). Maslach and Leiter (2008) have established empirically that fairness was associated with engagement.

2.4 Work/Life Balance

Work/Life balance can be defined as “employee’s measure of control over when, where and how they work. This is achieved when an individual’s right to a fulfilled life, inside and outside paid work, is accepted and respected as a norm, to the mutual benefit of the individual, business and society” (Employers and work–life balance 2007). Parkes and Langford (2008) describe *work-life balance* as the ability of employees to meet their work and family commitments as well as other non-work responsibilities and activities.

Research has highlighted positive outcomes of work-life balance for both the employee and the organisation (Richman, Civian, Shannon, Hill, & Brennan, 2008). Work-life balance has been associated with greater productivity and efficiency, higher levels of satisfaction and engagement and greater intent to stay (Galinsky, Bond, & Hill, 2004; WFD Consulting, 2007). Research has demonstrated that even a small measure of employee work-life balance can significantly increase employee satisfaction and engagement whilst lowering stress levels (Corporate Voices for Working Families & WDF Consulting, 2007). Burud and Tumolo (2004) commented in a summary of 550 studies that flexible work practices reduce stress, absenteeism and turnover, and increase employee satisfaction, morale, commitment and productivity.

2.5 Commitment

Commitment is a psychological state that characterises the employee relationship with the organisation. A committed employee is one who stays with the organisation under favourable and unfavourable circumstances (Rashid 2003). According to Schaufeli and Salanova (2007), engaged employees are more satisfied with their jobs and more committed to their organisation.

Organisational commitment is a construct which can easily be construed as work engagement (Ferrer, 2005). Organisational commitment is an indication of employees' willingness to exercise effort and remain in membership to an organisation. In contrast, work engagement may also be perceived as an antecedent to organisational commitment (Rothmann & Jordaan, 2006). Work engagement is about momentary personal involvement in work and the countless number of significant and successful relations it offers.

Igbaria and Greenhaus (1991) conducted a study amongst Management Information Systems professionals and managers, and found that employees who fit their job environment or setting are more satisfied with their jobs. Thus, they are more committed to the organisation and have fewer intentions to leave, in comparison to those employees who do not have such a fit.

Organisational commitment also depicts employee involvement at a sustainable organisational cultural level indicating a significant mutual alignment of beliefs, values, goals, loyalty and commonality which is likely to be facilitated by employee engagement (Greenhaus, Callahan & Godshalk, 2000).

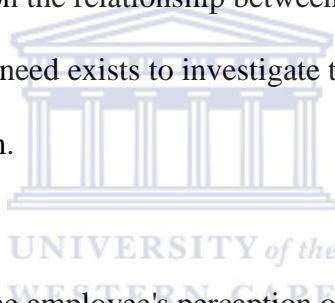
2.6 Empowerment

According to Liden and Tewksbury (1995), empowerment is an important construct because it offers the potential to positively influence outcomes that benefit both individuals and organisations. There are various definitions for empowerment. Rodwell (1996) defines empowerment as a process of enabling the transfer of power from one individual or group to another, thus allowing employees the freedom and ability to make decisions and assume responsibilities (Forrester 2000). Spreitzer and Doneson (2005) support this by stating that empowering practices allow employees to decide on their own how they will deal with a problem.

According to a study by Kahn (1990), employees were found to be more engaged in work environments that provided psychological empowering conditions of meaningfulness (job enrichment, work-role fit), support (supportive manager and co-workers) and availability (in terms of resources available).

According to Brimeyer, Perruci and MacDermid (2010), work environments that are flexible and provide autonomy are likely to have employees who perform, are willing to put in extra effort and conform to managerial rules. Strydom and Meyer (2002) posit that the more stimulating the tasks employees have to perform the higher their level of satisfaction is likely to be.

However, few studies were found on the relationship between empowerment and employee engagement, which suggests that a need exists to investigate this relationship further, especially within a South African organisation.



2.7 Leadership

The leadership indicator assesses the employee's perception of their relationship with management. Leadership characteristics include factors such as: challenging the status quo; sharing leadership; providing support and guidance; connecting reward to performance (Kouzes & Posner 1995). Challenging the status quo can be described as taking risks and challenging employees in a way that provides intellectual stimulation. This allows employees the opportunity to identify innovative solutions to complex problems. An employee, who is provided with the opportunity to learn and grow, and experience increased influence and autonomy, may become more committed and engaged. Employees may also become more motivated and committed when rewards are linked to performance (Kouzes & Posner 1995).

According to Robbins et al. (2003), a manager's ability to provide support and guidance with work-related activities is crucial to creating engagement. Employees who receive feedback from their managers concerning their performance are more likely to hold realistic expectations regarding remuneration and promotion possibilities. It is suggested that feedback and communication reduce role uncertainty, which in turn facilitates employee satisfaction (Miles, Patrick & King 1996). Boshoff and Mels (1995) suggest that feedback is positively associated with job satisfaction and employee engagement.

A study by Bishop and Scott (1997) found that satisfaction with managers was related to organisation and team commitment and these resulted in greater productivity and willingness to assist. In addition, literature indicates that the quality of the manager-employee relationship has a positive influence on the employee's level of engagement (Egan & Kadushin 2004; Robbins 2003; Schlossberg 1997), as cited by Connolly & Myers (2003).

Taber and Alliger (1995) found employee autonomy to be positively correlated with employee job satisfaction. This argument, supported by Chieffo (1991), suggests that higher levels of employee satisfaction can be experienced when managers allow employees to participate in decisions that affect their jobs.

2.8 Nature of Job

The nature of a job can be described as an indicator for the degree to which people understand and like their job. As Kahn (1990) states, engagement affects employee performance. Sonnentag (2003) found that a high level of engagement helps employees "in taking initiative and pursuing learning goals". Engaged employees develop new knowledge, respond to opportunities, go the extra mile and support the company (Lockwood, 2007).

Engaged employees go beyond the job description, they enthusiastically change and arrange their job in a way in which it fits the changing work environment (Bakker and Leiter, 2010). As researchers state, engaged employees see meaningfulness in their work, (Kahn, 1990; Maslach et al. 2001; Perrin, 2003). If employees see no meaningfulness in their job, they start to detach themselves from their work and become less committed and motivated at work (Aktouf, 1992). According to Arnold and Feldman (1996), the nature of the job is important in determining how satisfied an employee is with their employment. Most employees seek the following values in their work: jobs that are interesting, jobs that provide a sense of accomplishment, role clarity, responsibility, growth and feedback on performance.

Various literatures suggest that overall job satisfaction is satisfaction with nature of job, which includes autonomy, stimulation and scope. A study, conducted by Okpara (2004) with 240 bank managers, found a significant correlation between satisfaction and nature of job, because their work was found to be challenging and provided them with a sense of accomplishment. Vitell and Davis (1990) conducted a study amongst employees in a management information system environment and found a statistically significant relationship between employee satisfaction and nature of job. However, contrary to the above, Johns (1996) found that some employees prefer jobs that are unchallenging, whilst other studies indicate that nature of job can result in either satisfaction or dissatisfaction (Oshagbemi 1997; Ruthankoon & Ogunlana 2003).

In conclusion, it may be said that when the potential benefits and consequences of employee satisfaction are taken into account, organisations cannot, within the context of continued growth and survival, afford to ignore employee satisfaction and engagement.

2.9 Relationship

The relationship indicator assesses the employee's perception of their relationship with co-workers. According to Hodson (1997), the subject pertaining to relationships among co-workers is gaining ever-increasing importance, due to its impact on productivity.

May et al. (2004) found that employees will experience increased levels of engagement when co-workers show concern, support and mutual respect for one another and as a result, satisfy their need to belong. The fulfilment of the basic human need to belong, according to the self-determination theory (Deci and Ryan 1985), should increase intrinsic motivation, individual well-being and thus, employee engagement.

According to Dubinsky (2004) and Robbins et al. (2003), interpersonal conflict, lack of teamwork and unfriendliness between co-workers has a negative impact on the level of employee engagement. Various studies confirm these findings (Aamodt 2004; McCormick & Ilgen 1985; Larwood 1984; Moorhead & Griffen 1992; Robbins 1998).

Findings of a survey conducted by Madison (2000) with more than 21000 women, all occupying demanding jobs, indicated that those participants who lacked support from co-workers were more likely to experience lower levels of engagement. Another survey, conducted by Berta (2005) amongst 1250 employees within a food brand organisation, found that a positive relationship between co-workers improved employee engagement.

The reverse is however, also true, as Luthans (2002) argues that the relationship between co-workers is not essential to employee satisfaction.

2.10 Reward

This includes extrinsic rewards, i.e. salaries paid (pay), as well as intrinsic rewards, which are the positive psychological states that can be experienced in performing one's duties (Macey & Schneider 2008). Following Kahn's theory (1990), the level of an employees' engagement depends on the level of returns on their investments of self into work. The sense of return can come not only from meaningfulness but also from an external environment like rewards and recognition. Some literature suggests that many employees like to be distinctively rewarded and recognized for the outstanding work they do (Ologbo and Saudah, 2011). This means that the amount of received rewards and recognition may stimulate the employees' engagement.

Factors or benefits that could possibly affect employees' levels of satisfaction within the organisation include aspects such as, flexible working hours, lower workloads, geographic location of the work and the amount of autonomy given in their work (Witt & Nye 1992).

Pay can be described as a motivator for performance, as well as a determinant for job satisfaction (Chelladurai and Ogasawara 2003) because it serves as a symbol of achievement and recognition (Merriman 2004). Employees view their remuneration as an indicator of their value to the organisation (Nel, Van Dyk, Haasbroek, Schulz, Sono & Werner 2004). Not all employees are motivated by money.

A study conducted by Oshagbemi (2000) amongst academics found a statistical significant relationship between pay and the level of satisfaction. Similarly, a study conducted by Ting (1997) amongst federal government employees found pay satisfaction to have a significant effect on increasing the satisfaction of employees at all levels. Lambert et al. (2001) is of the opinion that a greater financial reward will result in employees experiencing less concern about their financial state, thereby, improving their impression of their self-worth to the organisation.

However, a study conducted by Young, Worchel and Woehr (1998) in the public sector failed to find any significant relationship between pay and satisfaction.

Employee job satisfaction however, does not result from just offering increased pay or benefits (Spector 2008; Singh & Surujlal 2006). This argument is supported by Bassett (1994), who suggests that highly remunerated employees may still experience dissatisfaction, if they are unhappy with the nature of their job, and feel that they are unable to enter into a more satisfying one. Studies conducted by Spector (1997) and Berkowitz (1987) indicated a small correlation between remuneration and employee satisfaction.

Spector (2008) found that an employee may experience satisfaction if their compensation is perceived as equitable in comparison to another individual in a similar position.

It is apparent that some employees would even occupy jobs with lower salaries if they receive other benefits (Bassett 1994). Therefore, the safest generalisation that can be made, with regard to pay, is that it represents different things to different employees, and is certainly not the most important motivator for many individuals. While few individuals are in a position to ignore the financial aspects of a job, most individuals appear to select their occupations based on the work itself, rather than the financial rewards thereof (Smither 1988).

2.11 Career Growth

Career growth can be defined as employee satisfaction with their position and their potential career path (Igbaria 1992).

According to Schreuder (2010), an organisation that creates an environment that is conducive to pursuing career development could possibly lead to increased levels of job performance,

organisational commitment, employee engagement, talent retention and job or career satisfaction (Coetzee, Bergh, & Schreuder, 2010).

Employees seek promotion policies and practices that are perceived to be fair and unambiguous, and are in line with their expectations (Robbins 1989). Research conducted by Robbins (1989), found that employees are most likely to experience job satisfaction if they perceive that the promotion decisions are made in a fair and just manner. Various studies indicate that employee satisfaction with their job is highly related to opportunities for promotion (Tolbert & Moen 1998; Pergamit & Veum 1999; Peterson, Puia & Suess 2003 as cited in Luddy, 2005). This view is supported in a study amongst municipal government workers, in which a statistically significant correlation was found between promotional opportunities and employee satisfaction.

2.12 Intent to Stay

Intent to stay can be defined as the probability of an employee remaining in the organisation (Gregory, Way, LeFort, Barret & Parfrey 2007). According to Towers Perrin (2003) high engagement levels does not guarantee retention, it does however, increase the possibility of attracting quality employees that may stay with the company.

According to Levin (2006), employees' attitude towards their work environment has changed. In the past, employees expected long-term job security, and employment with reliance on their employer for career opportunities and income; people now tend to take personal responsibility for their career growth and advancement. Levin (2006) states that employees no longer find loyalty in the number of years spent with the employer, but rather view the position in terms of the value and contribution they add to the organisation during their period of employment.

According to Herman (2008), intent to stay is about retaining existing employees. The reason for this is that time is taken to train and develop them and each time an employee leaves, it is an investment lost.

Various studies have indicated a relationship between satisfaction and turnover, with low levels of satisfaction being related to high levels of turnover (Bertelli 2007; Ferres et al. 2004; Gaan 2007; Kahumuza & Schlechter 2008; Luna-Arocas & Camps 2008; Martin & Roodt 2008; Pienaar & Bester 2008).

2.13 Race

Diversity is prominent in the South African workplace as various people work together to perform organisational tasks and goals. It is policies like Employment Equity, Affirmative Action and Black Economic Empowerment that require businesses to employ a more diverse workforce. Organisations are thus experiencing immense pressure to try and integrate minority groups in the workplace (Shead, 2011). In addition to this, organisations have become more multicultural and are operating on a global scale. Thus, it is important to understand the differing views of employees with regards to the workplace, job, supervisors, and co-workers.

In terms of races, Naidoo (1993) found that Indian respondents showed a higher preference to tie their career goals with the goals of the organization compared with Black respondents. He also found that Indian respondents indicated higher preference for managerial competence as compared to their White counterparts. Jones and Harter (2005) found that at low levels of work engagement, members of different racial groups reported a lower tendency to remain with the organisation than members of the same racial group.

According to Wilson and Butler (1978), there are significant difference between White employees and Black employees perception of job satisfaction. Their study found evidence that White employees seem to be more satisfied with their occupations in comparison to Black employees. This could possibly be due to the higher rank of positions that they occupied, whereas Black employees were considered the minority or inferior racial group. This is supported by a study conducted by Tuch and Martin(1991) where Black employees were found to have lower experiences of job satisfaction as they are more disadvantaged than their counterparts because they do not have the same career opportunities. Hence, Black employees would usually be considered as blue-collar workers, with lower pay and high levels of job insecurity.

Somers (2001) found that black employees were more involved in their job and they exhibited higher levels of commitment than white employees. The higher level of commitment resulted in lower levels of job mobility, which in turn lowered their expectations, thereby, increasing their levels of job involvement. Igbaria (1992) found that black employees reported lower levels of met expectations and thus, lower career satisfaction compared with that of white employees. The lower levels of met expectations and career satisfaction is supported by the fact that black employees felt they received less career support from their supervisors than the white employees.

Research studies in South Africa correlate to those abroad in terms of the relationship between race and employee satisfaction, and concur that White employees seem to be more satisfied with their nature of job in comparison to African employees who felt less secure. The main belief for African employees' dissatisfaction is due high level of job insecurity that is largely related to organisational restructuring and downsizing (Robbins et al. (2003).

2.14 Conclusion

The main goal of this empirical study is to investigate thoroughly this model, along with its encompassing hypotheses. The statistical techniques applied to test this model are described in detail in the following *Method* section. Below, is an overview of the proposed hypotheses:

H₁: The 1st order factor model composed of the 11 original concepts is a better fit to the data than the original 2nd order factor model of employee engagement;

H₂: The best 1st order factor model based on revised concepts is a better fit than the 1st order factor model composed of the 11 original concepts;

H₃: There is a statistically significant relationship between the revised concepts;

H₄: Based on the best overall model, the level of employee engagement is significantly different across the six major divisions;

H₅: Based on the best overall model, the level of employee engagement is significantly different across races.

In summary, the contribution of this study is to identify some of the main reasons why certain race groups are more engaged at work than others. This study aims to explore the reasons in greater depth, in order to enhance an employer's ability to respond to how employees of different races perceive their work environment.



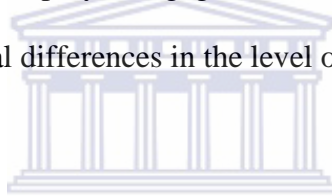
Chapter 3: RESEARCH METHODOLOGY

3.1 Introduction

The preceding chapters focused on previous studies and provided in-depth literature on the indicators of employee engagement and its impact on race and racial diversity. This chapter draws attention to the research problem.

The analysis sets out to assess:

1. Test the validity of the survey instrument used to measure employee engagement using confirmatory factor analysis
2. Develop better measures of employee engagement based on exploratory factor analysis
3. Identify divisional and racial differences in the level of employee engagement within a South African retail group.



This retail group conducts an annual survey to establish the levels of engagement within their company. As a result of their findings, the group is enquiring about enhancing diversity and increasing engagement among all race groups within their company.

3.2 Theoretical Assumptions

The aim of the analysis is to examine differences between the divisions within the entire retail group, in order to determine how race influence engagement.

In order to assess the objective, a quantitative analysis will be performed. According to Kolb (2008), if the sample is large enough, quantitative research can produce statistical findings that support the hypothesis.

3.3 Population

Population is the “total collection of elements about which we wish to make some inferences” (Blumberg2011). In this research, the study comprises all the staff members who are situated at the Head Office of this specific retail organisation, as well as all their stores throughout South Africa. The total population size is 15 370 employees.

3.4 Sample

A sample can be defined as a group of respondents who have been carefully selected to represent the population as a whole (Blumberg 2011). The sample in this research study consists of all staff employees in this specific retail organisation.

Staff employed by the retail group were invited to participate in the web-based survey. This includes all brands/divisions within the group, Head Office, as well as the store staff. The group gained the support of their staff through teaser campaigns, awareness sessions and emails. The 2011 survey had a total of 10 759 staff members who completed the survey; this is a 70% response rate.

3.5 Procedure of Collecting Data

The company employs a research firm to conduct an annual web-based survey on all employees. This method has its drawbacks. For example, personal interviews allow probing for answers, use of follow-up questions and the gathering of information by observation. This provides the interviewer with a deeper understanding of his/her field of interest (Blumberg 2011) compared to performing a web-based survey. However, the web-based survey is still appropriate for addressing this research problem. The web-based survey allows a researcher to collect and analyse data that describes a large proportion of the population, as well as providing anonymity to questions that might not have been answered honestly in a personal interview.

3.6 Questionnaire Design

The employee engagement survey as developed by an external consulting firm (see Appendix C) was used to gather information about the level of employee engagement in their work. The survey was based on the Gallup employee engagement measuring tool and customised to the retail group's requirements. The Gallup (2008) survey is based on more than 30 years of accumulated quantitative and qualitative research and has been validated through prior psychometric studies. The survey measured two broad categories, namely, attitudinal outcomes (satisfaction, commitment and intent to stay with the company) and actionable behaviours that drive those outcomes. The survey contained 40 items measuring issues that were found to be actionable at manager level in the company.

The questionnaire consisted of nine sections, each of which measured an indicator of engagement. These indicators included career growth, empowerment, performance management, commitment, relationships/leadership, work/life balance, rewards, nature of job, leadership and intent to stay. The questionnaire consisted of 40 Likert scale questions, which ranged from one to five, where 1 was strongly agree and 5 was strongly disagree.

3.7 Data Analysis

The hypotheses were tested using structural equation modelling techniques, as implemented in the AMOS computer program.

The study followed the following steps:

3.7.1 *Testing the construct validity of each of the components (relationship, reward, performance, nature of job, leadership etc.) of employee engagement*

Confirmatory factor analysis will be used to confirm the hypotheses and the relationship between a set of employee indicators and their respective factors. Confirmatory analysis uses the measurement theory to specify the number of factors, as well as which employee engagement indicators load on those factors (Hair et al. 2010).

3.7.2 *Testing the factor validity of the model of employee engagement used in the survey*

The second step, in terms of the data analysis process, is to identify which of the eleven indicators are significant to employee engagement. In addition to that, the relationship between the control variable (race) and engagement needs to be determined. This will be achieved using a correlation matrix.

Principal component analysis is a procedure whereby the interdependent correlations among the indicators of engagement are analysed and then explained in terms of their common underlying factors. The first step is to identify employee-engagement indicators that are highly correlated with each other. The second step is to extract those indicators, classify them into smaller sets of factors and evaluate the accuracy of the classifications (Hair, J. F.; Black, W. C.; Babin, B. J. & Anderson, R. E. 2010).

The varimax orthogonal rotation approach was used to provide a factor structure for each data set. The varimax rotation provides a clearer separation of the factors, and the factor pattern obtained tends to be more invariant than with any other approach (Hair et al. 2010).

3.7.3

3.7.4 *Identifying the best factor structure, based on exploratory factor analysis of data*

Exploratory factor analysis is a combination of statistical techniques that allow a set of relationships between one or more independent variables, either discrete or continuous, and one or more dependent variables to be measured. Exploratory factor analysis is a procedure that will assist in confirming the reliability of the theoretical model and the estimated model (Hair et al. 2010).

The maximum likelihood estimation was adopted as the data was normally distributed, and absolute and relative indexes were computed to assess the goodness of fit of the models. The absolute goodness of fit indexes includes the Goodness of Fit Index (GFI). An acceptable fit, as described by Byrne (2010), is a GFI that is greater than 0.9. As recommended by Marsh et al. (2004), the following is a relative goodness of fit index: Comparative Fit Index (CFI). As a rule of thumb, values of 0.90 or higher indicate good fit for the relative fit index (Byrne 2010).

3.7.5 *Testing whether the models are similar or different*

- across divisions
- across races

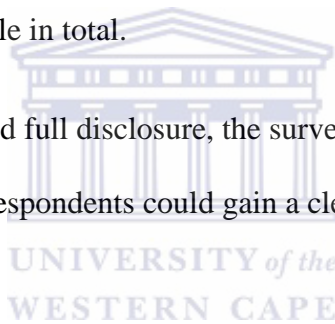
A multi-group analysis was performed to assess the invariance of the estimated parameters across race and division (Byrne 2010).

3.8 Ethics

The research survey took the following actions into account to ensure its ethics. Firstly, the respondents voluntarily contributed to the research. In other words, each individual who was requested to complete the survey had the option to participate and contribute to the research, or to ignore the survey.

Secondly, the survey method ensured anonymity and confidentiality. The survey was conducted online and names of the participants were not requested. The survey however, did request participants to indicate the department in which they worked, as well as their race. This was a concern because an individual may be singled out due to the fact that they are the only person of a certain race within that department. This would then jeopardise their anonymity. Since race is a vital part of the questionnaire in terms of determining equality within the retail group, the variable could not be removed. Thus, it was decided that the data analysis of the survey be outsourced to an outside company that protects the confidentiality of respondents. This was achieved by not submitting a racial breakdown for departments with less than five people of a specific race, or less than five people in total.

Thirdly, with the aim of honesty and full disclosure, the survey began by explaining the objectives of the research, so that respondents could gain a clearer understanding of why they needed to contribute information.



3.9 Conclusion

The use of a quantitative approach is considered beneficial to this research because the data is verifiable and there are various advantages when using this research method. Thus, in performing this research method, the conclusions drawn from the data analysis, with regard to engagement among races and its impact on business outcomes, may be strongly grounded.

CHAPTER 4: DATA ANALYSIS

4.1 Introduction

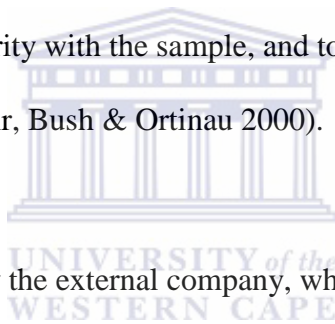
This chapter outlines the results of this research study and confers the findings of the results. It commences with an analysis of the biographical data that was collected from the research sample. The data is graphically presented and analysed by means of tables. It is notable that explanations are provided for the most salient sample characteristics in terms of means. Descriptive, exploratory and confirmatory statistics are presented and discussed thereafter.

4.2 Data Examination and Screening

In this section, data examination and screening are addressed. Descriptive statistics were performed, in order to gain familiarity with the sample, and to understand the data and the relationship between variables (Hair, Bush & Ortinau 2000).

4.3 Data Preparation

Data preparation was performed by the external company, who conducted the online survey on behalf of the retail group. This included data validation, editing, coding of data and data tabulation, in order to convert the raw data collected from this survey into meaningful information (Hair, Bush & Ortinau 2000). In addition, to ensure the confidentiality of respondents, the external company excluded data for departments that had a racial breakdown of less than five people of a specific race, or less than five people in total. This reduced the research sample size from 10 759 to 9951 respondents.



4.4 Profile of Respondents

The retail group is made up of seven divisions and each division is described in detail in Table 2 below:

<u>Table 2</u> <u>Divisional Description</u>	
Division	Description
Division 1	Offers a full range of homeware.
Division 2	Jewellery, sunglasses and cellphones
Division 3	Offers fashionable clothing, footwear and cosmetics for women
Division 4	Broad range of sports apparel, footwear and equipment
Division 5	Contemporary clothing for South African families
Division 6	Provides internationally inspired menswear
Division 7	Encompasses financial services, as well as information and communication services

The racial breakdown by division is presented in Table 3 below. The majority of the respondents are African (50.2%), followed by Coloured (32%), White (11.7%) and Indian/Asian (6.1%).

Table 3: Race Break Down By Division							
		Race				Total	
		African	Coloured	Indian/ Asian	White		
Type	Division 1	Count	379	205	48	75	707
		% within Type	53.6%	29.0%	6.8%	10.6%	7%
	Division 2	Count	351	255	94	204	904
		% within Type	38.8%	28.2%	10.4%	22.6%	9%
	Division 3	Count	1739	1154	229	418	3540
		% within Type	49.1%	32.6%	6.5%	11.8%	36%
	Division 4	Count	735	345	60	125	1265
		% within Type	58.1%	27.3%	4.7%	9.9%	13%
	Division 5	Count	637	182	30	77	926
		% within Type	68.8%	19.7%	3.2%	8.3%	9%
	Division 6	Count	841	325	75	71	1312
		% within Type	64.1%	24.8%	5.7%	5.4%	13%
	Division 7	Count	311	714	73	199	1297
		% within Type	24.0%	55.1%	5.6%	15.3%	13%
Total	Count	4993	3180	609	1169	9951	
	% within Type	50.2%	32.0%	6.1%	11.7%	100.0%	

4.5 Descriptive Statistics for the Sample

The sample consists of 9 951 employees of a leading retail organisation within South Africa. The majority of the respondents were African (n=4993 or 50.2%), followed by Coloured (n=3180 or 32%), White (n=1169 or 11.7%) and Indian/Asian (n=609 or 6.1%).

The largest division is division 3 (n= 3540 or 36%), followed by division 6 (n=1312 or 13%), division 7 (n=1297 or 13%), division 4 (n=1265 or 13%), division 5 (n=926 or 9%), division 2 (n=904 or 9%) and the smallest division, division 1 (n=707 or 7%).

4.6 The Test of Normality Assumption

Multivariate normality test was performed to validate the methodology used. This test produced statistics on skewness and kurtosis. According to West, Finch and Curran (1995) deviation from normality could result in an inflated goodness-of-fit statistic which is evident by increased skewness (higher than 2,0) and kurtosis (higher than 7,0) levels.

As shown in Appendix D, the item distribution did not produce possible multivariate outliers.

Based on these findings, we can assume that the data set is normally distributed.

4.7 Confirmatory Factor Analysis

The external company proposed 40 items to be clustered into 11 constructs, namely, reward, work/life balance, career growth, leadership, market opportunity, performance management, empowerment, commitment, relationship, intent to stay and nature of job. Confirmatory factor analysis for employee engagement was performed on the original model to evaluate the fit of the measurement model and to identify whether a 1st order factor model (Diagram 2), composed of the 11 original concepts, is a better fit to the data than the original 2nd order factor model (Diagram 1).

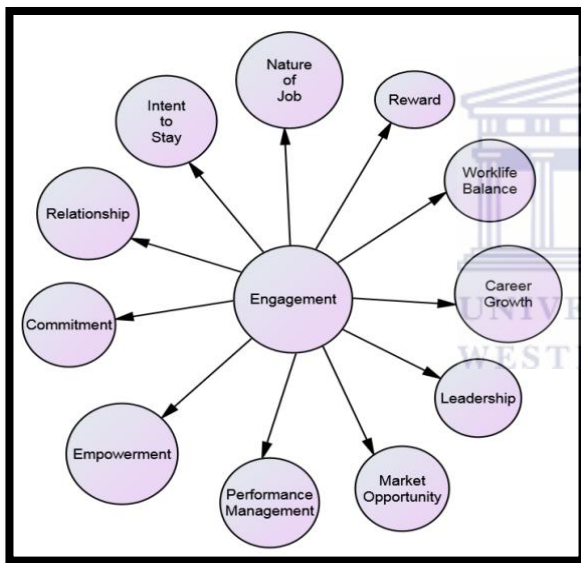


Diagram 2: Employee Engagement Model (2nd Order Factor Model)

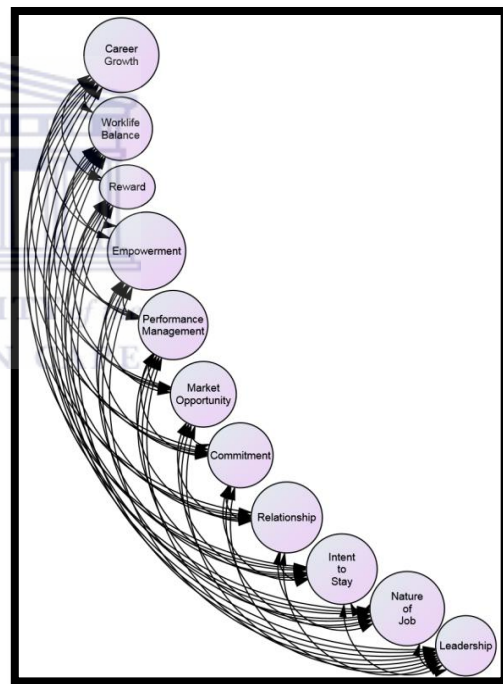


Diagram 2: Original 1st Order Factor Model

The goodness of fit index for the original 1st order factor model represents a significant improvement in fit compared to the original 2nd order factor model. However, confirmatory factor analysis results suggest an adequate fit between the observed data and the theoretical

model, thus exploratory factor analysis will be used to identify the reasons for the results. The goodness of fit statistics is reported in Table 7.

4.8 Exploratory Factor Analysis

The internal consistency reliability of each of the 11 constructs was determined by using Cronbach's alpha. Low alpha indicated that some items were poorly related (Churchill 1979).

Cronbach's alpha coefficients less than 0.6 are considered to be poor, 0.7 is considered to be acceptable and those over 0.8 are considered to be good (Mak 2001; Sekaran 2000). The model proposed by the external consultancy firm is illustrated in Table 4. The Cronbach's alpha coefficient for all constructs, excluding leadership, is between 0.6-0.8, which indicates an adequate model fit (Mak 2001; Sekaran 2000).

TABLE 4: Original Model Proposed by Consultant Firm

	No of Items	Cronbach's Alpha
Leadership	4	87%
Relationships	7	79%
Commitment	6	74%
Career Growth	4	73%
Empowerment	4	72%
Nature of Job	4	68%
Reward	3	67%
Performance Management	3	65%
Work/Life Balance	3	62%
Intent to stay (R)	1	
Market Opportunity	1	

Items marked with (R) indicate reverse-coding.

The purpose of conducting factor analysis is to determine the number of factors that best describe the underlying relationship among variables. This is carried out by condensing the large sets of variables to a smaller number of factors. This is done by grouping variables that are highly correlated with each other (Pallant 2001). However, variables that lack clarity, or draw mixed response patterns should be eliminated from the analysis (Cooper & Schindler 2001). Many researchers also suggest eliminating variables with negative or item-to-total correlations below 0.19 because they are considered poor items and should be removed, in order to increase the accuracy of the conceptual identity of each construct (Kehoe 1995; Ebel & Frisbie 1986; Ray 1982).

The 40 items of employee engagement were subjected to principal component analysis (PCA) using SPSS. Prior to performing PCA, the suitability of the data for factor analysis was assessed. Inspection of the correlation matrix revealed the presence of many coefficients of 3 and above. The Kaiser-Meyer-Olkin value was 0.971 and the Bartlett's Test of Sphericity reached statistical significance, supporting factorability of the correlation matrix.

Principal component analysis revealed the presence of seven components, with eigenvalues exceeding 1, explaining 34.7%, 5.3%, 3.8%, 3.5%, 3.2%, 2.7% and 2.5%, respectively. To aid in the interpretation of these seven components, Varimax rotation was performed. The seven factor solution explains a total of 56% of the variance.

Most items used in measuring constructs showed high item-total correlation. Items 40 and 17 were deleted, due to their close to zero corrected item-total correlations. The Cronbach's alpha coefficients of all constructs were greater than 0.75 (Table 5), which in this study indicated a high internal consistency of scales used in measuring different observed variables.

Table 5: Component Factor Analysis					
Construct	Question	Cronbach's Alpha	% of Variance Explained	Component	
Leadership	Q37	My manager is honest with me	93%	14.82	0.810
	Q19	I value my relationship with my manager			0.782
	Q36	My manager cares for my well-being			0.767
	Q18	There is effective communication between my manager and myself			0.756
	Q38	My manager deals consistently with both positive and negative performance			0.732
	Q2	My manager encourages my development			0.701
	Q14	I feel a strong sense of loyalty toward my direct manager			0.683
	Q35	I have confidence in the decisions made by my managers			0.660
Nature Of Job	Q6	I feel equipped with the necessary skills to do my job	86%	9.45	0.676
	Q10	I understand how my performance is measured			0.660
	Q1	My career path is clearly defined			0.575
	Q33	My work place allows me to be as productive as I would like to be			0.519
	Q29	My job outcomes and the way I behave are recognised equally			0.502
	Q8	I am given enough resources to do my job			0.479
	Q11	Informal feedback is given throughout the year to support my performance			0.421
	Q7	I am given enough freedom to do my job			0.405
Intent to stay	Q26	My work arrangements are flexible (e.g. agreed shift swaps, flexi-time) in order to help me with my personal commitments			0.396
	Q32	My role is clearly defined			0.391
	Q39	I intend to look for a new job with another organisation within the next year (R)			3.32	0.683

Items marked with (R) indicate reverse-coding.

Construct	Question	Cronbach's Alpha	% of Variance Explained	Component
Market Opportunity	Q40 I am confident that I could easily find a job with another company		5.03	0.149
Empowerment	Q4 I have opportunities to grow and learn in my organisation	85%	9.44	0.676
	Q5 I find meaning and fulfilment in my job			0.628
	Q31 My job stimulates my thinking			0.586
	Q12 I am proud to tell others I am part of my organisation			0.559
	Q27 I can give equal priority to work, family and personal life and still be considered for promotion			0.528
	Q3 I am aware of the career development opportunities available to me in my organisation.			0.466
	Q13 I feel a strong sense of belonging in my organisation			0.409
	Q16 I am willing to give extra effort to help my organisation succeed.			0.319
Relationship	Q17 I would recommend my organisation's products and services to my friends	78%	7.25	0.257
	Q15 My colleagues are committed to quality results			0.717
	Q23 The members of my organisation treat each other with respect			0.684
	Q22 People in my organisation are honest with each other			0.651
	Q20 There is effective communication between my colleagues and myself			0.607
Reward	Q21 My opinion is valued by my team	76%	6.75	0.567
	Q30 My salary is in line with current market rates			0.676
	Q24 My organisation is accepting of an individual's cultural differences			0.563
	Q28 I feel that I am fairly rewarded for the work I do			0.548
	Q25 My leave arrangements are flexible (e.g. annual, compassionate, study leave)			0.490
Q34 My organisation demonstrates a commitment to Employment Equity (fair and equal treatment of people from all races, genders, ages, etc.)	0.473			
Q9 I understand how my performance is linked to my organisation's success	0.344			

4.9 Structural Equation Modelling (SEM)

As stated in the previous section, exploratory factor analysis (EFA) was used to group the 40 variables with high discriminating power into six factors. However, EFA is not a suitable method for confirming test models because it begins with no clear model, and factor loadings are taken from maximising the rotation during the analysis (Hoyle, 1995). Thus, structural equation modelling is a statistical methodology that takes a confirmatory approach to the analysis of a structural theory (Byrne 2010). The term structural equation modelling conveys two important aspects of the procedure. Firstly, it investigates the causal processes that are represented by a number of structural equations and secondly, the structural model provides a clear conceptualisation of the theories being studied (Byrne 2010).

Structural equation modelling offers a tool that validates the relationships between constructs and indicators by using confirmatory factor analysis (CFA), and tests the relationships among constructs by using path analysis in a single model (Hair et al. 2010; Bentler 1995; Hoyle 1995). The structural equation modelling in this study followed the five synthesised steps of SEM proposed by Hoyle (1995). These steps included:

- Evaluation of fit of original model
- Revised model specification
- Evaluation of fit of revised model
- Model modification

4.10 Evaluation of Original Model Fit

The purpose of assessing a model's overall fit is to determine the extent to which the overall hypothesised model is consistent with the data collected. AMOS SPSS generates many model fit indexes, each of which has its own statistical functions (Joreskog & Sorbom 1989). Based on the recommendations of many researchers, more than one measure from each type of

index should be used in model assessment (Hair et al. 2010; Schumacker & Lomax 1996; Tanaka 1993; Bollen 1989). Three types of fit indexes were selected for assessing model fit in this research.

Firstly, *absolute fit indexes* are used to assess the ability of the model to reproduce the actual correlation or covariance matrix (Hair et al. 2010). This index is used to assess the overall model fit of the measurement and structural models. The absolute fit index includes the statistically non-significant chi-square statistic (χ^2), in association with its degrees of freedom (df) and the goodness-of-fit index (GFI). Secondly, *comparative fit indexes* are used to assess whether the model under consideration is better than competing models. The comparative fit indexes include the comparative fit index (CFI). In addition, the Akaike Information Criterion (AIC) and sample adjusted Bayesian Information Criterion (BIC) values are also reported. The AIC and BIC considers not only the measure of fit but also the model complexity (Byrne, 2010). Commonly, models that have lower values of BIC, and AIC are considered to have better means of data description than those models with higher indexes (Byrne, 2010). Details of these fit indexes and their criteria are summarised in the table 6 below.

Table 6: Measurement Indexes			
Assessment Index	Model Fit Index	Criteria	Reference
Absolute fit index	Chi-square X^2	X^2 .df. $p > 0.05$	Diamantopoulos & Siguaw 2000
	GFI (Goodness of Fit Index)	≥ 0.95 good ≥ 0.90 acceptable	Mak 2001
Comparative fit index	CFI(Comparative Fit Index)	≥ 0.90	Mak 2001

4.11 Revised Model Specification

Modified Model 1 was developed from the literature review together with insights gained from the exploratory factor analysis. Based on the results in Table 5, the six endogenous variables to be included in the revised model are leadership, relationship, reward, empowerment, nature of job and intent to stay. The revised model will adopt a 1st order factor model due to the significantly better model fit, as described in Table 7.

The arrows leading from the endogenous variables in the structural equation model represent the relationship between them. Diagram 3 below is the model specifying relationships before using structural equation modelling.

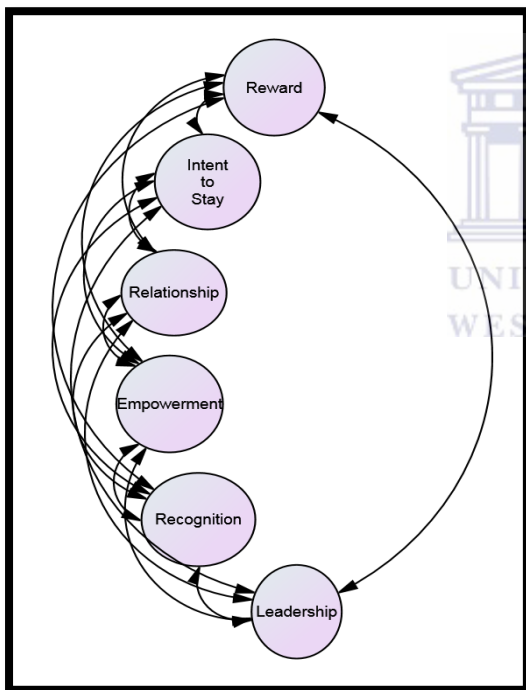


Diagram 3: Revised 1st Order Factor Model

Modified Model 2

Confirmatory factor analysis was performed on the revised model. Variables Q17 (I would recommend my organisation's products and services to my friends) and Q40 (I am confident that I could easily find a job with another company) were excluded from the model due to the

poor factor loadings of 0.257 and 0.149, respectively (Table 5). This would ensure that the final items yield discriminating powers when distinguishing respondents with high scores from those with low scores (Nunnally 1994). There was a significant improvement to modified model 2. Details of the fit indexes are in the Table 7. The model yielded good fit indexes for RMSEA, GFI and CFI.

4.12 Model Modification

This process involves the adjustment of the specified model by adding or deleting certain parameters to improve the model fit. Incremental modifications to the model improvement need to be substantively interpretable and meaningful. Deletions in this study were made one by one to avoid affecting the other parts of the model, until the revised model achieved a satisfactory model fit.

Modified Model 3

Model modification was applied to increase the model fit indexes. Data from the analysis indicated that additional paths were included to improve the model fit. These included the creation of paths between commitment and Q21 (My opinion is valued by my team), Q35 (I have confidence in the decisions made by my managers), Q2 (My manager encourages my development), and leadership and Q13 (I feel a strong sense of belonging to my organisation).

Modified Model 4

In addition, the measurement errors of engagement between: Q28 (I feel that I am fairly rewarded for the work I do) and Q30 (My salary is in line with current market rates); Q25 (My leave arrangements are flexible) and Q26 (My work arrangements are flexible); Q10 (I understand how my performance is measured) and Q6 (I feel equipped with the necessary skills to do my job); and Q3 (I am aware of the career development opportunities available to

me in my organisation) and Q4 (I have opportunities to grow and learn in my organisation) provided the most reduction of chi-square, if they were correlated.

Modified Model 5

Lastly, the following deletions were made, variable Q20 (There is effective communication between my colleagues and myself) was deleted because it has a similar meaning to variables Q21 (My opinion is valued by my team), Q22 (People in my organisation are honest with each other) and Q23 (The members of my organisation treat each other with respect). Variable Q4 (I have opportunities to grow and learn in my organisation) was deleted because it has a similar meaning to variables Q2 (My manager encourages my development) and Q3 (I am aware of the career development opportunities available to me in my organisation.).

After modification, the revised model (Modified Model 5) demonstrated a substantial improvement in the goodness of fit indexes. As per the Table 8, all goodness of fit indexes met the model fit criteria. This was the best fitting structural model because it achieved the best goodness of fit indexes of the structural models, with almost all of the hypothesised paths between the latent constructs being statistically significant ($p < 0.05$) (Cheng 2001).

Table 7: 1st vs 2nd Order Factor Model		Chi square	d.f	GFI	CFI	AIC	BIC	Δ X²	Δ df	Sig
Original 2nd Order Factor Model		36 051	731	0.803	0.801	36 229	36 871			
Original 1st Order Factor Model		31 483	687	0.826	0.827	31 746	32 707	4 568	44	0.001***

Table 8: Modified Models		Chi square	d.f	GFI	CFI	AIC	BIC	Δ X²	Δ df	Sig
Modified Model 1	Factor Analysis	18 278	721	0.906	0.901	18 476	19 189			
Modified Model 2	Delete Variables Q17& Q40	16 903	651	0.909	0.906	17 083	17 732	1 374	70	0.001***
Modified Model 3	Adding additional Paths	15 056	647	0.919	0.917	15 245	15 922	1 847	4	0.001***
Modified Model 4	Adding Covariance to Error Terms	13 179	643	0.929	0.928	13 375	14 081	1 877	4	0.001***
Modified Model 5	Delete Q4 & Q20	11 059	573	0.938	0.936	11 246	11 916	2120	70	0.001***



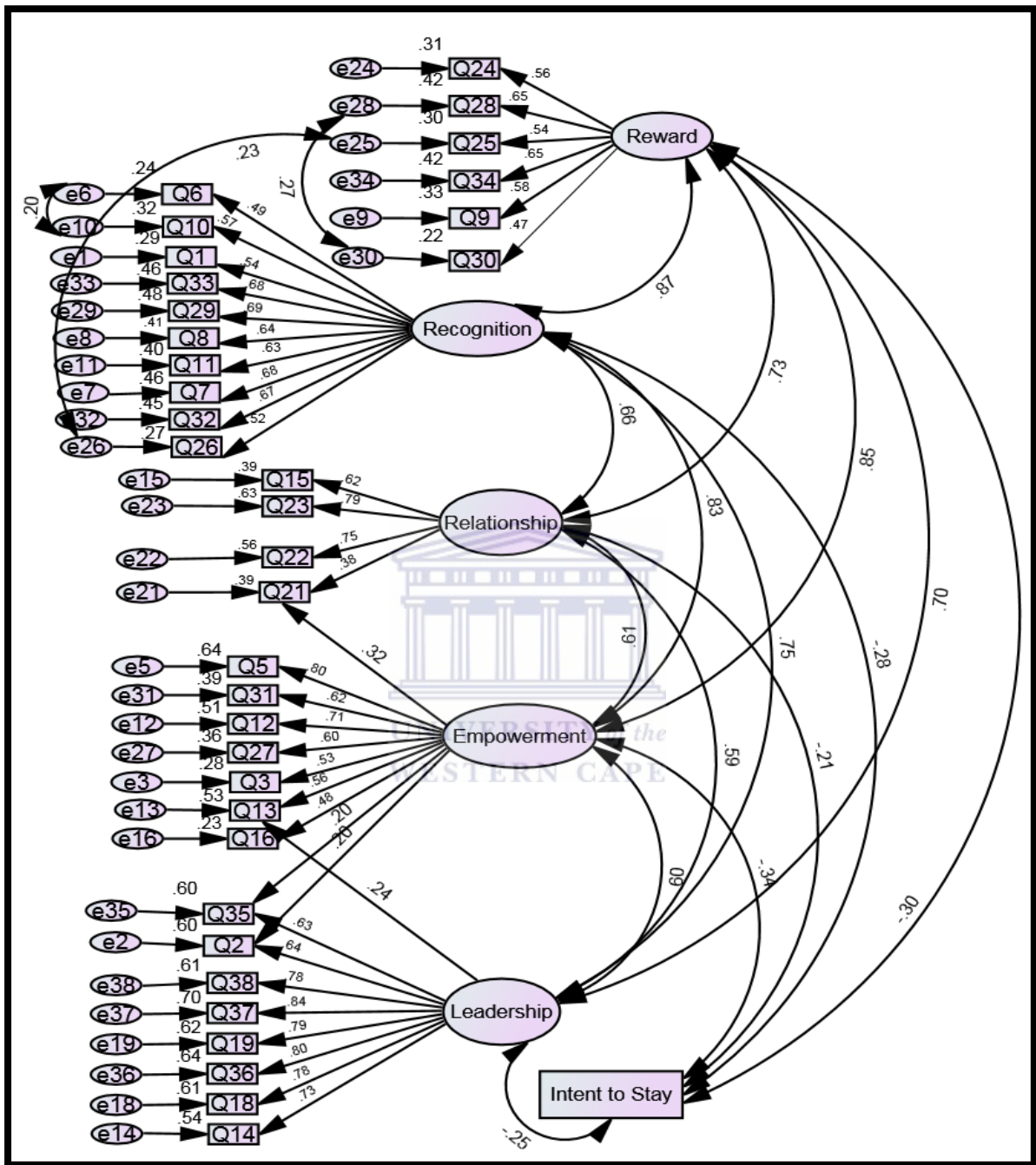


Diagram 4: Modified Model 5

4.13 Descriptive Statistics for the Six Constructs

Table 9 highlights the arithmetic means and standard deviations (sd) for the 6 factors namely, nature of job, relationship, leadership, reward, empowerment and intent to stay. The findings in the Table 9 signify that the sample of employees at the retail organisation in South Africa are most satisfied with the empowerment they receive from their organisation (mean=3.9 and sd = 0.7). This is followed by leadership (mean=3.8 and sd=0.8), nature of job (mean=3.8 and sd=0.7) and relationship with colleagues (mean=3.6 and sd=0.8). It is notable that the employees is somewhat unsatisfied with the reward that they receive (mean =3.5 and sd= 0.7) and are less likely to stay with the organisation (mean =3.2 and sd=1.3).

Table 9: Descriptive Statistics		
	Mean	
	Statistic	Std. Deviation
Empowerment	3.9	0.7
Leadership	3.8	0.8
Nature of Job	3.8	0.7
Relationship	3.6	0.8
Reward	3.5	0.7
Intent to stay	3.2	1.3

4.14 Relationship between constructs

The results of the hypothesis that related to the constructs in the modified structural model 5 (as presented in Diagram 4) are summarised in Table 10.

Relationships between constructs			Estimate	S.E.
Reward	<-->	Recognition	0.867***	0.007
Reward	<-->	Empowerment	0.846***	0.004
Recognition	<-->	Empowerment	0.829***	0.005
Recognition	<-->	Leadership	0.746***	0.008
Relationship	<-->	Reward	0.733***	0.005
Reward	<-->	Leadership	0.696***	0.007
Relationship	<-->	Recognition	0.661***	0.006
Relationship	<-->	Empowerment	0.608***	0.003
Leadership	<-->	Empowerment	0.604***	0.005
Relationship	<-->	Leadership	0.589***	0.006
Relationship	<-->	Intent to Stay	-0.214***	0.006
Leadership	<-->	Intent to Stay	-0.248**	0.01
Recognition	<-->	Intent to Stay	-0.276***	0.009
Reward	<-->	Intent to Stay	-0.3***	0.008
Empowerment	<-->	Intent to Stay	-0.338***	0.006

***p<0.001, Items marked with (R) indicate reverse-coding.

The hypothesis of latent variables in the structural model was tested. All relationships were significant at p<0.01

4.15 Construct Differences across Race Groups

4.15.1 *Kruskal Wallis Test*

The Kruskal-Wallis test evaluates whether the medians of a dependent variable are the same across all levels of independent variables. Unlike the standard analysis of variance, the Kruskal-Wallis test compares level medians instead of means. In order to perform this test, data for each race group was ranked from smallest to largest. The average rank was then computed from the data for each race group. A p value equal to or less than 0.05 indicated a significant difference amongst the medians at the 95.0% confidence level. These methods were used to test Hypothesis 4 and Hypothesis 5.

In the output presented in Table 11, the significance level was less than 0.05. Therefore, these results suggest that each construct differs across the various race groups, with White employees having the highest scores and African employees having the lowest scores.

The mean rank for each survey question was further investigated to identify why certain races were more/ less engaged than others within each construct (Appendix A).

It was found that Indians/Asians obtained the highest score for leadership. Under the leadership construct questions, Q19 (I value my relationship with my manager) and Q14 (I feel a strong sense of loyalty toward my direct manager) provided the highest mean rank amongst the Indians/Asians. However, Indians/Asians obtained the lowest score in terms of their relationship with their colleagues with Q15 (my colleagues are committed to quality results) and Q22 (people in my organisation are honest with each other) providing the lowest mean rank.

Coloured employees experienced the lowest scores for nature of job, leadership and empowerment with Q1 (My career path is clearly defined) Q19 (I value my relationship with

my manager) and Q16 (I am willing to give extra effort to help my organisation succeed) providing the lowest mean ranks for each construct respectively.

In the output presented in Table 12, the significance level was less than 0.05. These results suggest that the six constructs differ across the various divisions, with division 5 having the highest scores and the division 1 being the lowest.

The mean rank for each survey question was further investigated to identify why certain divisions have higher/ lower scores than others within each construct (Appendix B).

Division 4 ranked the highest for reward as they felt strongly that the organisation demonstrated a commitment to Employment Equity (Q34).

Division 7 ranked lowest for nature of job and empowerment as they felt that their work place did not allow them to be as productive as they would like to be (Q33) and the organisation did not provide them with opportunities to learn and grow (Q4).

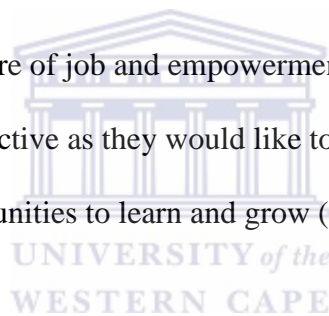


Table 11: Construct Scores Across Race Groups							
	Empowerment	Intent to stay	Leadership	Recognition	Relationship	Reward	Grand Total
White	5 218	6 296	5 271	5 074	5 387	5 775	5 504
Indian/Asian	5 205	5 319	5 307	4 989	4 858	5 168	5 141
Coloured	4 765	5 008	4 908	4 858	4 905	5 100	4 924
African	5 026	4 605	4 910	5 027	4 939	4 686	4 865
Asymp. Sig.	0***	0***	0***	0**	0***	0***	
Chi-Square	30.9	356.6	24.9	8.3	28.0	150.5	
Table 12: Construct Scores Across Divisions							
	Empowerment	Intent to stay	Leadership	Recognition	Relationship	Reward	Grand Total
Division 1	4648	4 447	4 435	4 511	4 189	4 667	4 483
Division 2	5242	5 629	5 365	5 268	5 488	5 059	5 342
Division 3	4948	5 070	4 827	4 881	4 602	4 825	4 859
Division 4	5286	4 863	5 115	5 254	5 351	5 370	5 207
Division 5	5510	4 841	5 403	5 459	5 661	5 297	5 362
Division 6	5402	5 020	5 325	5 234	5 313	5 058	5 225
Division 7	3932	4 716	4 613	4 409	4 874	4 803	4 558
Asymp. Sig.	0***	0***	0***	0***	0***	0***	
Chi-Square	264.8	93.9	115.0	131.2	238.3	60.2	

***p<0.001 **p<0.05

4.16 Multi-Group Analysis

To test whether each construct is statistically different across groups, we conducted multi-group Structural Equation Model (SEM) (Byrnes 2004). First, we analyzed the data for all four race groups simultaneously using the final theoretical model (i.e Modified Model 5); this multi-group model serves as the baseline model against which the subsequent model is compared.

The testing of the Modified Model 5 for multi-group invariance begins from the hypotheses that (a) there are no significant group differences in parameter estimates and (b) there is equivalent model fit for both groups (Scott-Lennox and Lennox, 1995). In order to establish the extent of invariance between the race groups based on Modified Model 5 developed, the multi-group analysis follows the testing strategies outlined in Byrne (1994). We begin by fitting Modified Model 5 to the four race groups separately but concurrently to establish a baseline multi-group model. Invariance between the four groups is then tested in an increasingly restrictive approach (Byrne 2004). The testing of group invariance begins with the inspection of the measurement model by constraining all factor loadings as equivalent across groups. Those factor loadings that are found to be invariant across groups are constrained equal while other factor loadings are freed (i.e. allowed to be estimated separately for each group). With these constraints imposed, the structural model is then tested for invariance in a similar manner - i.e. by first constraining all structural regression paths and then freeing those found not to be invariant across groups. Finally, the factor residuals and error covariances are tested for invariance. Throughout this analysis variances are free to differ by group for all variables (Byrne 2004).

The results of applying the fitted Model 5 to the four race groups separately, but simultaneously, are reported in Table 13. The constrained model (Model 5b) is based on the

Measurement weights, structural weights, structural covariances, structural residuals and measurement residuals being equal across groups. The results suggest that the model represents a good fit to the data even though all the coefficients are constrained equal across the race groups ($\chi^2(3237) = 30\,732$, $p < .001$; CFI=.917, RMSR=0.071). If the model is applied simultaneously to the four race groups (Model 5a), but all constraints are released and all variables, paths and covariances are estimated freely for each group, we get a significantly better fit to the data ($\chi^2(2955) = 26\,529$, $p < .001$; CFI=.928, RMSR=0.041).

Table 13: Model Description	CFI	RMR	Chi Square	Df	Δ Chi Square relative to Baseline Model	Δ df relative to Baseline Model
5a: Baseline Model	0.928	0.041	26 529	2955		
5b: All loading constrained to be equal	0.917	0.071	30 732	3237	4203***	282
5c: Partially Constrained Model	0.919	0.052	29 919	3165	3390***	210

These results suggest that the fit of the fully constrained model (Model 5b) to the data could be improved by freeing some of the parameters to be estimated separately for the race groups.

When model 5b was constrained to be invariant between the groups, the critical ratio test in AMOS was conducted to pinpoint which paths are significantly different across groups. The critical ratio statistic is comparable to a standard normal distribution for testing whether the parameters are equal in a given population. If the absolute value of the difference between parameters is more than 1.96, the null hypothesis that the regression weights are equal in the population is rejected at the .05 level (Byrne 2004). The critical ratio test indicated that the

structural model and variances across Relationship, Reward, Recognition, Leadership and Empowerment be estimated freely (Model 5c).

Based on Appendix E, it can be found that reward was strongly associated with recognition across all race groups. Through further inspection of the structural paths, it was found that Africans had 4 paths that had much lower factor loading compared to the other race groups. These include the relationship between relationship and reward, relationship and recognition, reward and leadership, and reward and recognition.

Coloured employees had 3 paths that had lower factor loadings compared to other race groups; these included the relationship between recognition and leadership, recognition and empowerment, and leadership and empowerment.

Indian employees had 3 paths that had higher factor loadings compared to other race groups; these included the link between relationship and recognition, reward and leadership, and leadership and empowerment.

White employees had low factor loadings across structural paths that included intent to stay and high factor loading across all other paths.



4.17 Conclusion

The data was collected by an external consulting firm, who conducted an employee web-based survey for a retail group. The response rate was 70% percent. Exploratory factor analysis was used to group multiple items that belonged to the same construct, while still maintaining the explanatory power of the construct.

Structural equation modelling (SEM), using AMOS, was chosen to test the measurement and structural models in this study because of its explanatory ability, its comprehensive statistics of model testing and its ability to develop a stronger model by testing theories on the specified relationships. The SEM used a two-step approach. In the first step, confirmatory factor analysis (CFA) of measurement models, using multiple fit indexes, was used. All constructs in the modified measurement model showed high reliability and validity.

In the second step, path analysis with latent variables was used to test the structural model and its hypotheses. All factor loadings in the modified structural model were significant at $p < 0.05$. Path analysis was used to test 11 hypotheses, developed from the literature review. All hypotheses were accepted. However only the 1st order SEM was supported so Employee Engagement is not validated as the concept underlying the Gallup-based questionnaire analysed in this study.

Finally, the Kruskal-Wallis and Multi-group test was conducted to identify the variation in the six indicators of engagement across race, as well as across divisions. It was found that Whites were the most engaged and Africans were the least engaged. In addition, it was found that Division 5 was the most engaged division and the Division 1 was the least.

The implications and limitations of these findings are discussed in detail in the next chapter.

CHAPTER 5: FINDINGS/CONCLUSION

5.1 Introduction

The analysis of the data was reported in the previous chapter. This chapter presents the conclusions and implications of the research findings on factors constituting the Gallup-based questionnaire on employee engagement in a South African retail group. The chapter discusses the prominent results in Chapter 4, and makes use of relevant research to support the findings of this study. It also reveals some of the limitations of this research study. The discussion includes demographic information about the sample, obtained from examining the results from the descriptive dimensions of race and employee engagement. In addition to this, the discussion will present the exploratory factor analysis utilised to analyse the findings. Conclusions are drawn based on the results obtained, and recommendations for future research will be addressed.

5.2 Inferential Statistics

The discussion of the findings concerning the inferential statistics mentioned in Chapter 4 will be described in detail in terms of the hypotheses.

Hypothesis 1: A 1st order factor model composed of the 11 original concepts (nature of job, reward, work/ life balance, career growth, leadership, market opportunity, performance management, empowerment, commitment, relationship and intent to stay) is a better fit to the data than the original 2nd order factor model of employee engagement.

Based on the initial confirmatory factor analysis using AMOS the results reported in the previous chapter support the above hypothesis regarding the dimensionality of engagement. Firstly, based on the original questionnaire and analysis of the consultants, the engagement item pool of 40 items and eleven 1st order concepts and Employee Engagement as the second order factor model was evaluated. Confirmatory factor analysis demonstrated that the second

order factor model demonstrated an acceptable fit. However, the overall fit of the eleven constructs modelled as a 1st order factor structure without Employee Engagement was a significantly better than the fit of the second order factor model..This implies that, for the purposes of this specific study, engagement should not be treated as a unitary construct. Hence, the hypothesis is rejected. This finding is consistent with the literature (cite sources) that argues that the concepts proposed as components of Employee Engagement in the Gallup model are not supported empirically.

Hypothesis 2: The best 1st order factor model based on modified concepts is a better fit than a 1st order factor model composed of the 11 original concepts(nature of job, reward, work/life balance, career growth, leadership, market opportunity, performance management, empowerment, commitment, relationship and intent to stay)

The first-order factors were extracted from the 40 items, using exploratory factor analysis. Six primary factors were extracted namely, nature of job, reward, leadership, empowerment, relationship and intent to stay. The questions used to measure five concepts - work/life balance, career growth, market opportunity, performance management and commitment—were subsumed in other concepts. The remaining six concepts presented content similarities to factors reported in previous studies, in addition to good fit indexes, supporting them as substantially meaningful measures.

Based on Table 14, it is evident that the modified model (GFI=0.938) is a better fit than the original model (GFI=0.906). Hence, the null hypothesis is rejected.

Table 14: Original Vs Modified Model

	Chi square	d.f	GFI	CFI	ΔX^2	Δdf	Sig
Original Model	18 278	721	0.906	0.901			
Modified Model	11 059	573	0.938	0.936	7219	148	0.001***

Hypothesis 3: There is a statistically significant relationship between the revised concepts

The results from the research study indicate that there are statistically significant correlations between the six revised concepts (nature of job, relationship, leadership, intent to stay, reward and empowerment). According to Table 10 in Chapter 4, it is evident that there is a significant relationship between all the constructs at the 99% confidence level. Hence, the null hypothesis is rejected.

The results are consistent with Feldman and Bolino (1996) who found that employees who are well matched to their work environment will be more effective at their jobs and more satisfied with their work environment.

Igbaria and Greenhaus (1991) conducted a study amongst Management Information Systems (MIS) professionals and managers, and found that employees who fit their job environment or setting are more satisfied with their jobs. Thus, they are more committed to the organisation and have fewer intentions to leave, in comparison to those employees who do not have such a fit.

Nordvik (1991) also tested the hypothesis, and inferred that a well-matched and compatible relationship with a person's job is associated with higher positive job results. This serves to support further this hypothesis of the research study.

Hypothesis 4: Based on the best overall model, the level of employee engagement is significantly different across the six major trade divisions.

Table 12 shows the mean rank of the levels of engagement across the divisions. The results of this research study indicate that there is a significant difference between engagement levels (nature of job, relationship, leadership, intent to stay, reward and empowerment) across the divisions. Hence, the null hypothesis is rejected.

These results suggest that there is a difference in engagement levels across the different divisions, with Division 5 being the most engaged and the Division 1 being the least.

Hypothesis 5: Based on the best overall model the level of employee engagement is significantly different across races.

Table 11 shows a mean analysis on the relationship between the indicators of engagement and race. The results of this research study indicates that there is a significant difference between engagement levels (nature of job, relationship, leadership, intent to stay, reward and empowerment) across races. White employees rank as the most engaged, followed by Indian and Coloureds, while African employees rated as the least engaged. Hence, the null hypothesis is rejected.

These results suggest that the firm, which has historically been led by white management, still has significant work to do in order to ensure that staff of all race groups experience similar levels of engagement. Of particular concern are the low scores of Africans regarding Intent to Stay and satisfaction with their Rewards.

Diversity is prominent in the South African workplace, likewise in many other countries, because there are many different types of people working together to perform organisational tasks and goals. Many organisations have become more multicultural, since they now operate

on a global scale. Hence, it is important to understand the fact that employees view the workplace, job, supervisors and co-workers differently, in relation to engagement. Thus, it is evident that in this study, significant differences in employee engagement exist, due to racial groups or classification.

Wilson and Butler (1978) are of the opinion that there is a significant difference between white and non-white employees' perception of satisfaction. According to the study, it is evident that White employees seemed to be more satisfied with their occupations compared to non-white employees. This could possibly be due to the higher rank of positions that white employees occupied, whereas non-white employees were considered the minority or inferior racial group. Similarly, Super (1996) further infers that there is a variation in Black employees' viewpoint on job satisfaction and that White people seem to be happier. In opposition to the above, authors Tuch and Martin (1991) are of the opinion that Black employees' lower experiences of job satisfaction are not solely due to race, but on other external factors as well. They infer that Black employees are generally more disadvantaged than their counterparts because they do not have the same career opportunities. Hence, Black employees would usually be considered as blue-collar workers, with lower pay and higher levels of job insecurity.

However, given South Africa's history of unfair discrimination, laws such as employment equity and Broad Based Economic Empowerment require companies to engage in transformation and promote equality (Esterhuysen, 2003). The findings of this study suggest that African employees are aware of the added advantage provided by the legislative dispensation; hence they had strong positive expectations about opportunities for development and growth in their organisation. This finding is similar to the one by Wocke and Sutherland (2008) who found that African managers were positive about the employment equity legislation.

According to Tuch and Martin (1991), there is very little empirical evidence to substantiate that the processes that generate employee satisfaction differ systematically by race.

Research studies in South Africa correlate to those abroad, in terms of the relationship between race and employee satisfaction, and concur that White employees seem to be more satisfied with their work and job settings, in comparison to African employees, who felt less secure. The main ideology for African employees' dissatisfaction is a high level of job insecurity that is largely related to organisational restricting and downsizing (Robbins et al. (2003).



5.3 Limitations

This study has several limitations. Firstly, it is necessary to study the drivers of employee engagement in a longitudinal design. Secondly, additional data, such as tenure, gender, educational background and the split between Head Office and the field, would be useful in gaining a further in-depth analysis of engagement with the retail organisation. Thirdly, the relationship between employee engagement and racial diversity (i.e. the racial composition within each diversity division) was not considered in this study. Fourthly, as the data was obtained via self-report responses, common method variance could have inflated the findings.

In addition to the above, there have been very few studies on race and employee engagement in South Africa in general and in the retail industry in particular. As the sample of this study focused on respondents in the retail industry in South Africa, generalisations cannot be made about other retail organisations.

5.4 Recommendations

On conclusion of this study, the study suggests that various aspects should be addressed, in order to increase the engagement of employees. Firstly, interventions should be made to ensure the work-role fit of employees. These should include variety, learning opportunities and autonomy in the job, which will contribute to experiences of psychological meaningfulness and engagement. Secondly, interventions should be implemented to ensure organisational support, including role clarity, good relationships with supervisors, communication, information and participation in decision-making. Thirdly, advancement opportunities (remuneration, promotion and training) should be addressed.



5.5 Conclusion

In brief, this study confirms that leadership, nature of job, intent to stay, empowerment, relationship and reward are factors influencing engagement amongst employees within the South African retail group. These findings are consistent with many other studies. However, the degree of importance of each factor to employees across races, as well as across the divisions, is clearly different.

The rapid pace of change occurring in South African organisations suggests that engagement will play a more significant role in human resource planning and development, especially in the case of Black managers. The importance of tailoring development programmes to the culture of an organisation is well documented (Hirsh & Jackson 1996; Mayo 1991). By analysing the data in this way, it is possible for an organisation to build up a picture of the key drivers of employee engagement in the organisation and provide a valuable insight into the culture in existence.

The results of this study provide a basis for the comparison of engagement levels across race and divisions. In discussing the future development of employees, it can be noted that since organisations are undergoing rapid transformations, new paradigms regarding development will have to evolve. Indicators of engagement will become a more important concept, and development will be more akin to self-development. The burden of the organisation will be to identify these factors and relate them to biographical data concerning job description, in order for individuals to better select an appropriate job role and take personal responsibility for how they evolve. This may lead to continuous employee development, job satisfaction, job involvement and positive consequences for both the employee and the organisation.

APPENDIX

Appendix A

Constructs (with their respective questions)	RACE			
	African	Coloured	Indian	White
Empowerment				
Q12:I am proud to tell others I am part of my organisation	5 054	4 758	5 025	5 210
Q13:I feel a strong sense of belonging in my organisation	5 004	4 771	5 212	5 290
Q16:I am willing to give extra effort to help my organisation succeed.	5 130	4 664	5 145	5 081
Q17:I would recommend my organisation's products and services to my friends	5 019	4 830	5 060	5 147
Q27:I can give equal priority to work, family and personal life and still be considered for promotion	4 986	5 001	5 183	4 757
Q3:I am aware of the career development opportunities available to me in my organisation.	5 083	4 873	4 915	4 833
Q31:My job stimulates my thinking	5 016	4 747	5 384	5 217
Q4:I have opportunities to grow and learn in my organisation	5 188	4 742	4 768	4 815
Q5:I find meaning and fulfillment in my job	5 050	4 732	5 227	5 193
Leadership				
Q14:I feel a strong sense of loyalty toward my direct manager	4 782	5 067	5 332	5 372
Q18:There is effective communication between my manager and myself	4 905	4 976	5 305	5 110
Q19:I value my relationship with my manager	4 917	4 830	5 603	5 297
Q2:My manager encourages my development	5 017	4 892	5 093	4 970
Q35:I have confidence in the decisions made by my managers	4 998	4 872	5 016	5 146
Q36:My manager cares for my well-being	4 945	4 929	5 142	5 149
Q37:My manager is honest with me	4 952	4 911	5 171	5 154
Q38:My manager deals consistently with both positive and negative performance	4 912	5 057	5 111	4 960

Constructs (with their respective questions)	RACE			
	African	Coloured	Indian	White
Nature Of Job				
Q1:My career path is clearly defined	5 234	4 676	4 880	4 741
Q10:I understand how my performance is measured	4 893	5 026	5 211	5 069
Q11:Informal feedback is given throughout the year to support my performance	4 852	5 031	5 188	5 245
Q26:My work arrangements are flexible (e.g. agreed shift swaps, flexi-time) in order to help me with my personal commitments	5 018	4 858	4 872	5 169
Q29:My job outcomes and the way I behave are recognised equally	4 985	4 946	5 040	4 983
Q32:My role is clearly defined	4 918	4 950	5 113	5 224
Q33:My work place allows me to be as productive as I would like to be	5 201	4 757	4 894	4 654
Q6:I feel equipped with the necessary skills to do my job	5 003	4 962	4 881	4 949
Q7:I am given enough freedom to do my job	5 065	4 794	4 831	5 166
Q8:I am given enough resources to do my job	5 071	4 910	4 802	4 844
Relationship				
Q15:My colleagues are committed to quality results	5 009	4 924	4 841	5 047
Q20:There is effective communication between my colleagues and myself	5 058	4 912	5 026	4 777
Q21:My opinion is valued by my team	4 976	4 826	5 135	5 302
Q22:People in my organisation are honest with each other	4 997	4 855	4 707	5 354
Q23:The members of my organisation treat each other with respect	4 887	5 048	4 890	5 208
Reward				
Q24:My organisation is accepting of an individual's cultural differences	4 589	5 220	5 332	5 778
Q25:My leave arrangements are flexible (e.g. annual, compassionate, study leave)	4 879	4 919	4 906	5 584
Q28:I feel that I am fairly rewarded for the work I do	4 956	4 921	4 992	5 203
Q30:My salary is in line with current market rates	4 884	5 038	5 014	5 181
Q34:My organisation demonstrates a commitment to Employment Equity	4 744	5 100	5 179	5 525
Q9:I understand how my performance is linked to my organisation's success	4 771	5 011	5 383	5 542

Appendix B

	Division			
	1	2	3	4
Empowerment				
Q12:I am proud to tell others I am part of my organisation	4 856	4 914	4 869	5 228
Q13:I feel a strong sense of belonging in my organisation	4 708	5 155	4 994	5 086
Q16:I am willing to give extra effort to help my organisation succeed.	5 069	4 935	4 917	5 066
Q17:I would recommend my organisation's products and services to my friends	5 222	4 951	4 857	5 287
Q27:I can give equal priority to work, family and personal life and still be considered for promotion	4 783	5 153	4 972	5 250
Q3:I am aware of the career development opportunities available to me in my organisation.	5 051	5 135	5 030	5 240
Q31:My job stimulates my thinking	4 997	5 135	5 071	5 139
Q4:I have opportunities to grow and learn in my organisation	5 152	5 062	5 021	5 295
Q5:I find meaning and fulfillment in my job	4 777	5 100	5 063	5 126
Leadership				
Q14:I feel a strong sense of loyalty toward my direct manager	4 586	5 265	4 899	4 951
Q18:There is effective communication between my manager and myself	4 626	5 263	4 813	5 031
Q19:I value my relationship with my manager	4 605	5 256	4 782	5 065
Q2:My manager encourages my development	4 617	5 119	4 850	5 079
Q35:I have confidence in the decisions made by my managers	4 484	5 389	4 945	5 195
Q36:My manager cares for my well-being	4 396	5 383	4 872	5 060
Q37:My manager is honest with me	4 512	5 266	4 837	5 076
Q38:My manager deals consistently with both positive and negative performance	4 519	5 275	4 836	5 003
Relationship				
Q15:My colleagues are committed to quality results	4 405	5 432	4 687	5 144
Q20:There is effective communication between my colleagues and myself	4 551	5 229	4 772	5 195
Q21:My opinion is valued by my team	4 571	5 186	4 762	5 197
Q22:People in my organisation are honest with each other	4 266	5 518	4 683	5 386
Q23:The members of my organisation treat each other with respect	4 301	5 214	4 673	5 261

	Division			
	1	2	3	4
Nature Of Job				
Q1:My career path is clearly defined	4 733	4 978	5 148	4 857
Q10:I understand how my performance is measured	4 643	4 902	4 932	5 206
Q11:Informal feedback is given throughout the year to support my performance	4 475	5 300	4 824	5 181
Q26:My work arrangements are flexible (e.g. agreed shift swaps, flexi-time) in order to help me with my personal commitments	4 906	5 171	4 942	5 117
Q29:My job outcomes and the way I behave are recognised equally	4 592	5 095	4 923	5 219
Q32:My role is clearly defined	4 641	5 118	4 807	5 089
Q33:My work place allows me to be as productive as I would like to be	4 721	5 095	4 976	5 269
Q6:I feel equipped with the necessary skills to do my job	4 736	5 089	4 945	4 880
Q7:I am given enough freedom to do my job	4 585	5 176	4 867	5 182
Q8:I am given enough resources to do my job	4 739	5 357	4 859	5 116
Reward				
Q24:My organisation is accepting of an individual's cultural differences	4 775	4 885	4 842	5 272
Q25:My leave arrangements are flexible (e.g. annual, compassionate, study leave)	4 914	5 246	4 951	4 990
Q28:I feel that I am fairly rewarded for the work I do	4 684	5 100	4 857	5 146
Q30:My salary is in line with current market rates	4 683	4 913	4 973	5 342
Q34:My organisation demonstrates a commitment to Employment Equity	4 716	4 884	4 841	5 393
Q9:I understand how my performance is linked to my organisation's success	4 924	5 101	4 798	5 048

	Division		
	5	6	7
Empowerment			
Q12:I am proud to tell others I am part of my organisation	5 290	5 349	4 529
Q13:I feel a strong sense of belonging in my organisation	5 383	5 252	4 273
Q16:I am willing to give extra effort to help my organisation succeed.	5 228	5 299	4 520
Q17:I would recommend my organisation's products and services to my friends	5 183	5 502	4 201
Q27:I can give equal priority to work, family and personal life and still be considered for promotion	5 250	5 232	4 246
Q3:I am aware of the career development opportunities available to me in my organisation.	5 518	5 190	3 815
Q31:My job stimulates my thinking	5 143	5 336	3 954
Q4:I have opportunities to grow and learn in my organisation	5 421	5 332	3 708
Q5:I find meaning and fulfilment in my job	5 406	5 274	4 006
Leadership			
Q14:I feel a strong sense of loyalty toward my direct manager	5 230	5 185	4 827
Q18:There is effective communication between my manager and myself	5 245	5 257	4 883
Q19:I value my relationship with my manager	5 187	5 326	4 921
Q2:My manager encourages my development	5 395	5 230	4 760
Q35:I have confidence in the decisions made by my managers	5 353	5 311	4 220
Q36:My manager cares for my well-being	5 347	5 283	4 636
Q37:My manager is honest with me	5 232	5 202	4 898
Q38:My manager deals consistently with both positive and negative performance	5 243	5 149	5 007
Relationship			
Q15:My colleagues are committed to quality results	5 465	5 102	5 118
Q20:There is effective communication between my colleagues and myself	5 314	5 042	5 065
Q21:My opinion is valued by my team	5 553	5 196	4 782
Q22:People in my organisation are honest with each other	5 563	5 314	4 625
Q23:The members of my organisation treat each other with respect	5 451	5 268	5 093

	Division		
	5	6	7
Nature Of Job			
Q1:My career path is clearly defined	5 466	5 236	4 141
Q10:I understand how my performance is measured	5 104	4 953	5 036
Q11:Informal feedback is given throughout the year to support my performance	5 192	4 897	5 164
Q26:My work arrangements are flexible (e.g. agreed shift swaps, flexi-time) in order to help me with my personal commitments	5 178	5 122	4 541
Q29:My job outcomes and the way I behave are recognised equally	5 330	5 180	4 552
Q32:My role is clearly defined	5 260	5 127	5 055
Q33:My work place allows me to be as productive as I would like to be	5 422	5 350	4 050
Q6:I feel equipped with the necessary skills to do my job	5 110	5 082	5 002
Q7:I am given enough freedom to do my job	5 529	5 230	4 493
Q8:I am given enough resources to do my job	5 301	5 192	4 573
Reward			
Q24:My organisation is accepting of an individual's cultural differences	4 984	5 079	5 116
Q25:My leave arrangements are flexible (e.g. annual, compassionate, study leave)	5 399	5 112	4 438
Q28:I feel that I am fairly rewarded for the work I do	5 251	5 019	4 968
Q30:My salary is in line with current market rates	5 182	4 935	4 726
Q34:My organisation demonstrates a commitment to Employment Equity	5 275	5 102	4 802
Q9:I understand how my performance is linked to my organisation's success	5 154	4 961	5 220

Appendix C

QUESTIONNAIRE

Career Growth	
Q1	My career path is clearly defined
Q2	My manager encourages my development
Q3	I am aware of the career development opportunities available to me in my organisation.
Q4	I have opportunities to grow and learn in my organisation
Empowerment	
Q5	I find meaning and fulfillment in my job
Q6	I feel equipped with the necessary skills to do my job
Q7	I am given enough freedom to do my job
Q8	I am given enough resources to do my job
Performance Management	
Q9	I understand how my performance is linked to my organisation's success
Q10	I understand how my performance is measured
Q11	Informal feedback is given throughout the year to support my performance
Commitment	
Q12	I am proud to tell others I am part of my organisation
Q13	I feel a strong sense of belonging to my organisation
Q14	I feel a strong sense of loyalty toward my direct manager
Q15	My colleagues are committed to quality results
Q16	I am willing to give extra effort to help my organisation succeed.
Q17	I would recommend my organisation's products and services to my friends

Relationships

- Q18 There is effective communication between my manager and myself
- Q19 I value my relationship with my manager
- Q20 There is effective communication between my colleagues and myself
- Q21 My opinion is valued by my team
- Q22 People in my organisation are honest with each other
- Q23 The members of my organisation treat each other with respect
- Q24 My organisation is accepting of an individual's cultural differences

Work/Life Balance

- Q25 My leave arrangements are flexible (e.g. Annual, Compassionate, Study Leave)
- Q26 My work arrangements are flexible (eg. Agreed shift swaps, flexi time) in order to help me with my personal commitments
- Q27 I can give equal priority to work and family or personal life and still be considered for promotion

Reward

- Q28 I feel that I am fairly rewarded for the work I do
- Q29 My job outcomes and the way I behave are recognised equally
- Q30 My salary is in line with current market rates

Nature of Job

- Q31 My job stimulates my thinking
- Q32 My role is clearly defined
- Q33 My work place allows me to be as productive as I would like to be
- Q34 My organisation demonstrates a commitment to Employment Equity (fair and equal treatment of people from all races, genders, ages, etc)

Leadership

- Q35 I have confidence in the decisions made by my managers
- Q36 My manager cares for my well being
- Q37 My manager is honest with me
- Q38 My Manager deals consistently with both positive and negative performance

Intent to stay

- Q39 I intend to look for a new job with another organisation within the next year

Market Opportunity

- Q40 I am confident that I could easily find a job with another company

Appendix D

Test for Normality		skewness	kurtosis
1	My career path is clearly defined	-0.713	0.091
2	My manager encourages my development	-0.906	0.32
3	I am aware of the career development opportunities available to me in my organisation.	-0.859	0.214
4	I have opportunities to grow and learn in my organisation	-0.956	0.268
5	I find meaning and fullfillment in my job	-0.822	0.373
6	I feel equipped with the necessary skills to do my job	-0.973	1.094
7	I am given enough freedom to do my job	-0.833	0.218
8	I am given enough resources to do my job	-0.828	0.461
9	I understand how my performance is linked to my organisation's success	-0.986	1.37
10	I understand how my performance is measured	-1.039	1.026
11	Informal feedback is given throughout the year to support my performance	-0.785	0.14
12	I am proud to tell others I am part of my organisation	-1.14	1.449
13	I feel a strong sense of belonging to my organisation	-0.766	0.39
14	I feel a strong sense of loyalty toward my direct manager	-1.039	0.682
15	My colleagues are committed to quality results	-0.799	0.537
16	I am willing to give extra effort to help my organisation succeed.	-1.551	3.59
17	I would recommend my organisation's products and services to my friends	-1.283	1.729
18	There is effective communication between my manager and myself	-0.872	0.33
19	I value my relationship with my manager	-1.057	1.07
20	There is effective communication between my colleagues and myself	-1.103	1.106
21	My opinion is valued by my team	-0.858	0.926
22	People in my organisation are honest with each other	-0.169	-0.758
23	The members of my organisation treat each other with respect	-0.623	-0.35
24	My organisation is accepting of an individual's cultural differences	-0.941	0.586
25	My leave arrangements are flexible	-0.782	-0.018
26	My work arrangements are flexible	-0.941	0.108
27	I can give equal priority to work and family or personal life and still be considered for promotion	-0.728	-0.169
28	I feel that I am fairly rewarded for the work I do	-0.32	-0.833
29	My job outcomes and the way I behave are recognised equally	-0.825	0.221
30	My salary is in line with current market rates	-0.054	-1.018
31	My job stimulates my thinking	-0.937	0.666
32	My role is clearly defined	-0.866	0.748
33	My work place allows me to be as productive as I would like to be	-0.802	0.073
34	My organisation demonstrates a commitment to Employment Equity	-0.828	-0.076
35	I have confidence in the decisions made by my managers	-0.735	0.082
36	My manager cares for my well being	-0.952	0.417
37	My manager is honest with me	-0.899	0.221
38	My Manager deals consistently with both positive and negative performance	-0.838	0.233
39	I intend to look for a new job with another organisation within the next year	0.184	-0.987
40	I am confident that I could easily find a job with another company	-0.916	0.503

Appendix E

Standardised coefficients for baseline model and individual race groups							
Structural Model			Baseline	African	Coloured	Indian	White
Relationship	<-->	Reward	0.73	0.7**	0.8**	0.77**	0.85**
Relationship	<-->	Recognition	0.66	0.64**	0.69**	0.71**	0.71**
Relationship	<-->	Leadership	0.59	0.59**	0.59**	0.62**	0.63**
Relationship	<-->	Empowerment	0.61	0.61**	0.61**	0.62**	0.69**
Relationship	<-->	Intent To Stay	-0.2	-0.2**	-0.2**	-0.24**	-0.37**
Reward	<-->	Leadership	0.7	0.69**	0.72**	0.77**	0.76**
Reward	<-->	Empowerment	0.85	0.85**	0.85**	0.86**	0.97**
Recognition	<-->	Leadership	0.75	0.75**	0.73**	0.75**	0.78**
Recognition	<-->	Empowerment	0.83	0.83**	0.81**	0.84**	0.86**
Recognition	<-->	Intent To Stay	-0.28	-0.27**	-0.29**	-0.35**	-0.41**
Leadership	<-->	Empowerment	0.61	0.61**	0.56**	0.64**	0.62**
Leadership	<-->	Intent To Stay	-0.25	-0.24**	-0.24**	-0.27**	-0.38**
Empowerment	<-->	Intent To Stay	-0.34	-0.32**	-0.37**	-0.4**	-0.49**
Reward	<-->	Recognition	0.87	0.86**	0.9**	0.93**	0.94**
Reward	<-->	Intent To Stay	-0.3	-0.28**	-0.28**	-0.31**	-0.48**
e28	<-->	e30	0.24	0.24**	0.31**	0.33**	0.57**
e10	<-->	e6	0.18	0.18**	0.29**	0.21**	0.28**
e25	<-->	e26	0.2	0.2**	0.3**	0.36**	0.5**
Measurement Model			Baseline	African	Coloured	Indian	White
Q21	<-->	Relationship	0.38	0.38	0.35	0.38	0.33
Q22	<-->	Relationship	0.76	0.76	0.72	0.76	0.69
Q23	<-->	Relationship	0.80	0.80	0.77	0.80	0.74
Q15	<-->	Relationship	0.63	0.63	0.59	0.63	0.56
Q9	<-->	Reward	0.59	0.59	0.54	0.58	0.46
Q34	<-->	Reward	0.66	0.66	0.61	0.65	0.53
Q25	<-->	Reward	0.55	0.55	0.50	0.54	0.43
Q28	<-->	Reward	0.66	0.66	0.61	0.65	0.54
Q24	<-->	Reward	0.57	0.57	0.52	0.56	0.45
Q6	<-->	Recognition	0.50	0.50	0.46	0.53	0.47
Q14	<-->	Leadership	0.74	0.74	0.71	0.75	0.71
Q18	<-->	Leadership	0.79	0.79	0.76	0.79	0.76
Q36	<-->	Leadership	0.81	0.81	0.78	0.81	0.78
Q19	<-->	Leadership	0.80	0.80	0.77	0.80	0.77
Q37	<-->	Leadership	0.84	0.84	0.82	0.85	0.82
Q16	<-->	Empowerment	0.48	0.48	0.48	0.48	0.44
Q13	<-->	Empowerment	0.56	0.56	0.57	0.55	0.53

Measurement Model			Baseline	African	Coloured	Indian	White
Q3	<-->	Empowerment	0.53	0.53	0.53	0.53	0.50
Q27	<-->	Empowerment	0.60	0.60	0.60	0.60	0.57
Q12	<-->	Empowerment	0.72	0.72	0.72	0.72	0.68
Q31	<-->	Empowerment	0.63	0.63	0.63	0.63	0.59
Q5	<-->	Empowerment	0.80	0.80	0.80	0.80	0.77
Q10	<-->	Recognition	0.58	0.58	0.54	0.60	0.54
Q30	<-->	Reward	0.48	0.48	0.43	0.47	0.37
Q38	<-->	Leadership	0.79	0.79	0.77	0.80	0.76
Q2	<-->	Leadership	0.64	0.64	0.62	0.65	0.62
Q35	<-->	Leadership	0.64	0.64	0.62	0.64	0.61
Q26	<-->	Recognition	0.52	0.52	0.49	0.55	0.49
Q32	<-->	Recognition	0.68	0.68	0.64	0.71	0.65
Q7	<-->	Recognition	0.68	0.68	0.65	0.71	0.65
Q11	<-->	Recognition	0.64	0.64	0.60	0.67	0.60
Q8	<-->	Recognition	0.65	0.65	0.61	0.68	0.62
Q29	<-->	Recognition	0.70	0.70	0.67	0.73	0.67
Q33	<-->	Recognition	0.69	0.69	0.65	0.71	0.65
Q1	<-->	Recognition	0.55	0.55	0.51	0.58	0.52
Q13	<-->	Leadership	0.24	0.24	0.23	0.25	0.23
Q35	<-->	Empowerment	0.20	0.20	0.21	0.20	0.20
Q21	<-->	Empowerment	0.32	0.32	0.32	0.32	0.30
Q2	<-->	Empowerment	0.20	0.20	0.21	0.20	0.19
Variances			Baseline	African	Coloured	Indian	White
Relationship			0.11	0.12**	0.1**	0.12**	0.08**
Reward			0.27	0.26**	0.2**	0.25**	0.14**
Recognition			0.41	0.41**	0.33**	0.47**	0.34**
Leadership			0.59	0.59**	0.51**	0.62**	0.49**
Empowerment			0.11	0.12**	0.12**	0.12**	0.1**
Intent To Stay			1.60	1.55	1.55	1.55	1.55
e21			0.51	0.50	0.50	0.50	0.50
e22			0.61	0.59	0.59	0.59	0.59
e23			0.52	0.50	0.50	0.50	0.50
e15			0.57	0.55	0.55	0.55	0.55
e9			0.52	0.50	0.50	0.50	0.50
e34			0.84	0.79	0.79	0.79	0.79
e25			0.92	0.89	0.89	0.89	0.89

Variiances	Baseline	African	Coloured	Indian	White
e28	0.89	0.86	0.86	0.86	0.86
e24	0.81	0.74	0.74	0.74	0.74
e32	0.48	0.47	0.47	0.47	0.47
e7	0.61	0.59	0.59	0.59	0.59
e11	0.70	0.66	0.66	0.66	0.66
e8	0.57	0.55	0.55	0.55	0.55
e29	0.59	0.57	0.57	0.57	0.57
e33	0.64	0.62	0.62	0.62	0.62
e1	0.77	0.77	0.77	0.77	0.77
e10	0.65	0.62	0.62	0.62	0.62
e6	0.62	0.61	0.61	0.61	0.61
e35	0.47	0.45	0.45	0.45	0.45
e14	0.51	0.49	0.49	0.49	0.49
e2	0.46	0.44	0.44	0.44	0.44
e38	0.45	0.43	0.43	0.43	0.43
e18	0.46	0.42	0.42	0.42	0.42
e36	0.44	0.41	0.41	0.41	0.41
e19	0.36	0.35	0.35	0.35	0.35
e37	0.39	0.37	0.37	0.37	0.37
e16	0.41	0.40	0.40	0.40	0.40
e13	0.45	0.44	0.44	0.44	0.44
e3	0.85	0.82	0.82	0.82	0.82
e27	0.85	0.83	0.83	0.83	0.83
e12	0.40	0.38	0.38	0.38	0.38
e31	0.63	0.61	0.61	0.61	0.61
e5	0.37	0.37	0.37	0.37	0.37
e30	1.22	1.20	1.20	1.20	1.20
e26	1.01	0.98	0.98	0.98	0.98

**free parameters

BIBLIOGRAPHY

- Aamondt, M.G 2004, *Applied Industrial/Organisational Psychology*, USA,Thomson/Wadsworth.
- Aktouf, O., 1992, 'Management and theories of organizations in the 1990s: Toward a critical radical humanism', *Academy of Management Review*, vol.17, pp. 407–431.
- Armstrong, M. 2000, *Performance management: Key strategies and practical guidelines*, London, UK: Kogan Page Limited.
- Arnold, H.J., & Feldman, D.C 1982, 'A multivariate analysis of the determinants of turnover', *Journal of Applied Psychology*, vol.67, no.3, pp.350-360.
- Arnold, H.J., & Feldman, D.C 1996, *Organizational Behaviour*. McGraw Hill
- Bailey, D A 1999, 'Strategy development processes and participation in decision making: Predictors of role stressors and job satisfaction', *Journal of Applied Management Studies*, vol.8, no.27
- Bakker, A. B., & Demerouti, E. 2007, 'The job demands-resources model: State of the art', *Journal of Managerial Psychology*, vol.22, pp.309-328.
- Bakker, A.B. and Leiter M.P., 2010, 'Work engagement: a handbook of essential theory and research', New York, NY: Psychology Press.
- Basset, G 1994, 'The case against job satisfaction', *Business Source Premier*, vol.37, no.3, pp.61-68.
- Bentler, P.M. 1995, *EQS Structural Equations Program Manual*, Encino, CA: Multivariate Software.
- Berg, P 1999, 'The effects of high performance work practices on job satisfaction in the United States steel industry', *Industrial Relations*, vol.54, pp.111-112.
- Berkowitz, L 1987, 'Pay, equity, job gratifications and comparisons in pay satisfaction', *Journal of Applied Psychology*, vol.72, no.4, pp.544-551.

- Berta, D 2005, 'Put on a happy face: High morale can lift productivity', *Nation's Restaurant News*, vol.39, no.20, pp.8.
- Bertelli, A.M 2007, 'Determinants of bureaucratic turnover intention: Evidence from the Department of the Treasury', *Journal of Public Administration Research and Theory*, vol.17, no.2, pp.235-259.
- Bishop and Scott 1997, 'Job insecurity, extrinsic and intrinsic job satisfaction and affective organisation commitment of maintenance workers in a parastatal', *South African Journal of Business Management*, vol.36, no.2, pp.27-33.
- Bleeker, M. M. E., & Roodt, G. 2002, 'Die verband tussen werksbetrokkenheid en werksprestasie', *SA Journal of Industrial Psychology*, vol.28, no.1, pp.22-32.
- Blumberg, B., Cooper, D. R., & Schindler, P. S 2011, *Business research methods*. London: McGraw-Hill Higher Education.
- Bollen, K.A. 1989, *Structural Equations with Latent Variables*, John Wiley & Sons, New York.
- Boshoff, C. & Mels, G 1995, 'Role stress and job satisfaction: Their supervisory antecedents and their influence on organizational commitment', *Journal of Industrial Psychology*, vol.21, no.1, pp.25- 32.
- Brimeyer, T M, Perucci, R, & MacDermid, S 2010, 'Age, Tenure, Resources for Control, and Organizational Commitment', *Social Science Quarterly*, vol.91, no.2, pp.511-530.
- Burud, S., & Tumolo, M. 2004, '*Leveraging the new human capital: Adaptive strategies, results achieved, and stories of transformation*', Palo Alto, CA: Davies-Black.
- Byrne, B. M. 2010, *Structural equation modeling with Amos: Basic concepts, applications, and programming* (2nd ed.), New York, NY: Taylor and Francis Group.

- Chelladurai, P., & Osagawara, E 2003, 'Satisfaction and commitment of American and Japanese collegiate coaches', *Journal of Sport Management*, vol.17, pp.62-73.
- Cheng, E.W.L. 2001, 'SEM Being More Effective Than Multiple Regression in Parsimonious Model Testing for Management Development Research', *Journal of Management Development*, vol. 20, no. 7, pp. 650-667.
- Chieffo, A M 1991, 'Factors contributing to job satisfaction and organizational commitment of community college leadership teams', *Community College Review*, vol.19, no.2, pp.15-25.
- Churchill, G.A. 1979, 'A Paradigm for Developing Better Measures of Marketing Constructs', *Journal of Marketing Research*, vol. 16, pp. 64-73.
- Coetzee, M., & Bergh, Z. 2009, 'Psychological career resources and subjective work experiences of working adults: An exploratory study', *SA Business Review*, vol.13, no.2, pp.1-31.
- Connolly, K.M., & Myers, J.E 2003, Wellness and mattering: the role of holistic Factors in job satisfaction, *Journal of Employment Counselling*.
- Cooper, D.R. & Schindler, P.S. 2001, *Business Research Methods*, 7th edn., Irwin/McGraw-Hill, Singapore.
- Deci, E.L. & Ryan, R.M 1985, *Intrinsic motivation and self determination in human behaviour*, New York: Plenum Press.
- Diamantopoulos, A. & Sigauw, J.A. 2000, *Introducing LISREL: A Guide for the Uninitiated*, Sage Publications.
- Dubinsky, A.J 2004, *High performers: Recruiting and retaining top employees*, Mason, OH: Thomson South Western.
- Ebel, R.L. & Frisbie, D.A. 1986, *Essentials of Educational Measurement*, Englewood Cliffs, NJ: Prentice-Hall.

- Egan, M, & Kadushan, G 2004, 'Job satisfaction of home health social workers in the environment of cost containment', *Health and Social Work*, vol.29, no.4, pp. 287-295.
- Elangovan, A.R 2001, 'Causal ordering of stress, satisfaction and commitment, and intention to quit: Structural equations analysis', *Leadership and Organisational Development Journal*, vol.22, no.4, pp.159-165.
- Employers and work–life balance, 2008. Work–Life Balance: Introduction. Employers for Work–Life Balance. The Work foundation [Online]. Available at: <http://www.employersforwork–lifebalance.org.uk/work/definition.htm>. [Accessed 3 March 2012]
- Esterhuyse, W. P. (2003) The challenge of Transformation: Breaking the Barriers. *South African Journal of Business Management*, vol.34, no.3, pp.1 -8.
- Feldman,D.C. & Bolino, M.C. 1996, 'Careers within: reconceptualizing the nature of career anchors and their consequences', *Human Resource Management Review*, vol.6, no.2, pp.89-112.
- Ferrer, J. (2005). *Employee engagement: Is it organisational commitment renamed?* Working paper. School of Management, Victoria University.
- Ferres, N., Connell, J., & Travaglione, A 2004, 'Co-worker trust as a social catalyst for constructive employee attitudes', *Journal of Managerial Psychology*, vol.19, no.6, pp.608-622.
- Forrester, R 2000, 'Empowerment: rejuvenating a potent idea', *Academy of Management Executive*, vol.14, no.3, pp.67–80.
- Fried, Y., & Ferris, G R 1987, 'The validity of the job characteristics model: A review and meta-analysis', *Personnel Psychology*, vol. 40, no.2, pp.287–322.

- Gaan, N. 2007, A revisit on impact of job attitudes on employee turnover: An empirical study in Indian IT industry. [Online] Available at: <http://www.ibacnet.org/bai2007/proceedings/Papers> [Accessed 14 May 2012]
- Galinsky, E., Bond, J. T., & Hill, E. J. 2004, 'When work works: A status report on workplace flexibility', New York, NY: Families and Work Institute.
- Gallup. 2013, *State of the Global Workplace*. [Online] Available at: www.ihrim.org/Pubonline/Wire/Dec13/GlobalWorkplaceReport_2013.pdf . [Accessed 23 February, 2014]
- Gallup. 2008, Q12 Meta-Analysis. [Online] Available at: http://strengths.gallup.com/private/resources/q12meta-analysis_flyer_gen_08%2008_bp.pdf [Accessed 23 February, 2014].
- Greenhaus, J. H., Callahan, G. A., & Godshalk, V. M. (2000). *Career management*. New York: Dryden.
- Gregory, D.M., Way, C.Y., LeFort, S., Barrett, B.J., & Parfrey, P.S 2007, 'Predictors of registered nurses' organizational commitment and intent to stay', *Health Care Management Review*, vol.32, no.2, pp.119-127.
- Gruman, J. A. & Saks, A. M. 2011, 'Performance management and employee engagement', *Human Resource Management Review*, vol.21, pp.123-136.
- Hackman, J. R., & Oldham, G. R. 1976, 'Motivation through the design of work. Test of a theory', *Organisational Behaviour and Human Performance*, vol.16, pp.250-279.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. 2010, *Multivariate data analysis: A global perspectives*, Upper Saddle River, NJ: Prentice Hall.
- Harter, J.K. , Hayes, T.L & Schmidt, F.L 2002, 'Business- Unit-Level Relationship Between Employee Satisfaction, Employee Engagement, and Business Outcomes: A Meta Analysis', *Journal Of Applied Psychology*, vol.87, no.2, pp 268-279.

- Hartley, J., Jacobson, D., Klandermans, B., & Van Vuuren, T. 1991, '*Job insecurity: Coping with jobs at risk*', London: Sage Publishers.
- Herman, R.E 2008, '*Hold on to the people you need*'. [Online]. Available from <http://www.proquest.com> [Accessed 8 December 2012].
- Hirsh, W. and Jackson, C 1996, '*Strategies for career development: promise, practice and pretence*', Report No. 305, Institute of Employment Studies, Brighton.
- Hodson, R 1997, '*Group relations at work: Solidarity, conflict, and relations with management*', *Work & Occupations*, vol.24, no.4, pp.426-453.
- Hoyle, R.H. 1995, '*Structural Equation Modeling: Concepts, Issues, and Applications*', Sage Publications, Thousand Oaks, London, New Delhi.
- Igbaria M 1992, '*Organisational Experiences and Career Success of MIS Professionals and Managers: An Examination of Race Differences*', *MIS Quarterly*, Vol. 16, No. 4, pp. 507-529 [Online]. Available from: www.jstor.org/stable/2497 [Accessed 16 March 2013].
- Igbaria, M. & Greenhaus, J.H 1991, '*Career orientations of MIS employees: an empirical analysis*', *MIS Quarterly*, vol.15, no.2, pp.22.
- Johns, G 1996, '*Organisational behaviour: Understanding and managing life at Work*', Kansas City: Harper Collins College Publishers.
- Kahn. W. A. 1990, '*Psychological conditions of personal engagement and disengagement at work*', *Academy of Management Journal*, vol.33, no.4, pp.692-724.
- Kahumuza, J., & Schlechter, A.F 2008, '*Examining the direct and some mediated relationships between perceived support and intention to quit*', *Management Dynamics*, vol.17, no.4, pp.2-19.

- Kehoe, J. 1995, 'Basic Item Analysis for Multiple-Choice Tests', *Practical Assessment, Research & Evaluation*, vol. 4, no. 10, [Online] Available online: <http://www.ericae.net/pare/getvn.asp?v=4&n=10> [Accessed 3 March 2012]
- Khanna, S. 2008, *Increasing employee retention through employee engagement: A challenge for human resource initiatives*. Perth, Inderscience Publishers.
- Kolb, Bonita M 2008, *Marketing Research: a Practical Approach*. London: SAGE.
- Kouzes, J., & Posner, B 1995, *An instructor's guide to the leadership challenge*. New York, NY: Jossey-Bass Publishers.
- Lambert, E.G., Hogan, N.L., & Barton A Lubbock, S.M 2001, 'The impact of job satisfaction on turnover intent: A test of a structural measurement model using a national sample of workers', *Social Science Journal*, vol.38, no.2, pp.233-251.
- Larwood, L 1984, *Organizational Behavior and Management*, Boston: Kent Publishing Company.
- Levin, I & Stokes, JP 1989, 'Dispositional approach to job satisfaction: Role of negative affectivity', *Journal of Applied Psychology*, Vol.74, No.5, pp.752-758.
- Levin, R. 2006, '*Managing Staff Retention*', Pretoria, Department of Public Service and Administration
- Liden, R. C., & Tewksbury, T. W. 1995, *Empowerment and work teams*, Handbook of human resources management (pp. 386–403). Oxford, England: Blackwell.
- Little, B and Little, P 2006, 'Employee engagement: conceptual issues', *Journal of organizational culture, communication and conflict*, vol.10, no.1, pp.111-120.
- Luddy, N 2005, Job satisfaction amongst employees at a public health institution In the Western Cape. Unpublished MComm dissertation.
- Luna-Arocas, R., & Camps, J 2008, 'A model of high performance work practices and turnover intentions', *Personnel Review*, vol.37, no.1, pp.26-45.

- Luthans, F. 2002, *Organisational behaviour*, New York:McGraw-Hill.
- Macey, W. H., & Schneider, B 2008, 'The meaning of employee engagement', *Industrial and Organisational Psychology*, vol.1, pp.3–30.
- Macey, W. H., Schneider, B., Barbera, K. M., & Young, S. A. 2009, '*Employee engagement: Tools for analysis, practice and competitive advantage*', Malden, WA: Wiley-Blackwell.
- Madison, D 2000, Can your job make you sick? [Online] Available at: <http://www.keepmedia%20%20Psychology20Today> [Accessed 3 November 2013]
- Mak, B. 2001, 'Learning Art with Computers – a LISREL Model', *Journal of Computer Assisted Learning*, vol. 17, pp. 94-103.
- Marsh, H.W., Hau, K.T., and Wen, Z 2004, 'In Search of Golden Rules: Comment on Hypothesis-Testing Approaches to Setting Cutoff Values for Fit Indexes and Dangers in Overgeneralizing Hu and Bentler's Findings', *Structural Equation Modeling*, vol.11, no.3, pp.320-41.
- Martin, A., & Roodt, G 2008, 'Perceptions of organizational commitment, job satisfaction and turnover intentions in a post-merger South African tertiary institution', *South African Journal of Industrial Psychology*, vol.34, no.1, pp.23-31.
- Maslach, C., & Leiter, M. P. 2008, 'The meaning of employee engagement', *Industrial and Organizational Psychology*, vol.1, pp.3-30.
- Maslach, C., Schaufeli, W.B. and Leiter, M.P., 2001, 'Job burnout', *Annual Review of Psychology*, vol.52, pp. 397-422.
- Mauno, S., & Kinnunen, U. 1999, 'Job insecurity and well-being: A longitudinal study among male and female employees in Finland', *Community, Work & Family*, vol.2, pp.147-171.

- May, D.R., Gilson, R.L. & Harter, L.M. 2004, 'The psychological conditions of meaningfulness, safety and availability and the engagement of human spirit at work', *Journal of Occupational and Organizational Psychology*, vol.77, pp.11-37.
- Mayo, A 1991, *Managing Careers - Strategies for Organisations*, Institute of Personnel Management, London.
- McCormick, E.J., & Ilgen, D.R. 2005, *Industrial and Organizational Psychology*, London: Allen & Unwin.
- Merriman, J 2004, 'Ethics law and sport', *Journal of Legal Aspects of Sport*, vol.20, no.2, pp.56-63.
- Mester, C., Visser, D., Roodt, G. & Kellerman, R 2003, 'Leadership style and its relation to employee attitudes and behaviour', *SA Journal of Industrial Psychology*, vol.29, no.2, pp.72-82.
- Miles, E W., Patrick, S L, & King, W C 1996, 'Job level as a systemic variable in predicting the relationship between supervisory communication and job satisfaction', *Journal of Occupational & Organizational Psychology*.vol.69, no.3, pp.277-293.
- Moorhead, G. & Griffen, R.W 1992, *Organizational Behavior* (3rd ed.), Boston: Houghton Mifflin Company.
- Nel, P.S., Van Dyk, P.S, Haasbroek, H.D., Schultz, H.B., Sono, T., & Werner,A 2004, *Human resources management*. (6th ed.). Cape Town: Oxford University Press.
- Nordvik, H 1991, 'Work activity and career goals in Holland's and Schein's theories of vocational personalities and career anchors', *Journal of Vocational Behaviour*, vol.38, pp.165-178.
- Nunnally, J.C. & Bernstein, I.H. 1994, *Psychometric Theory*, 3rd. edn., McGraw-Hill, New York.

- Okpara, J.O. 2004, 'The impact of salary differential on managerial job satisfaction: A study of the gender gap and its implications for management education and practice in a developing in a developing economy', *The Journal of Business Development Nations*, vol.8, pp.65-92.
- Ologbo, C.A. and Saudah, S., 2011, 'Engaging People who Drive Execution and Organizational Performance', *American Journal of Economics and Business Administration*, vol.3, no.3, pp. 569-575.
- Oshagbemi, T 1997, 'Job Satisfaction and dissatisfaction in higher education', *Education and Training*, vol.39, no.9, pp.345- 359.
- Oshagbemi, T.O 1996, 'Job satisfaction of UK academics. Educational Management and Administration', vol.24, no.4, pp.389-400.
- Pallant, J. 2001. SPSS Survival Manual. Open University Press, Buckingham and Philadelphia
- Parisi, A. G., & Weiner, S. P 1999, Retention of employees: Country-specific analyses in a multinational organization, Poster at the Fourteenth Annual Conference of the Society for Industrial and Organizational Psychology, Atlanta, GA.
- Parkes, L.P., & Langford, P.H. 2008, 'Work-life balance or work-life alignment? A test of the importance of work-life balance for employee engagement and intention to stay in organisations', *Journal of Management and Organization*, vol.14, no.3, pp.267–284.
- Perrin. (2003). Working Today: Understanding What Drives Employee Engagement The 2003 Towers Perrin Talent Report, U.S Report, [Online] Available: http://www.towersperrin.com/tp/getwebcachedoc?Webc=HRS/USA/2003/200309/Talent_2003.pdf [Accessed 3 March 2012]

- Pienaar, C., & Bester, C.L 2008, 'The retention of academics in the early career phase', *SA Tydskrif vir Menslike Hulpbronnebestuur*, vol.6, no.2, pp.32-41.
- Pulakos, E. D. 2009, *Performance management: A new approach for driving business results*, Malden , MA: Wiley-Blackwell.
- Rashid Z.A, Sambasivan M & Johari J 2003, 'The Influence Of Corporate Culture And Organisational Commitment On Performance', *Journal Of Management Development*, vol. 22, no. 8, pp.708 – 728, [Online] Available from: www.emeraldinsight.com/0262-171 [Accessed 18 March 2013]
- Ray, J.J. 1982, 'A Cluster Analytic Exploration of What Underlies Popular Social Science Constructs', *Journal of Social Psychology*, vol. 116, pp. 263-267.
- Richman, A. L., Civian, J. T., Shannon, L. L., Hill, E. J., & Brennan, R. T. 2008, 'The relationship of perceived flexibility, supportive work-life policies, and use of formal flexible arrangements and occasional flexibility to employee engagement and expected retention', *Community, Work & Family*, vol.11, pp.183-197.
- Robbins, S.P 1998, *Organisational behaviour* (8th ed.), New Jersey: Prentice Hall.
- Robbins, S.P., Odendaal, A., & Roodt, G 2003, *Organizational Behaviour*, Cape Town: Prentice-Hall International.
- Robinson, D., Perryman, S., & Hayday, S. 2004, *The Drivers of Employee Engagement*, Report 408, Institute for Employment Studies.
- Rodwell, C 1996, 'An analysis of the concept of empowerment', *Journal of Advanced Nursing*, vol.23, pp.305-13.
- Rothmann, S., & Jordaan, G. M. E. (2006). Job demands, job resources and work engagement of academic staff in South African higher education institutions. *SA Journal of Industrial Psychology*, 32(4), 87-96.

- Ruthankoon, R., & Ogunlana, S. O 2003, 'Testing Herzberg's two-factor theory in the Thai construction industry', *Engineering, Construction and Architectural Management*, vol.10, no.5, pp.333-341.
- Saks A M 2006, 'Antecedents and consequences of employee engagement', *Journal of Managerial Psychology*, Vol. 21, no.7, pp. 600 – 619.
- Schaufeli, W. B., & Bakker, A. B. 2004, 'Job demands, job resources and their relationship with burnout and engagement: A multi-sample study', *Journal of Organizational Behavior*, vol.25, pp.293-315.
- Schaufeli, W.B. and Salanova, M., 2007, 'Work engagement: an emerging psychological concept and its implications for organizations', In: S.W. Gilliland, D.D.
- Schumacker, R.E. & Lomax, R.G. 1996, *A Beginner's Guide to Structural Equation Modeling*, Mahwan, Lawrence Erlbaum Associates, Inc., New Jersey.
- Sekaran, U. 2000, *Research Methods for Business: A Skill-Building Approach*, 3rd edn., Wiley, New York, USA
- Shead, K 2011, 'Embrace diversity and improve productivity', [Online]. Available <http://www.mba.co.za/printarticle.aspx?s=51&a=3058> [Accessed 3 March 2012]
- Singh, P.C., & Surujlal, J 2006, 'Factors affecting the job satisfaction of South African sport coaches', *South African Journal for Research in Sport, Physical Education and Recreation*, vol.28, no.1, pp.127-136.
- Smith JW & Joseph SE 2010, 'Workplace Challenges In Corporate America: Differences In Black And White', *Equality, Diversity And Inclusion: An International Journal*, Vol. 29, No. 8, pp.743 – 765
- Smither, R.D 1988, *The psychology of work and Human Performance*. New York: Harper & Row.

- Somers MJ 2001, 'Racial Differences in Work Attitudes: What You See Depends on What You Study', *Journal of Business and Psychology* Vol. 15, No. 4, pp. 579-591. [Online] Available from: www.jstor.org/stable/25092743 [17 March 2012].
- Sonnentag, S., 2003, 'Recovery, work engagement, and proactive behaviour: a new look at the interface between non-work and work', *Journal of Applied Psychology*, vol.88, no.3, pp. 518–528.
- Spector, P. E. 1997, *Job satisfaction: Application, assessment, cause, and consequences*, Thousand Oaks, CA: SAGE Publications.
- Spector, P.E 2008, *Industrial and Organizational Behaviour* (5th ed.), New Jersey: John Wiley & Sons.
- Spreitzer G. & Doneson D. 2005, Musings on the past and future of employee Empowerment, *Handbook of organizational development* (Chapter 17). Thousand Oaks, CA: Sage.
- Steiner, and D.P. Skarlicki, ed, 2007, 'Research in Social Issues in Management: Managing Social and Ethical Issues in Organizations', Information Age Publishers, Greenwich, CT.
- Strydom, S C, & Meyer, J C 2002, 'n Ondersoek na die bronne vanwerkstevredenheid en werkstres onder middelvlakbestuurders in die Wes-Kaap' (An investigation of the sources of job satisfaction and work stress among middle-level managers in the Western Cape), *South African Journal of Industrial Psychology*, vol.28, no.2, pp15 – 22.
- Super, D. E., Savickas, M. L., & Super, C. M 1996, The life-span, lifespace approach to careers. In D. Brown, L. Brooks, & Associates, *Career choice and development* (3rd ed., pp. 121–178). San Francisco: Jossey-Bass.

- Taber, T.D. & Alliger, G M 1995, 'A task-level assessment of job satisfaction', *Journal of Organizational Behavior*, vol.16, no.2, pp.101-121.
- Tanaka, J.S. 1993, *Multifaceted Conceptions of Fit in Structural Equation Models*, In K.A. Bollen & J.S. Long (eds.), *Testing Structural Equation Models*, pp. 10-39, Newbury Park, CA: Sage.
- Ting, Y 1997, 'Determinants of job satisfaction of federal government employees', *Public Personnel Management*, vol.26, no.3, pp.313-334.
- Tolbert, P.S., & Moen, P 1998, 'Men's and women's definitions of "good" jobs', *Work & Occupations*, vol.25, no.20, pp.168-195.
- Tuch,S.A & Martin, J.K 1991, 'Race in the workplace:black/white differences in the sources of job satisfaction', *The Sociological Quarterly*, vol.32, no.1, pp.103-116.
- Vazirani, N 2007, *Employee engagement*. Berkerley: SIES College of Management Studies.
- Vitell, S.J., & Davis, D.L. 1990, 'The relationship between ethics and job satisfaction', *Journal of Business Ethics*, vol.9, no.6, pp.489-495.
- Wagner, R., & Harter, J. K. 2006, 'The Elements of Great Managing', New York: Gallup Press.
- Weiner, S. P 2000, Worldwide technical recruiting in IBM: Research and action. In P. D. Bachiochi (Chair), *Attracting and keeping top talent in the high-tech industry*. Practitioner Forum at the Fifteenth Annual Conference of the Society for Industrial and Organizational Psychology, New Orleans, LA.
- West, S.G., Finch, J.F. & Curran, P.J. (1995). Structural equation models with non-normal variables: Problems and remedies. In R.H. Hoyle (Ed.), *Structural equation modeling: Concepts, issues and applications* pp. 56-75. Thousand Oaks, CA: Sage.
- Wilson, Kenneth L. and John Sibley Butler 1978, 'Race and Job Satisfaction: The Military Experience', *Sociological Quarterly*, vol.19, pp.626-38.

- Witt, L.A. & Nye, L.G 1992, 'Gender and the relationship between perceived fairness of pay or promotion and job satisfaction', *Journal of Applied Psychology*, pp.910-917.
- Wocke, A. & Sutherland, M. (2008) The Impact of Employment Equity Regulations on the Psychological Contract in South Africa. *The International Journal of Human Resource Management*, vol.19, no.4, pp.528-542.
- Young, B.S., Worchel, S. & Woehr, D.J 1998, 'Organizational commitment among public service employees', *Public Personnel Management*, vol.27, no.3, pp.339-349.

