

UNIVERSITY OF KWAZULU-NATAL

**LEADERSHIP AND PRODUCTIVITY:
A CASE STUDY OF NEW AGE BEVERAGES**

**By
Natalina Singh
971154982**

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**Graduate School of Business & Leadership
College of Law and Management Studies**

Supervisor: Mr Alec Bozas

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DECLARATION

I, Natalina Singh, declare that

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- (ii) This dissertation/thesis has not been submitted for any degree or examination at any other university.
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ABSTRACT

Employee engagement and engaging leadership are subjects receiving attention from organisations. The link between employee morale, motivation and business productivity is important as well managed organisations can derive benefit from such linkages. The aim of this study was to determine whether the engagement models, leadership practices and tools utilised by New Age Beverages (NAB) had impacted positively on the morale and motivation of NAB employees. The study also considered whether there was a positive correlation between morale and motivation of employees in relation to overall business productivity. A probability sample of 50 employees and managers were drawn from a population of 120 employees. The sample frame was drawn from the NAB employee database.

A questionnaire which was comprised of 25 quantitative and 5 qualitative questions was used to elicit information from management and employees at NAB. Data mining was conducted to determine trends with regards to quantitative data over the past 3 years relating to Human Resource Key Performance Indicators. The evidence confirmed that engaging leadership has a positive impact on the morale and motivation of NAB staff. It also confirmed that employees perceived a positive correlation between leadership tools and practices such as integrated management practices and “on the level” conversations on the morale and motivation of staff at NAB. Data mining evidence confirmed that integrated management practices resulted in compliance and quality levels increasing to 100% in year 3, machine efficiency and cases produced increased from 78% to 89% and 77% to 91% respectively, proving a positive correlation between employee morale, motivation and business productivity.

Key recommendations being for NAB to focus on lower scoring areas, such as trust levels between leadership and management on one hand and employee development on the other, in order to gain further benefits from their programmes. It is suggested that a qualitative study be undertaken.

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CHAPTER ONE: INTRODUCTION

1.1. Introduction

Employee engagement is often thought of as terminology that Human Resource (HR) practitioners use, but whether employee engagement and engaging leadership are merely fads or whether they can improve business productivity need to be considered. This study was aimed at determining whether New Age Beverages' (NAB) engagement models, namely Integrated Management Practices and the various leadership toolkits it utilises can impact positively on the morale and motivation of staff at NAB.

This chapter discusses the background and problem statement with regards to the research that was undertaken and the motivation for the study. Next, the focus of the study and the research questions that the study aimed to answer are articulated. The objectives of the study and the methodology utilised in the research are discussed. Then, the significance of the study is considered. Lastly, an outline of the chapters is provided.

1.2. Background

Robinson, Perryman and Hayday (2004) suggest that “engagement is more than a passing fad – it brings clear business benefits. Engagement is seen as bringing real competitive advantage. However, raising engagement levels and maintaining them, takes time, effort, commitment and investment – it is not for the half-hearted.” Organisations around the world are continuously striving to gain a competitive edge via technology, information systems, innovation, competition and more recently via their human capital. “Increasingly organisations realise that they also need to inspire their employees to go the extra mile and feel passionate about the future of their company. They need to motivate them to exert maximum effort, deploy maximum intelligence, and apply maximum creativity in their work for the benefit of the organisation as a whole,” Ditchburn (2012).

The aim of the research was to look at a fast moving consumable goods (FMCG) company, New Age Beverages (NAB), which is a wholly owned subsidiary of South African Breweries (SAB) and review the employee engagement and leadership tools utilised by the organization. The study also looked at other world class organisations and reviewed their employee engagement and leadership tools. The research considered whether world class people management and leadership systems promote employee morale and motivation amongst staff at NAB, hence driving the business's agenda.

The current global economic crisis has led to fewer operational shifts and reduced working hours by several companies, thereby impacting on the basic physiological and safety needs as illustrated by Maslow's Hierarchy of Needs (1943). If the research is validated, then it is possible that employee engagement can lessen the burden of the current crisis and that organisations can still provide safety and security for their employees and keep them engaged amidst the economic crisis.

1.3. Problem Statement

Robinson, Perryman and Hayday (2004), state that "research shows that committed employees perform better. If one accepts that engagement, as many believe, is 'one step up' from commitment, it is clearly in the organisation's interests to understand the drivers of engagement. However, the strongest driver of all is a sense of feeling valued and involved."

Organisations spend a massive amount of money on recruiting, training, developing, pursuing new ways to engage and retain talent and therefore need to successfully achieve a return on their investment. Is there then a positive correlation between employee engagement and business profitability.

Does engaging Leadership improve employee morale and employee engagement. Will this in turn lead to greater productivity of the organisation.

1.4. Motivation for the Study

The benefits of the research for other organisations are that the research considered whether or not there are correlations between leadership and productivity at NAB. The research considered engaging leadership and leadership tools and practices implemented at NAB over a three year period and the impact that this had on morale, motivation and productivity of the business. Other organisations can utilise the tools and practices as implemented by NAB in order to engage with their employees, improve employee morale and motivation as well as increase the business productivity.

The research is also important to other scholars undertaking similar research as it provides a sample case study which looked at tangible factual data and the benefits that engaging leadership had on business productivity.

The research that was undertaken will be of value to leaders who are looking at ways to motivate and engage with their employees. The research indicates that the processes followed by the organisation studied in order to elicit the results that they required, can be replicated by other organisations who want to turn around their businesses and improve employee morale and motivation.

The benefits for NAB are that they now have tangible results which links their leadership tools and practices to improved employee morale, motivation and business productivity. NAB can use this research to determine where they have done well and what their areas for improvement are.

The contribution that this research makes to HR practitioners, leaders and organisations in general is that it provides a case study of engaging leadership in practice. It also provides tangible results that were achieved by NAB as an outcome of their implementation of specific leadership tools and practices. The research also confirms to NAB the strengths of their programme.

1.5. Focus of the Study

The study focussed on a fast moving consumable good (FMCG) organisation New Age Beverages, (NAB) which comprised of a total of 120 employees and managers. NAB is a wholly owned subsidiary of the South African Breweries (SAB) (Ltd). New Age Beverages is a bottler of Coca-Cola and associated products owned by the Coca-Cola Company. The manufacturing plant is located in Phoenix Industrial Park in Durban. New Age Beverages or NAB as it is otherwise known produces all the 1.25 litres, 250 ml and 300 ml glass packaged soft drinks for KwaZulu-Natal and sometimes for inland areas if the customer demand requires it, (www.abi.co.za).

1.6. Research Questions

The research looked at whether engaging leadership has an impact on productivity at NAB. The research questions that this study aimed to answer were as follows:

- What is the impact of engaging leadership on morale of staff at NAB?
- What is the impact of engaging leadership on motivation of staff at NAB?
- What is the impact of leadership tools and practices on morale of staff at NAB?
- What is the impact of leadership tools and practices on motivation of staff at NAB?
- Does an engaging work environment contribute to increased productivity at NAB?

1.7. Objectives

The objectives of the study were to determine:

- The impact of engaging leadership on morale of staff at NAB
- The impact of engaging leadership on motivation of staff at NAB
- The impact of leadership tools and practices on morale of staff at NAB
- The impact of leadership tools and practices on motivation of staff at NAB
- Whether an engaging work environment contributes to increased productivity at NAB

1.8. Research Methodology

The research undertaken was a permutation of quantitative and qualitative techniques. The primary research tool that was used to solicit information from management and employees at NAB was a questionnaire. The questionnaire comprised of 25 quantitative questions and 5 qualitative questions. Data mining was also utilised in order to draw trends with regards to quantitative data over the previous 3 years relating to Organisational Effectiveness survey scores before and after implementation of people management systems, retention and turnover rates, internal promotions within the group, absenteeism, productivity and profitability of the organisation.

The population is 120 employees and managers who are employed by NAB. The sample size was a cross-section of 50 employees from the various departments which include: production, administration, quality, supply chain and engineering employees as well as management at NAB. This research utilised probability sampling. The sample frame utilised in the research is the employee database in the form of an employee list obtained from the Human Resources department at New Age Beverages. As the research measured the contributors to employee engagement, morale, motivation, leadership and it's correlation to business productivity, employees and managers were segregated in order to gauge the views of both parties.

The questionnaire was developed by using a funnelling approach, whereby questions to get a broad idea about the situation, were asked initially and were then followed by more in-depth questions specifically relating to morale, motivation and leadership tools and practices. The questionnaire was printed out and handed to each respondent to complete at their own pace in a controlled environment, on the company premises. As this is a manufacturing plant and most employees are production shift workers, they were more affable to complete the survey if they were given adequate time to do so and they were located in an environment which is quiet and would have allowed them to concentrate fully. This allowed for the respondents to complete the questionnaire in a non-subjective environment and allowed for meaningful, well thought of responses.

The research methodology is discussed in more detail in Chapter Three.

1.9. Significance of the Study

This study is important because it is of value to NAB, associated companies and other World Class Manufacturing Organisations with evidence that there is real value in implementing engaging management practices and leadership tools. The study also considered the amount of time and money that organisations spend in developing and implementing these tools and whether the tools will in fact ensure a good return on investment.

1.10. Chapter Outline

The research consists of five chapters, which are explained below:

Chapter One: is the overview of the study and discussed how the study was conducted. It looked at the problem statement and the motivation for the study. It also considered the focus of the study and the research questions that the study aims to answer. The chapter concluded by discussing the objectives of the study and the proposed methodology.

Chapter Two: is this review of literature which considered current literature with regards to employee engagement, morale, motivation and leadership and considered the correlation, if any to Business Performance and Productivity. Key concepts in the research such as employee engagement, leadership, morale and motivation were discussed.

Chapter Three: this chapter looked at the research methodology and the design of the study. The aim and objectives of the study were then discussed. Next the location and participants involved were reviewed. The research approach and the sampling process were then considered. The development of the instrument was then discussed. Pre-testing and validation of the research was then considered. Reliability, validity and the pilot study was reviewed next. The chapter was concluded by a discussion of the approach for analysing the data, the tests that were chosen and the reasons that these tests were chosen.

Chapter Four: this chapter presented the results and discussed the findings of the research. The data from the questionnaire responses was presented, analysed and discussed. The data collected from the questionnaire responses were analysed with SPSS version 20.0. Results in the form of graphs, cross tabulations and other figures were then presented. Data mining was also utilised in order to draw trends with regards to quantitative data over the past 3 years relating to HR key performance indicators in relation to business productivity metrics.

Chapter Five: this chapter reviewed the data collected from the questionnaires and the data mining undertaken. Conclusions with regards to the problem statement were then discussed. Considerations about whether the data has answered the research question were made. Next, the benefits of the research and recommendations to solve the business problem were reviewed. The limitations of the study as well as recommendations to overcome the limitations, were then outlined.

1.11. Summary

This chapter has introduced the research topic of employee engagement, leadership and productivity. The question of whether employee engagement can contribute to business productivity was posed.

The chapter discussed the problem statement with regards to the research to be undertaken and the motivation for the study. Next, the focus of the study and the research questions that the study aimed to answer was articulated. The objectives of the study and the proposed methodology to be utilised in the research were then discussed. Lastly, an outline of the following chapters and what they entailed were discussed.

Chapter two presents a review on the current literature with regards to employee engagement, morale, motivation and leadership.

CHAPTER TWO: REVIEW OF LITERATURE

2.1. Introduction

The objective of this review of literature is to consider current literature with regards to employee engagement, morale, motivation and leadership and consider the correlation, if any to Business Performance and Productivity. Since employee engagement, leadership, morale and motivation are the key factors in this research, it was imperative to discuss these concepts thoroughly. Employee engagement is a relatively new word within the corporate environment, with more journal articles and short reviews focusing on what employee engagement really is, the various ways the terms is defined and used, its benefits as well as the disadvantages of having employees who are not engaged. The key research objectives were to determine the impact of:

- Engaging leadership on morale of staff at NAB
- Engaging leadership on motivation of staff at NAB
- Leadership tools and practices on morale of staff at NAB
- Leadership tools and practices on motivation of staff at NAB
- Whether an engaging work environment contributes to increased productivity at NAB

2.2. Employee Engagement

Organisations around the world are continuously striving to gain a competitive edge via technology, information systems, innovation, competition and more recently via their human capital. Employee engagement can provide real business benefits, as stated by Robinson, Perryman and Hayday (2004) who suggest that “Engagement is seen as bringing real competitive advantage, however, raising engagement levels, and maintaining them, takes time, effort, commitment and investment – it is not for the half-hearted.”

“Increasingly organisations realise that they also need to inspire their employees to go the extra mile and feel passionate about the future of their company.” The British Psychological Society believes that organisations need to motivate employees to give off their best effort, use

the intelligence and also be creative and innovative in coming up with solutions in order to benefit the organisation, (Ditchburn, 2012).

Organisations spend a massive amount of money in recruiting, training, developing, pursuing new ways to engage and retain talent and therefore need to successfully achieve a return on their investment. Robinson et al (2004) state that “research shows that committed employees perform better. If we accept that engagement, as many believe, is ‘one step up’ from commitment, it is clearly in the organisation’s interests to understand the drivers of engagement.”

According to a Towers Perrin study as cited in Esty and Gerwitz (2008) “Engagement is the willingness and ability to contribute to company success, the extent to which employees put discretionary effort into their work, in the form of extra time, brainpower and energy.” In essence the various authors reviewed allude to employee engagement simply meaning: employees who are so motivated and emotionally committed to their organisation that they work harder and perform better, which leads to their contribution to a better performing organisation.

Engaged employees therefore means, employees who are intellectually and emotionally committed to their peers and or managers or leaders and apply extra effort. This is substantiated by Gibbons (2006) who states that “Employee engagement is a heightened emotional and intellectual connection that an employee has for his or her organisation, manager, or co-workers that, in turn, influences him / her to apply additional discretionary effort to his / her work.”

Soldati (2007) states that “In 2006, The Conference Board defined employee engagement as a heightened emotional connection that an employee feels for his or her organization, that influences him or her to exert greater discretionary effort to his or her work”. This definition ties into the previous definitions discussed, and alludes to emotional commitment that an employee feels, which drives them to place more energy and effort into their work.

At least four of the studies agreed on the following eight key drivers.

- Trust and integrity – How well managers communicate and 'walk the talk'.
- Nature of the job – Is it mentally stimulating day-to-day?
- Line of sight between employee performance and company performance – Does the employee understand how their work contributes to the company's performance?
- Career Growth opportunities – Are there future opportunities for growth?
- Pride about the company – How much self-esteem does the employee feel by being associated with their company?
- Co-workers/team members – Significantly influence one's level of engagement
- Employee development – Is the company making an effort to develop the employee's skills?
- Relationship with one's manager – Does the employee value his or her relationship with his or her manager?"

These eight key drivers are of paramount importance as it unpacks these catalysts of employee engagement into real tangible concepts. These concepts will be explored further as the contributors to employee engagement, morale, motivation, leadership and it's correlation to business productivity.

2.3. Morale

The business dictionary.com defines morale as the “Psychological state of a person as expressed in self-confidence, enthusiasm, and/or loyalty to a cause or organisation,” Mulligan (2011). Morale can therefore be said to stem from one’s views of their actions with the hope that one will be rewarded appropriately.

“Employee morale describes the overall outlook, attitude, satisfaction, and confidence that employees feel at work,” according to Heathfield (2012). It therefore stands to reason that if employee’s are happy about their work environment, their morale will be positively increased.

Employee morale therefore takes into consideration the employee's attitude, confidence and satisfaction that they feel towards their work and their organisation. This could be either positive or negative depending on the employee's states of mind considering the aforementioned contributing factors.

2.3.1 Factors Influencing Employee Morale

Some of the key factors which impact either positively or negatively on employee morale are Learning and Development, Succession Planning, Teamwork, Organisational Culture and Job Satisfaction.

2.3.1.1 Learning and Development

Learning and Development in any organisation is used not only to train and grow talent within the organisation, but also to increase employee motivation and as a retention tool. Heathfield (2012), states the following about learning and development, "One of key factor's in employee motivation and retention is the opportunity employees want to continue to grow and develop job and career enhancing skills".

Training and development is therefore cited as one of the key factors in motivating employees. One of the reasons for this may be that employees feel valued when an organisation equips them with skills and knowledge that they might have not otherwise acquired. This also comes at a cost to the company, which makes employees feel that they are being developed for future growth opportunities.

Robbins, Odendaal and Roodt (2003) also emphasise the benefits of learning and development in his reference to the SAB case study where he states that "SA Breweries places a high premium on training and development. SAB's South African companies all exceed the 2001 American Society for Training and Development (ASTD) benchmark of 1.8% of payroll for their training budgets and on average all employees, including the lower-skill grades, received 5 training days during 2001." The rationale for this according to Robbins et al (2003) is that

SAB believes that it's employees will provide the company with the competitive advantage that they require in order to stay relevant in the market place.

There are also many management websites who refer to the benefits of learning and development, "Training is crucial for organisational development and success. It is fruitful to both employers and employees of an organisation," (www.managementstudyguide.com). An employee will become more efficient and productive if s/he is trained well.

The benefits of training can be summed up as:

1. **Improves morale of employees:** Training helps the employee to acquire job security and job satisfaction. The more satisfied the employee is and the greater is his morale, the more he will contribute to organisational success.
2. **Less supervision:** A well trained employee will be well acquainted with the job and will be self-directed.
3. **Fewer accidents:** The employee will be more proficient and less likely to be involved in accidents.
4. **Chances of promotion:** Employees acquire skills and efficiency during training. They become more eligible for promotion. They become an asset for the organisation.
5. **Increased productivity-** Training improves efficiency and productivity of employees. There is time, money and resources wasted.

So, one can deduce that whether it is class-based training or on the job training, training or learning and development has several benefits, two critical benefits which are of value to the research are that it provides the employee with a new or advanced skill that they are able to use in their job which leads to increased productivity of the business as well increased morale and motivation of the employee.

Learning and development is also described by Herzberg in the Harvard Business Review as a 'true motivator'. Herzberg (1968) as cited in the Harvard Business Review suggests that "people are motivated by interesting work, challenge and increasing responsibility." Being trained in one's current job and being developed for future growth within the organisation can therefore be deduced as of paramount importance to motivate any employee. Herzberg's

Motivation theory is discussed in greater detail under motivation theories in the review of literature.

2.3.1.2 Succession Planning

“Succession planning refers to the process of identifying and tracking high-potential employees,” Noe, Hollenbeck, Gerhart and Wright (2000). Succession planning focuses on creating pipeline for senior management. It also allows for organisations to attract and retain managers who are going to move up the ranks with development opportunities to support them in their career aspirations, Noe et al (2000).

Succession planning allows company to identify gaps within the organisation as well as potential leaders who will be able to fill those gaps, (Anderson, 2007). Succession planning is therefore a systematic process where future leaders are identified, ideally by their own managers. They are then trained and developed in order to take up senior positions within the organisation. One of the reasons organisations try to grow their own leadership is probably because these individuals have an in-depth view of the business environment and its challenges.

The literature on succession planning only makes reference to succession of high-potential employees who will one day hold the position of CEO or other positions in upper management.

The literature does not delve into employees at lower levels in the organisation and their career path even if it does only mean a promotion to two or three steps above their current position. Nevertheless, any employee who is aware of the career path and the organisation’s plans in order to get them will be more motivated to work harder and will exhibit higher levels of morale than an employee who is uncertain of the future within the organisation.

2.3.1.3 Teamwork

Several organisations where work is predominantly done in work-group, shift or production teams require cohesion between these groups in order to work more effectively and efficiently. Emphasis is therefore placed on the teams so that they are all committed to a common goal and work with minimal or no supervision. According to Capelli, in the Harvard Business Review (2001), teamwork is another one organisations can use in order to build commitment. Members of the team commit to each other and find it difficult to not to pull their weight as they understand that if they don't, they will be letting the entire team down. Teams are therefore more accountable for their performance as compared to individuals.

Schermerhorn, Hunt, Osborn and Uhl-bien, (2011) suggest that a team is a group of people who usually have skills and attributes that compliment each other so that their work is more effective. The team as work unit has collective accountability and all work together to achieve a common goal.

Adams (2007) cites Tranfield et al who says that teams are usually a small group of people who have a common vision, performance goals and are mutually accountable to achieve their goals.

Self-directed or self-managed work teams are two of the names given to teams who take their commitment, work ethic and sense of achievement of goals to the next level. According to Schermerhorn et al (2011), self directed or self managed teams make their own decisions, take full accountability and are able to operate with a manager.

Robbins (2001) shares a similar view and takes this one step further, in that team members plan, assign tasks control work and make their own decisions in the absence of a manager or leader. Robbins (2001) refers to a case study at Aid Association for Lutherans, a large financial service company where the organisation claims that their self-managed teams was one of the key factors in improving employee satisfaction and increase business volume by 50% whilst reducing staff by 15%. It is therefore clear that there are benefits of work teams in

the study and this reiterates the productivity that a company can gain by using self-directed or self-managed work teams in order to drive employee satisfaction, increased morale and productivity to the bottom line.

Some other benefits of self-managed or self-directed teams would be productivity, improvements with regards to quality, flexibility in production demands, responding to technological change faster as the team owns the solutions as well as reduced absenteeism, turnover and improved attitude, (Schermerhorn et al, 2011). Reasons for these possible benefits include the ownership, commitment and accountability that the team feels. These work teams successes are of paramount importance and many organisations, as highlighted above seem to derive significant benefit from these work teams.

2.3.1.4 Communication

Communication can impact the morale of the employee in either a positive or negative way, depending on whether communication is effective or ineffective. Adams (2007) refers to communication as the ability to transfer information effectively. When the sender sends a message that is received and is the same in meaning as the sender intended. Organisational communication often is about two aspects i.e. how the organisation is doing and what the plans for the future of the organisation are, as a way for employees to feel secure in the jobs.

Barrett (2002) discusses organisational communication which is meaningful and motivates people, gets their buy-in in order to support the business strategies and initiatives. Communication must also be clear and unambiguous so as to avoid any confusion or mixed messages.

Robbins (2001) refers to the four major functions of communication which include:

1. Controlling the behaviour of the recipients;
2. Motivates employees by discussing key aspects of what their goals are, current performance levels and development opportunities if any;
3. Allowing employees the opportunity to comment on what has been communicated;

4. It also provides the information employees require to make decisions about the way forward.

Communication if done effectively can therefore benefit the organisation in that employees feel a sense of belonging, by understanding the bigger picture and being committed to the goals of the organisation; there is also a sense of transparency which leads to greater employee motivation; and it allows for business information to be disseminated effectively within the organisation thereby providing necessary information to assist in business decisions.

2.3.1.5 Organisational Culture

The culture of the organisation plays a key role in employee morale. Organisational cultures vary from organisation to organisation. Organisational culture can be regarded as a combined set of values, beliefs and attitudes that exist within the organisation, (Schermerhorn et al, 2011).

Companies that foster the culture of discussions rather than instructions gain the most benefits in terms of employee morale, as there is greater buy in and employees are encouraged to bring their ideas to the table. This is evident in the example of ConSol (Consulting and Solutions Software) where employee involvement, equal opportunity and work-life balance are the key components of ConSol's culture of co-operation. At ConSol, employees are encouraged to debate, argue issues, share their opinions and speak out instead of merely being given directives. The company has been voted the best place to work in Germany for the past four years and just recently was named third best place to work in Europe, (Schermerhorn et al, 2011).

Organisational culture may not be as tangible as a few differentiating characteristics. There may be underlying aspects that is deep-rooted within the organisation, for example, tacit understandings and corporate memory which is may not necessarily be apparent to an observer from the outside.

Robbins (2001) suggests that organisational culture, in essence encompasses key characteristics that employees share. These characteristics include, innovation and risk-taking; attention to detail; their approach to outcomes; their approach to people; the commitment of teams; the aggressiveness of the organisation as well as the stability of the organisation.

Organisational culture is also an important aspect for employees, as a positive culture which encourages teamwork and rewards innovation can improve morale and vice versa.

A positive organisational culture can therefore allow employees to grow mentally and flourish, to be committed to the vision of the organisation, to come to work with a sense of purpose and leave with a sense of achievement.

2.3.1.6 Job Satisfaction

The last factor that contributes to employee morale is Job Satisfaction. Syptak, Marsland and Ulmer (1999) state that employees who are satisfied are often more productive, creative and committed.

A widely known definition of job satisfaction as sited in Judge and Saari (2004) is by Locke (1976) who defined job satisfaction as “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences.”

Judge and Saari (2004) discuss the importance of feeling and thinking that plays a role in the satisfaction of an employee towards their job. Simply stated, Job satisfaction can therefore be defined as an emotional state where meaningful work, the work environment, the employee’s interactions with his / her peers or colleagues can be positively attributed to the employee’s job satisfaction.

2.4 Motivation

Schermerhorn et al (2001) define motivation as the direction, level and persistence of an employee's efforts at work. Direction deals with the choices an individual makes. Level refers to the effort that one puts into a task.

Persistence deals with whether or not the employee is able to stick to the required task although it might be time consuming.

There are several theories of motivation which delve into factors that create a driving force, a sense of inspiration and enthusiasm within employees, so that their inner potential is unleashed and that they are not only at work physically but mentally too. An understanding of these theories of motivation will allow the leader to be able to satisfy the employee's innate needs.

2.4.1 Motivation Theories

2.4.1.1 Maslow's Hierarchy of Needs Theory

Maslow's hierarchy of needs theory identifies five levels of individual needs. The lower order needs that deal with social, safety and physiological needs are at the bottom of the hierarchy.

The higher-order needs such as self-actualisation and esteem are at the top of the hierarchy.

The concept of a need hierarchy assumes that the needs at the bottom need to be fulfilled first, before the higher order needs are filled. For example, physiological needs must be satisfied before safety needs are required, (Poston, 2009).

Table 2.1 Higher order and lower-order needs in Maslow's hierarchy of needs

Source: Adapted from Poston (2009).

Higher-order needs	Self-actualisation Highest need level; need to fulfil oneself; to grow and use abilities to fullest and most creative extent
	Esteem Need for esteem of other; respect, prestige, recognition, need for self-esteem, personal sense of competence, mastery
Lower-order needs	Social Need for love, affection, sense of belongingness in one's relationship with other persons
	Safety Need for security, protection and stability in the physical and inter-personal events of day-to-day life
	Physiological Most basic of all human needs; need for biological maintenance; need for food, water and sustenance

As each of these needs becomes adequately satisfied, the need next on the hierarchy requires fulfilment. If one relates this to motivation, the theory is that even though a need might not be fulfilled entirely, once it is adequately fulfilled, this need no longer is a motivating factor. So, if one wants to motivate someone according to Maslow, one needs to determine where that person is currently situated in terms of the hierarchy and consider what needs that person requires to be fulfilled. For example, if a manager wants to motivate his employees, by addressing that specific need which is currently not fulfilled, the manager will then be able to motivate their employee. The reason for the needs to be separated into two orders is that lower-order needs are satisfied by external factors and higher-order needs are satisfied by internal factors, (Schermerhorn et al, 2001).

2.4.1.2 Equity Theory

Adam's equity theory argues that people will compare the rewards that they receive for their work in relation to others. Any perceived inequity becomes a motivating state of mind and people will then behave in ways to try and restore equity, (Baxamusa, 2012).

What are the contributing factors that employees use to make comparisons? Employees make comparisons of their inputs into the job e.g. education and experience in relation to the outcomes of the job e.g. salary, promotions etc. If one perceives that their input is much greater than their expected output, in comparison to another employee's input in relation to their output, one will perceive their situation as unfair and a state of inequity will exist. This negative state motivates the employee to do something in order to correct the perceived inequity, (Robbins, 2001).

A simple example to illustrate equity theory is something that all employees use to determine whether they are being paid fairly or not. When a new recruit starts it is not unusual for employees to compare work experience and qualifications in relation to what the new recruit's salary package is, although discouraged by the company in terms of confidentiality. Employee's use this to compare against their own work experience, qualifications and tenure within the company to gauge whether they feel that they are being fairly compensated in relation to the new recruit. If they are earning more, they might feel more comfortable as a 'state of equity' exists in their mind. If they are on par or earning less, despite other factors that might have been considered when the company decided on the salary, this may lead to a belief of inequity, thus causing the employee to feel poorly treated or aggrieved.

Robbins et al (2001) discuss the four comparisons that employees often use:

1. Self-inside: An employee's view when placed in a different position within his or her current organisation
2. Self-outside: An employee's view when placed in different position outside his or her current organisation
3. Other-inside: An external parties view of the employee's internal environment.

4. Other-outside: An external parties view of the employee's external environment

Based on the literature one can deduce that employees might compare themselves to friends, neighbours, co-workers, colleagues in other organisations, or past jobs they themselves have had. It is therefore important that organisations consider peerage and parity when making decisions which may be misconstrued by the employee as being inequitable.

2.4.1.3 Expectancy Theory

Another process theory of motivation as stated in Schermerhorn et al (2001) is Victor Vroom's expectancy theory. "Vroom's expectancy theory argues that work motivation is determined by individual beliefs regarding effort / performance relationships and work outcomes."

In expectancy theory, an individual is motivated by expectancy (i.e. the effort that they put in, in relation to the performance levels); instrumentality (their performance will be rewarded appropriately) and lastly, valence (the value of the rewards is high), (Schermerhorn et al, 2001).

Expectancy theory therefore considers the employee's belief that his / her efforts will lead to their performance, which will in turn be rewarded and these rewards will be positive and satisfy the person's individual goals, (Thierry, 1996).

For example, an employee who puts in the effort wants to be viewed as someone who is performing at their job, ideally the employee wants to be rewarded for this performance either by monetary compensation e.g. a bonus or salary increase or promotion. This will in turn satisfy the employee's needs in that he /she is now able to satisfy their personal goal, by either using the money to purchase something that they wanted or be promoted.

2.4.1.4 Goal Setting Theory

Goal-setting is a fundamental business practice in most organisations, but it is important to consider what the impact of business goals on employee motivation is and how setting specific goals will not only motivate the employee, but ensure business productivity.

Locke and Latham (2006) suggest that difficult goals are more likely to lead to higher performance than are less difficult ones. Goals need to be specific. Goals need to be accepted and where there is clear commitment to them. Employees are able to achieve their goals when they have the skills and abilities to do so. Feedback is also an important component in order to motivate people to achieve the goals set.

Acceptance of the goal is vital in gaining buy in from the work force so that they are mentally focussed on achieving what they have set out to achieve. Goal-setting is often done in business across all levels, so that there is a sense of ownership and commitment to the business goals. Robbins (2001) substantiates this by suggesting that once an employee accepts the goal even if it is difficult, he or she will exert a higher level of effort in order to ensure that the goal is achieved.

Feedback is another important aspect that allows the continuous engagement between employee and manager, to determine whether they are on the right track and what else needs to be done in order to achieve the goal. With regards to feedback, Robbins (2001) suggests that people will perform better when they are engaged about how they are performing and what they need to focus on in order to perform better. Self-generated feedback which allows one to reflect and be critical of oneself is shown to be a powerful motivator. The rationale for this is probably because the feedback is generated from introspection and as it is the employee's own view, they are less critical in accepting the feedback and are more open to working on their development areas.

Locke and Latham (2006) link goal setting and the goal setting process to improved performance and productivity of employees. Goal setting defines the parameters in which employees not only work within but also strive to achieve new levels of performance.

2.4.1.5 McGregor's Theory X and Theory Y

McGregor's Theory X and Theory Y is another theory of motivation. Cunningham (2011) refers to Douglas McGregor's proposal of two distinct views of human beings: one basically negative, labelled Theory X and the other basically positively labelled, Theory Y. Under Theory X, the assumptions held by managers are:

1. Employees innately dislike work and whenever possible will attempt to avoid it.
2. Since employees dislike work, they must be coerced, controlled, or threatened with punishment to achieve goals.
3. Employees avoid responsibilities at all costs and prefer formal direction.

Theory Y, where employees:

1. Are able to view work as being as natural part of their day.
2. Are committed to their goals and are self-directed.
3. Are willing to accept and even looks for opportunities where they can take accountability.
4. Are eager to innovate and make decisions.

Theory X is therefore the negatively labelled view of human beings, while Theory Y is the positively labelled view of human beings. This theory is a very simplistic and basic understanding that is very black and white and leaves no room for variability or movement between X and Y. It seems unrealistic that human beings can be classified so simplistically. This may hold true for a small minority of employees, but not the majority of employees.

2.4.1.6 Herzberg's Two-Factor Theory

According to Schermerhorn et al (2001) Frederick Herzberg took a different approach when examining the relationship between an individual's needs and motivation. In his research Herzberg spoke to employees about situations at work where they were very positive and situations where they were negative. The results were that the motivating factors are sources of job satisfaction. These factors predominantly related to job content i.e. what employees specifically do. On the other hand employees were most dissatisfied with contextual issues i.e. the work environment.

Herzberg's research proposed that some job factors resulted in employee's satisfaction and other job factors prevented an employee's dissatisfaction. According to Herzberg, the opposite of 'Satisfaction' is 'No Satisfaction' and the opposite of 'Dissatisfaction' is 'No Dissatisfaction'. Herzberg differentiates these factors into 2 distinct groups, the first being hygiene factors and the second being motivational factors. Hygiene factors are required to avoid dissatisfaction, they include: Pay; Company policies, Administrative policies, Fringe benefits; Physical working conditions; Status; Interpersonal relations and Job security. Motivational factors are required to satisfy and motivate employees for high performance. They include: Recognition; Sense of achievement; Growth and promotional opportunities; Responsibility and Meaningfulness of work, (www.managementstudyguide.com).

Herzberg's two-factor theory therefore considers the context of the job as a source of what employee's could be dissatisfied with in the job and the content of the job as something that may lead an employee to be satisfied with the job. Herzberg's suggestion is then, if leaders want to motivate their employees, they need to focus more on the job content i.e. the work that the employee does and the outcomes from performing well at their job e.g. reward and recognition, development and promotions, (Schermerhorn et al, 2001).

2.5 Leadership

Leadership and management are often used as interchangeable terms although they have very different meanings. Kotter (2011) suggests that management is about coping with complexity. Good management is able to plan, organise and control. Management is able to keep the cogs in the organisations turning day in and day out and make systems work. Leadership on the other hand, in contrast, is about create and change the systems that managers function within. Leaders create a vision and acquire buy-in of their followers. Leaders inspire and motivate people to achieve a common goal.

In delving into the detail of Leadership and whether it is tangible or intangible, Pardey (2007) states that “Leadership is a bit like ‘good art’ – we may have difficulty in defining it, but we know when we see it (or experience it).” Leadership is therefore something that people feel or experience. Leaders are able to inspire those around them to see the common vision.

2.5.1 The Manager versus The Leader

Pardey (2007) says that effective leadership can be defined by a contract between a leaders and his / her followers, where there is personal commitment. Managers are concerned with their people as a means to achieve the required results, whereas leaders see the employees as individuals with specific needs. Managers implement performance management systems when employees are not achieving their full potential, whereas leaders understand their employees and challenge them when they are not performing to the expected levels.

Both leadership and management have their place in any organisation, but the literature suggests that employee morale and motivation can only really be positively affected by leadership instead of just management. The move from being a manager to a leader is what will give the organisation a cutting edge, with engaged employees, as suggested by Pardey’s explanation above.

2.5.2 Leadership Theories

2.5.2.1 Situational Leadership

There are several theories of leadership that have over the years provided some answers to the questions of what makes good leaders. One of these theories is the Situational Leadership Theory. Hickman (2010) suggests that a leader does not interact in the same manner with one follower as s/he may interact with another follower. An employee who is regarded as highly competent and motivated will not require as much guidance or supervision as one who is less competent and not necessarily as motivated. The leaders will then more spend time with the less competent employee, training, coaching and guiding him / her so that they can achieve the expected levels of performance. A leader therefore reacts differently as different situations require it.

Similarly Schermerhorn et al (2001) suggest that the situational leadership model developed by Paul Hershey and Kenneth Blanchard indicates that there is no single best way to lead. The leaders needs to focus on a few different factors e.g. maturity of the follower, readiness of the follower. The leaders needs to be able to adjust the guidance given based on the situational context. The leader should have an in-depth understanding of their employee and be able to meet the employee satisfactorily in order to be able to provide the required assistance, guidance, coaching and mentoring specific to the individuals needs. The Situational leadership model therefore requires leaders to be in tune with their environment and employees in order to determine what the most effective leadership decisions should be at that specific point.

2.5.2.2 Fiedler's Contingency Model

According to Hickman (2010) leaders may be able to change their behaviours towards their employees as the situation requires it, but leaders too have dominant tendencies. Some leaders are very people oriented and are more concerned about the employee then the actual outputs, where as on the other hand, some leaders are task or goal focussed. The contingency model

recognises that leaders have these general behavioural tendencies and discusses situations where certain leaders or types of leadership may be more effective than others.

Gosling, Maturano and Dennison (2003), discuss Fiedler's Contingency Model which looked at three situations that a manager can be placed in.

1. Leader-member relations, where the relationship between the leader and employee need to be considered
2. Task-structure, where the job is relatively structured
3. Position-power, where the authority of the manager is considered.

2.5.2.3 Servant Leadership

Servant leadership as contradictory as the term seems, is another well-known leadership theory. The phrase 'Servant Leadership' was coined by Greenleaf in *The Servant as Leader*, an essay that he first published in 1970. "The servant-leader is servant first... It begins with the natural feeling that one wants to serve first. Then conscious choice brings one to aspire to lead," (Gosling et al, 2003).

Being a leader first or a servant first are positioned ends of the spectrum. A predominant need to serve first before leading is unusual especially when it comes to leadership, but this rings true.

According to Schermerhorn et al (2001), the servant leader is in touch with him / herself spiritually and is able to assist their followers, colleagues, the organisation and even society as a whole. The servant leader helps others discover their inner skills and places the more value on assisting others instead of assisting oneself. Leaders that fall in this category have an innate desire to help people first. It is not something that one can be taught, but rather values that one is predisposed to.

2.5.2.4 Transformational Leadership

The last leadership theory that will be reviewed is that of transformational leadership, which as its name states refers to a revolutionary view of leadership from the previous transactional leadership to a newer way of leading. Cox (2010) states that Burns (1978) first introduced the concept of transformational leadership in his book *Leadership Transformation*. Transformational leadership is not a specific process that can be followed by rather interactions between leaders and followers where they work together and raise another to higher levels of morality and motivation. Transformational leaders focus on higher order intrinsic needs and pay little attention to short term goals. These leaders raise the bar for themselves on a continuous basis, thereby inspiring their followers to do the same.

Covey (1999), sites the difference between transactional and transformational leadership.

Table 2.2. Transactional versus Transformational leadership.

Source : Covey (1999).

Transactional Leadership	Transformational leadership
<ul style="list-style-type: none"> ▪ Builds on man's need to get the job done and make a living ▪ Is preoccupied with power and position, politics and perks ▪ Is mired in daily affairs ▪ Is short-term and hard data orientated ▪ Focuses on tactical issues ▪ Relies on human relations to lubricate human interactions 	<ul style="list-style-type: none"> ▪ Builds on a man's need for meaning ▪ Is preoccupied with purposes, values, morals and ethics ▪ Transcends daily affairs ▪ Is orientated toward long-term goals without compromising human values and principles ▪ Focuses on missions and strategies ▪ Releases human potential identifying

<ul style="list-style-type: none"> ▪ Follows and fulfils role expectations by striving to work effectively within current systems ▪ Supports structures and systems that reinforce the bottom line, maximise efficiency and guarantee short-term profits. 	<p>and developing talent</p> <ul style="list-style-type: none"> ▪ Redesigns jobs to make them meaningful and challenging ▪ Aligns internal structures and systems to reinforce overarching values and goals.
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2.5.3 Emotional Intelligence of Leaders

Leadership theories, although of paramount importance to any leader, is not the only factor that an individual who aspires to be an exceptional leader should consider. Another factor of vital importance is emotional intelligence of leaders. Pardey (2007) sites Mayer and Salovey (1990) who coined the term emotional intelligence. “Emotional Intelligence is best thought of according to Mayer and Salovey as the ability to monitor ones own emotions, to discriminate among them and to use the information to guide one’s thinking and actions.”

Pardey (2007) further states that effective leaders are usually seen to present the appropriate emotions based on the situation that they are being faced with. For example, empathy when an employee is going through a difficult time; calmness when the situation is challenging and requires a level head and happiness when the team succeeds. A leader with sound emotional intelligence is able to judge what their own emotional state is as well as those around them and it able to react appropriately to the situation. The five components of emotional intelligence are: Self-awareness, self-regulation, motivation, empathy and social skills.

Fernandez-Araoz (2001), in the Harvard Business Review states that often emotional intelligence is the furthest contributing factor to a candidate’s appointment. Usually the hard data, such as qualification, experience and IQ take precedence.

According to research conducted by Goleman (1998) the components of emotional intelligence are twice as important for excellent performance as pure intellect and expertise.

Goleman's research found that for very senior leaders, close to 90% of success could be attributed to emotional intelligence competencies.

2.5.4 Coaching and Mentoring

Noe et al (2000) explain that a coach is often a colleague or manager who assists an employee in order to develop his / skills, provides feedback and motivates one to perform better. A coach can either meet one-one-one with the employee; assists the employee with experts, as the coach him/herself might not be a subject matter expert or provides resources which the employee would have otherwise not have had access to in order to assist the employee.

COMENSA (www.comensa.org.za) defines mentoring as a relationship whereby a mentor guides a mentee not only with day to day work issues, but overall career development, knowledge sharing, business insight etc.

The mentor's focus is the development of the learner and about passing on personalised, business specific knowledge. Mentors help to set the agenda, their primary aim to develop an individual or small group to learn more comprehensively from their day-to-day working experience.

In delving into the detail of what mentoring aims to achieve in improving employee morale and motivation, we need to consider what the benefits if any mentoring has for the employee involved.

According to research conducted by the Chartered Institute of Personnel & Development (Coaching & Buying Services, 2004), as cited by Comensa (2010), Mentoring:

- Is an ongoing relationship that can last for a long period of time.
- Can be more informal, meetings can take place as and when the mentee needs advice, guidance or support.
- Is more long-term and takes a broader view of the person.

- Mentor is usually more experienced and qualified than the “mentee”. Often a senior person in the organisation who can pass on knowledge, experience and open doors to otherwise out-of-reach opportunities.
- Focuses on career and personal development.
- Agenda is set by the mentee, with the mentor providing support and guidance to prepare them for future roles.
- Revolves more around developing the mentee professionally.

2.5.5 Leadership Engagement Tools

There are several leadership tools used across the globe. These tools aim to assist leaders and managers to optimise the interaction with their employees in order to gain the most benefit possible.

Adams (2007) sites Triantafillou (2003) who discusses Danish HR development model called employee development dialogue (EDD), which is a planned dialogue between the employee and his or her direct manager. Both parties are regarded as equals in this conversation and prepare for the dialogue. Factors that are discussed in this dialogue are goals, performance, coaching if required, business information and development opportunities within the organisation. EDD requires training for both manager and employee that equips them to have a meaningful conversation about day to day challenges as well as plans for the future.

Tyler (2011) discusses a case study at the Loft store where Gale Ford, the manager starts her day by asking every single person how they are doing. Although it might seem petty Gale Ford insists that it creates a platform for conversation and in some small way shows employee’s that the manager is truly concerned about how they are doing. It also allows for a manager to be able to get a feel fo rthe employee’s mood. Employee engagement is based on an employee feeling that s/he matters, that s/he contributes and that the people s/he works for and with value her as a person and an employee.

2.6 Summary

In this chapter literature on employee engagement and different views of the impact of employee engagement on business productivity were presented and discussed. Literature on morale which included: Factors influencing Employee Morale, Learning and Development, Succession Planning, Teamwork, Communication, Organisational Culture and Job Satisfaction were also considered. Thereafter various definitions of motivation as well as Motivation theories, Maslow's hierarchy of needs, Equity Theory, Expectancy Theory, Goal-Setting Theory, McGregor's Theory X and Theory Y and Herzberg's Two Factor Theory were presented. Leadership in its entirety was discussed, with specific reference to The Manager versus the Leader, Leadership Theories which included Situational Leadership, Fiedler's Contingency Model, Servant Leadership and Transformational Leadership. Lastly, other key factors of Leadership including Emotional Intelligence, Coaching and Mentoring, as well as Leadership Engagement Tools were covered. The next chapter discusses the research methodologies used in the study, rationale for the chosen research methods, the questionnaire, data mining and the value that these research methods can add to the study.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Introduction

A key starting point for any research is the definition of the research problem and the objectives of the research. The problem statement, objectives of the study and the research questions that are answered in this study are discussed in Chapter One. In this Chapter the design of the research, the literature on research and the approach taken are discussed. The research methodology is a hybrid of both quantitative and qualitative research and tries to elicit the best information, by exploiting the benefits of both approaches. The reason and benefits for choosing such a method is discussed in detail in the chapter.

3.2. Aim and Objectives of the Study

This study is important in determining whether New Age Beverages' engagement models, namely Integrated Management Practices (IMP) and engaging leadership practices, impact positively on the morale and motivation of staff at NAB.

The four key objectives of the study are to determine the impact of:

- Engaging leadership on morale of staff at NAB
- Engaging leadership on motivation of staff at NAB
- Leadership tools and practices on morale of staff at NAB
- Leadership tools and practices on motivation of staff at NAB
- Whether an engaging work environment contributes to increased productivity at NAB

3.3. Respondents and Location of the Study

The sample population comprises of a total of 120 employees and managers at New Age Beverages, a wholly owned subsidiary of the South African Breweries (SAB) (Ltd). New Age Beverages is a bottler of Coca-Cola and associated products owned by the Coca-Cola Company. The Manufacturing plant is located in Phoenix Industrial Park in Durban. New

Age Beverages or NAB as it is otherwise known produces all the 1.25 litres, 250 ml and 300 ml glass packaged soft drinks for KwaZulu-Natal and sometimes for inland areas if the customer demand requires it. The sample size was a cross-section of 50 employees from the various departments which include: production, administration, quality, supply chain and engineering employees as well as management at NAB.

The reason for the choice of employees is to gauge whether employees believe that the engagement model of Integrated Management Practices (IMP) and engaging leadership practices, impact positively on the morale and motivation of staff at NAB. The reason for also including managers in the research is to determine if managers believe that the engagement model and engaging leadership practices impact positively on morale and motivation of staff at NAB and more importantly whether this leads to business productivity in terms of cases produced per person as this is one of the key performance areas that managers are measured against.

The research aimed to elicit information from a cross-section of respondents which included: employees and managers; males and females, various age categories and different races i.e. White, Coloured, Indian and African (historically known as Black). For the purposes of this research, the race categories will be aligned to the Employment Equity Act, No. 55 of 1998 which defines “Black People as a generic term which refers to Africans, Coloureds and Indians”.

The study was conducted at the manufacturing plant as this is the most convenient place for employees and managers, as it causes minimum disruption to their work patterns. As most employees on the packaging lines work shifts the survey was done with the chosen employees when they were on day-shift.

3.4. Research Approach

Neuman (2011) refers to the differences between quantitative versus qualitative approaches as per below:

Table 3.1 Quantitative versus Qualitative Approaches

Source: Neuman (2011)

QUANTITATIVE APPROACH	QUALITATIVE APPROACH
<ul style="list-style-type: none"> ▪ Measure objective facts ▪ Focus on variables ▪ Reliability the key factor ▪ Value free ▪ Separate theory and data ▪ Independent of context ▪ Many cases, subjects ▪ Statistical Analysis ▪ Researcher detached 	<ul style="list-style-type: none"> ▪ Construct social reality, cultural meaning ▪ Focus on interactive processes, events ▪ Authenticity the key factor ▪ Values present and explicit ▪ Theory and data fused ▪ Situationally constrained ▪ Few cases, subjects ▪ Thematic analysis ▪ Researcher involved

The research is a permutation of both quantitative and qualitative techniques. The questionnaire utilised, contained 25 quantitative questions and 5 qualitative questions. The rationale for a questionnaire that comprised of both quantitative and qualitative questions is that the benefits of both quantitative and qualitative questions are elicited. Bryman (2006) suggests that “multi-strategy research provides such a wealth of data that researchers discover uses of the ensuing findings that they had not anticipated.” Bryman (2006) further states that the research using a multi-strategy approach “strongly suggests that there is considerable value in examining both rationales that are given for combining quantitative and qualitative research and the ways in which they are combined in practice.”

Quantitative analysis specific to this research elicited the following advantages:

- There were greater number of respondents surveyed, thereby further confirming the generalisation of the results.
- It allows for more objectivity as eluded to by Neuman (2011) above.
- The fewer variables ensure reliability and validity, as respondents have defined selections to choose from.
- It also allows for a more in-depth statistical analysis, as stated by Neuman (2011), which allows the researcher an unbiased, objective view of the data and its significance in the study.

The benefits of qualitative questions are to elicit the following benefits in the research:

- The open-ended questions allow respondents to expand on their responses.
- Individual experiences with entail their feelings, attitudes and behaviours can be detailed.
- Respondents are asked 'why' and this allows them to substantiate and elaborate on their answers.
- Responses are value-adding and are more than just a 'black or white' answer, it allows for greater analysis into the human element.

Data Mining was also used to draw on key performance areas as identified by the organisation. The factors that were taken into consideration were engagement, morale and motivation. Data mining is defined as "a process used by companies to turn raw data into useful information," (www.investopedia.com).

These key performance areas were trended over a 3 year period and included the Organisational Effectiveness surveys that are undertaken by the organisation on an annual basis as well as trends over the past 3 years with regards to turnover rates, internal promotions within the group, absenteeism, Integrated Management Practices (IMP) quality and compliance scores and productivity metrics of cases produced as a percentage of target and machine efficiency.

3.5. Population and Sample Size

The population size included 120 employees and managers at New Age Beverages. Neuman (2011) defines a sample as “a small set of cases a researcher selects from a large pool and generalises the population”.

“Sampling is the process of selecting units (e.g., people, organizations) from a population of interest so that by studying the sample we may fairly generalise our results back to the population from which they were chosen,” (Trochim, 2006).

According to Saunders, Lewis and Thornhill (2000), “sampling techniques can be divided into two types: Probability or representative sampling and non-probability or judgmental sampling.” This research utilised probability sampling. The sample frame utilised in the research is the employee database in the form of an employee list.

Saunders et al (2000) state that “stratified random sampling is a modification of random sampling in which you divide the population into two or more relevant and significant strata based on one or a number of attributes.” As the research measures the contributors to employee engagement, morale, motivation, leadership and it’s correlation to business productivity, employees and managers will be segregated in order to gauge the views of both parties.

3.6. Data Collection

The instrument used in the research is a questionnaire, which comprised of 25 quantitative questions and 5 qualitative questions. Saunders et al (2000) states that “Interviewer-administered questionnaires enable one to ensure that the respondent is who is required. This improves the reliability of your data. In addition, one can record who the non-respondents were, thereby avoiding unknown bias caused by refusals.” The research undertaken utilised interviewer-administered questionnaires.

The questionnaire was printed out and handed to each respondent to complete at their own pace in a controlled environment, on the company premises. As NAB is a bottling plant and most employees are production shift workers, they were more affable to complete the survey as they were given adequate time to do so and they were located in an environment which was quiet and allowed them to concentrate fully. This allowed for the respondent to complete the questionnaire in a non-subjective environment and allowed for meaningful, well thought of responses.

3.7. Development of the Instrument

The questionnaire was developed by using a funnelling approach, whereby questions to get a broad idea about the situation were asked initially and more in-depth questions specifically relating to morale, motivation and leadership tools and practices. The scales used in the research are that of a ranking scale. According to Gomm (2008) “in the ranking scale, only one entity can be of primary importance, while in the rating scale all five could be very important. The ranking scale forces respondents to prioritise among the given options.”

The questionnaire comprises of 25 quantitative questions, which are aligned to the aforementioned objectives. Each objective has 5 specific questions. The first 5 questions deal with the link between engaging leadership and morale. The second 5 questions deal with the link between engaging leadership and motivation. The third 5 questions deal with the impact of leadership tools on morale. The fourth 5 questions deal with the impact of leadership tools and practices on motivation.

The last 5 quantitative questions deal with the link between an engaging work environment and productivity. The last 5 questions are qualitative and allow for the respondent to comment on any positive or negative changes that might have taken place over the last year. Respondents also had the opportunity to elaborate on their views of whether engaging leadership is important and their beliefs of whether engaging leadership can contribute to increased productivity within the business.

3.8. Pre-testing and Validation

Gomm (2008) states that “Validity means something like ‘truth’. Most researchers accept that we can never know the truth for sure, so in research what is valid is that which hasn’t yet been invalidated, despite attempts to do so. Internal Validity refers to the truth of a claim made about the research itself. External validity or generalisability refers to whether what was found in the research can be generalised to other people, places and times.” The research undertaken is described in detail and explicitly, so the study can be replicated, if necessary.

Gomm (2008) further states that “Reliability refers to consistency and applies particularly to research instruments with questions such as ‘would this instrument give the same result if measuring the same thing a second time, assuming it hadn’t changed in the interim”.

The questionnaire designed is reliable and consistent. When conducting a Cronbach alpha test, a reliability coefficient of 0.70 or higher is considered as acceptable, (SPSS ver.17). The Cronbach Alpha score for the questionnaire was .991 overall. The same questionnaire was used for all respondents, so it will produce the same results if administered in a replicated study. The questionnaire was also scientifically administered, where respondents were allowed to answer freely without intimidation, so it was free of bias.

A pilot study was undertaken to gauge understanding of questions, time to complete the questionnaire and any other pertinent factors. A sample of 5 employees and managers, who were not going to participate in the real survey were taken through the process and completed the questionnaire.

The respondent’s feedback confirmed that the questionnaire was easy to understand and that the time allocated was sufficient in order to allow for thought and meaningful responses to the qualitative questions.

3.9. Analysis of the Data

The tests that will be used in the research are as follows:

- Cronbach's Alpha which measures "Internal Reliability or consistency may be tested by using statistical tests designed for the purpose such as Cronbach's coefficient alpha," (Gomm, 2008).
- Factor Analysis which attempts to identify underlying variables. Factor analysis can be defined as "The main applications of factor analytic techniques are: (1) to *reduce* the number of variables and (2) to *detect structure* in the relationships between variables, that is to *classify variables*. Therefore, factor analysis is applied as a data reduction or structure detection method," (www.statsoft.co.za).
- Descriptive Statistics which are used to describe the basic features of the data in the study. Neuman (2011) states that "descriptive statistics are a general type of simple statistics used by researchers to describe basic patterns in the data."
- Section Analysis looks at the questions related to each objective and the results per objective.
- A P-Value is generated from a test statistics. Chi Square looks at statistical significance between two variables, (Mulligan, 2011).
- Bivariate Spearman's correlation is defined by Saunders et al (2000) as "assessing the strength of the relationship between two variables."

3.10. Summary

Research Methodology and the analysis of the data are of paramount importance in any research project. In this chapter we looked at the research methodology and the design of the study. The aim and objectives of the study were reiterated. The detail of where the study took place and the participants in the research were discussed. The research approach, which was alluded to in the introduction was a hybrid of quantitative and qualitative research. The sampling process of probability stratified random sampling was detailed. Next, the data collection process was discussed. The Instrument was then focused on i.e. the questionnaire and how the questionnaire was developed. Pre-testing and validation was the next point and

reliability, validity and the pilot study undertaken were discussed. Lastly, the approach for analysing the data, the tests chosen and the reasons for these tests were considered.

Chapter Four presents the analysis of the data collected and discusses the results from the research.

CHAPTER FOUR: PRESENTATION AND DISCUSSION OF RESULTS

4.1. Introduction

This chapter presents the results and discusses the findings of the research. The questionnaire contained qualitative and quantitative questions, the responses are presented, analysed and discussed. The data collected from the questionnaire responses was analysed using SPSS version 20.0. The results are presented in the form of graphs, cross tabulations and other figures. Data mining based on HR key performance indicators in relation to business productivity metrics is discussed.

4.2. Cronbach's Alpha

“Reliability refers to the property of a measurement instrument that causes it to give similar results for similar inputs” This is indicated by Cronbach's alpha, (SPSS ver.17). In order to test “Internal Reliability or consistency one uses Cronbach's co-efficient alpha,” Gomm (2008).

“Cronbach's alpha measures how well a set of items (or variables) measures a single unidimensional latent construct. When data have a multidimensional structure, Cronbach's alpha will usually be low. Technically speaking, Cronbach's alpha is not a statistical test - it is a co-efficient of reliability (or consistency).” Cronbach's alpha, (SPSS ver.17)

“Cronbach's alpha can be written as a function of the number of test items and the average inter-correlation among the items. Below, for conceptual purposes, is the formula for the standardised Cronbach's alpha:

$$\alpha = \frac{N \cdot \bar{c}}{v + (N - 1) \cdot c}$$

Here N is equal to the number of items, c -bar is the average inter-item covariance among the items and v -bar equals the average variance.

One can see from this formula that if one increases the number of items, one increases Cronbach's alpha. Additionally, if the average inter-item correlation is low, alpha will be low. As the average inter-item correlation increases, Cronbach's alpha increases as well," Bruin (2006).

"This makes sense intuitively as if the inter-item correlations are high, then there is evidence that the items are measuring the same underlying construct. This is really what is meant when someone says they have "high" or "good" reliability. They are referring to how well their items measure a single unidimensional latent construct," Bruin (2006).

"Thus, if there is multi-dimensional data, Cronbach's alpha will generally be low for all items. In this case, one must run a factor analysis to see which items load highest on which dimensions and then take the alpha of each subset of items separately. Reliability is computed by taking several measurements on the same subjects. A reliability coefficient of 0.70 or higher is considered as acceptable," Bruin (2006).

Table 4.1: Cronbach's alpha values for the various sections of the research

Section	Cronbach's Alpha
The impact of engaging leadership on morale of staff at NAB	.904
The impact of engaging leadership on motivation of staff at NAB	.952
The impact of leadership tools and practices on morale of staff at NAB	.990
The impact of leadership tools and practices on motivation of staff at NAB	.952
Whether an engaging work environment contributes to increased productivity at NAB	.977
Overall	.991

The overall reliability scores for each section are (very) high. This indicates a high degree of acceptable, consistent scoring for the different categories for this research. All of the categories have (high), acceptable reliability values.

4.3. Communalities

Communalities can be defined as the proportion of variance that each item has in common with other items. The proportion of variance that is unique to each item is then the respective item's total variance minus the communality, (www.statsoft.co.za).

Table 4.2: Communalities of the Quantitative Questions

	Initial	Extraction
My leader is open to new ideas and suggestions.	1.000	.919
My leader explains what needs to be done and trusts me to figure out how to do it.	1.000	.910
I feel free to speak my mind without fear of victimisation.	1.000	.917
The company provides assistance for employees who are going through a hard time.	1.000	.968
My physical working conditions (workplace, heat, light, noise etc) are good.	1.000	.947
I am satisfied with my involvement in decisions that affect my work.	1.000	.905
I feel empowered to make decisions that affect my job and my team.	1.000	.946
The company provides me with the skills and resources I need to do my job to the best of my ability.	1.000	.910
The company creates an environment where I can learn from my mistakes.	1.000	.953
Every day I have the opportunity to do what I am best at.	1.000	.954
My one on one's are useful to me	1.000	.922
I have a meaningful IDP	1.000	.959
My leader is open and honest in our discussions	1.000	.966

My leader keeps me informed of changes in the business	1.000	.976
My leader cares about me as an individual.	1.000	.989
If I were offered the same job, at the same pay at a different company, I would not leave the company	1.000	.943
I am able to balance my work and my personal life.	1.000	.916
I have flexibility in my working hours that allows for work/life balance.	1.000	.916
I have friends among those people with whom I work.	1.000	.943
Few organisations can match this company as a good place to work.	1.000	.954
I am encouraged to come up with innovative solutions to work-related issues.	1.000	.943
My leader allows me the autonomy I need which leads me to be more productive.	1.000	.978
My suggestions are taken seriously and often implemented.	1.000	.970
I am confident about my development and career prospects within the company	1.000	.969
I understand my contribution to the business's profitability	1.000	.948
Extraction Method: Principal Component Analysis.		

- The rotation method used is the Varimax Method with Kaiser Normalisation. This is an orthogonal rotation method that minimizes the number of variables that have high loadings on each factor. It simplifies the interpretation of the factors.
- Factor analysis / loading show inter-correlations between variables.

The communality for a given variable can be interpreted as the amount of variation in that variable explained by the factors that constitute the variable. In this instance for example, there are 5 variables that make up the component for “The impact of engaging leadership on morale of staff at NAB” (as indicated in the component matrix table below). The analysis is analysed similar to that for multiple regression: signage against the two common factors yields a $R^2 = 0.919$ (for the first variable on “My leader is open to new ideas and suggestions”),

indicating that about 92% of the variation in terms of the leader being open to new ideas were explained by the factor model.

This argument can then be extended to the rest of the model.

4.4. Factor Analysis

Factor analysis can be defined as “The main applications of factor analytic techniques are: (1) to reduce the number of variables and (2) to detect structure in the relationships between variables, that is to classify variables. Therefore, factor analysis is applied as a data reduction or structure detection method,” (www.statsoft.co.za). It is used to study the patterns of relationship among many dependent variables, with the goal of discovering something about the nature of the independent variables that affect them, even though those independent variables were not measured directly. In this research, the 5 dimensions are the independent variables and the statements that constitute them are the dependent variables. The inferred independent variables are called factors.

4.4.1 Why Factor Analysis is Important

Factor analysis is a statistical technique whose main goal is data reduction. A typical use of factor analysis is in survey research, where a researcher wishes to represent a number of questions with a small number of hypothetical factors. For example, as part of a national survey on political opinions, respondents may answer three separate questions regarding environmental policy, reflecting issues at the local, state and national level. Each question, by itself, would be an inadequate measure of attitude towards environmental policy, but together they may provide a better measure of the attitude. Factor analysis can be used to establish whether the three measures do, in fact, measure the same thing. If so, they can then be combined to create a new variable, a factor score variable that contains a score for each respondent on the factor. Factor techniques are applicable to a variety of situations. A researcher may want to know if the skills required to be a decathlete are as varied as the ten events, or if a small number of core skills are needed to be successful in a decathlon. You

need not believe that factors actually exist in order to perform a factor analysis, but in practice the factors are usually interpreted, given names, and spoken of as real things. This is indicated by Cronbach's alpha, (SPSS ver.17).

Certain components are divided into finer components. This is explained below in the rotated component matrix.

Table 4.3: Rotated Component Matrix

	Component				
	1	2	3	4	5
My leader is open to new ideas and suggestions.	.643	.408	.478	.134	.302
My leader explains what needs to be done and trusts me to figure out how to do it.	.388	.476	.644	.340	-.054
I feel free to speak my mind without fear of victimisation.	.347	.766	.229	.294	.267
The company provides assistance for employees who are going through a hard time.	.191	.283	.201	.540	.721
My physical working conditions (workplace, heat, light, noise etc) are good.	.316	.270	.219	.809	.268
I am satisfied with my involvement in decisions that affect my work.	.434	.726	.251	.320	.156
I feel empowered to make decisions that affect my job and my team.	.490	.712	.351	.243	.131
The company provides me with the skills and resources I need to do my job to the best of my ability.	.315	.268	.579	.596	.220
The company creates an environment where I can learn from my mistakes.	.675	.346	.455	.412	.024
Every day I have the opportunity to do what I am best at.	.468	.241	.716	.368	.170
My one on one's are useful to me	.671	.451	.440	.263	.071

I have a meaningful IDP	.690	.523	.359	.284	.014
My leader is open and honest in our discussions	.774	.352	.342	.326	.140
My leader keeps me informed of changes in the business	.773	.361	.339	.337	.144
My leader cares about me as an individual.	.785	.346	.351	.309	.183
If I were offered the same job, at the same pay at a different company, I would not leave the company	.589	.523	.502	.215	.154
I am able to balance my work and my personal life.	.762	.336	.250	.365	.161
I have flexibility in my working hours that allows for work/life balance.	.762	.336	.250	.365	.161
I have friends among those people with whom I work.	.354	.195	.200	.855	.089
Few organisations can match this company as a good place to work.	.545	.572	.497	.181	.222
I am encouraged to come up with innovative solutions to work-related issues.	.478	.419	.666	.202	.231
My leader allows me the autonomy I need which leads me to be more productive.	.786	.337	.354	.298	.180
My suggestions are taken seriously and often implemented.	.558	.570	.509	.227	.149
I am confident about my development and career prospects within the company	.555	.575	.501	.239	.153
I understand my contribution to the business's profitability	.519	.290	.589	.270	.418

It is noted that all of the variables that constituted the component of “The impact of leadership tools and practices on morale of staff at NAB” loaded perfectly along one (the first) factor. This means that the questions (variables) that constituted these components perfectly measured the component. However, due to the variables aligning along the one component, it implies that respondents did not distinguish between the components and grouped the variables as belonging to a larger common component.

The variables that constituted the remaining components spread across various components. All of the components have factors that overlap, indicating a mixing of the factors. This means that the questions in the overlapping components did not specifically measure what it set out to measure or that the component split along themes. One possibility is that respondents did not clearly distinguish between the questions constituting the components. This could be with respect to interpretation or inability to distinguish what the questions were measuring.

4.5. Descriptive Statistics

This section presents the descriptive statistics based on the demographic information of the study. Neuman (2011) states that “descriptive statistics are a general type of simple statistics used by researchers to describe basic patterns in the data.”

The sample constituted respondents equally from two different grades as presented in the table below.

Table 4.4: Descriptive statistics of grades

	Frequency	Percent	Valid Percent	Cumulative Percent
FA/ PE/ OE	25	50.0	50.0	50.0
Valid P9 – P20	25	50.0	50.0	100.0
Total	50	100.0	100.0	

The number of respondents by race group is given by the figure below.

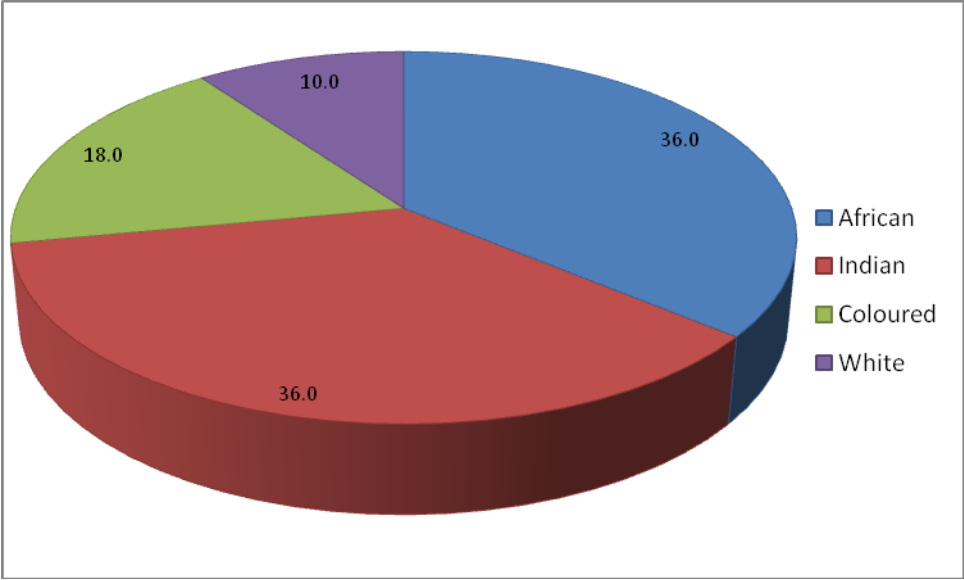


Figure 4.1: Percentage of respondents by race

There was a similar percentage (36%) each of African and Indian respondents. Coloured and White respondents constituted a little more than a quarter of the respondents (28%).

The gender composition of the respondents is given below.

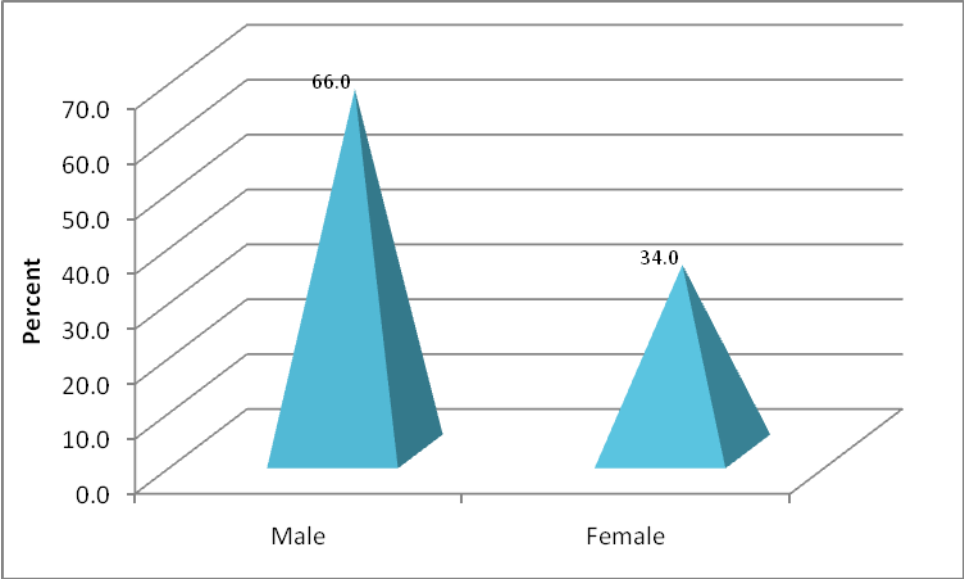


Figure 4.2: Percentage of respondents by Gender

Approximately two-thirds (66%) of the respondents were male.

The age group of the respondents (in years) is presented below.

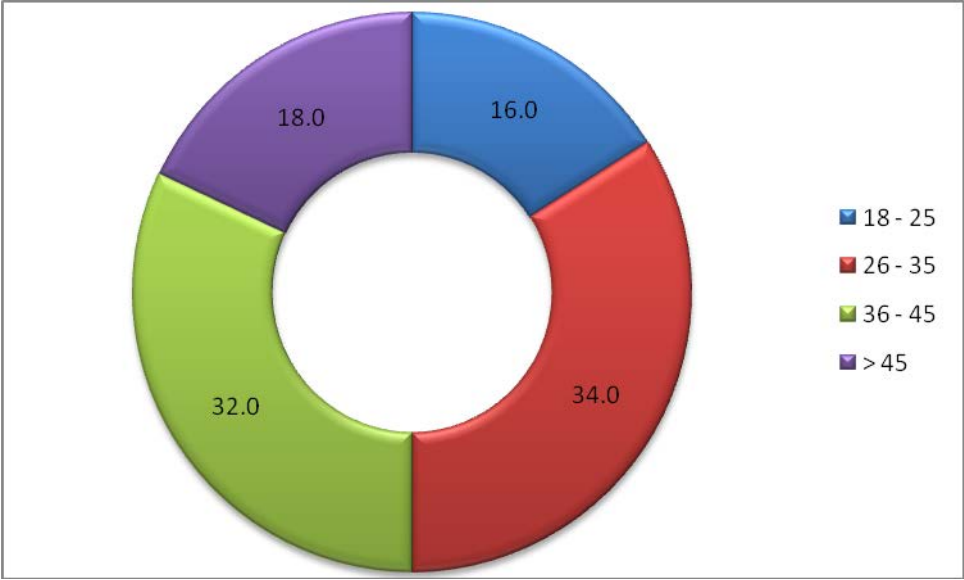


Figure 4.3: Percentage of respondents by age group

In total, 32% of the sample size fell between the age demographic of 36-45 years, 34% were between 26-35 years, 16% fell between the 18-25 years and the rest i.e. 18% fell in the over 45 year old category.

The relationship between race, gender and age is summarised in the table below.

Table 4.5: Cross-tabulation of Age, Gender and Race

Race				Gender		Total
				Male	Female	
African	Age	18 – 25	Count	3	3	6
			% of Total	16.7%	16.7%	33.3%
		26 – 35	Count	4	2	6
			% of Total	22.2%	11.1%	33.3%
		36 – 45	Count	2	2	4
			% of Total	11.1%	11.1%	22.2%
		> 45	Count	1	1	2
			% of Total	5.6%	5.6%	11.1%
	Total	Count	10	8	18	
		% of Total	55.6%	44.4%	100.0%	
Indian	Age	18 – 25	Count	1	0	1
			% of Total	5.6%	0.0%	5.6%
		26 - 35	Count	4	3	7
			% of Total	22.2%	16.7%	38.9%
		36 - 45	Count	5	2	7
			% of Total	27.8%	11.1%	38.9%
		> 45	Count	2	1	3
			% of Total	11.1%	5.6%	16.7%
	Total	Count	12	6	18	
		% of Total	66.7%	33.3%	100.0%	
Coloured	Age	18 - 25	Count	1	0	1
			% of Total	11.1%	0.0%	11.1%
		36 - 45	Count	2	2	4
			% of Total	22.2%	22.2%	44.4%

		> 45	Count	4	0	4
			% of Total	44.4%	0.0%	44.4%
	Total		Count	7	2	9
			% of Total	77.8%	22.2%	100.0%

White	Age	26 - 35	Count	4	0	4
			% of Total	80.0%	0.0%	80.0%
		36 - 45	Count	0	1	1
			% of Total	0.0%	20.0%	20.0%
	Total		Count	4	1	5
			% of Total	80.0%	20.0%	100.0%
Total	Age	18 - 25	Count	5	3	8
			% of Total	10.0%	6.0%	16.0%
		26 - 35	Count	12	5	17
			% of Total	24.0%	10.0%	34.0%
		36 - 45	Count	9	7	16
			% of Total	18.0%	14.0%	32.0%
		> 45	Count	7	2	9
			% of Total	14.0%	4.0%	18.0%
	Total		Count	33	17	50
			% of Total	66.0%	34.0%	100.0%

Amongst White respondents, 80% of the respondents were male and they were all between the ages of 26 – 35 years. Females constituted 20% of the White population group. Of the coloured respondents 44% were male and they fell between the over 45 age category. A total of 11.1% fell between the 18-25 year category and 22.2% fell between the 36-35% category, with coloured women between the 36-45 year category representing 22.2% of the respondents. Amongst the Indian population 5.6% were Male between the age of 18-25 years; 22.2% male and 16.7% female between the 26-35 year category; 27.8% male and 11.1% female between the 36-45 year category; and 11.1% male and 5.6% female over the age of 45 years. There was an even split i.e. 16.7% of African males and female between the 18-25 year category; 22.2% male and 11.1% female within the 26-35 year category; and an even split between males and females i.e. 11.1% who fell between the age group of 36-45 and 5.6% of male and female in the over 45 year category.

4.6. Section Analysis

The figure below indicate the percentages for each question for each section.

4.6.1. The Impact of Engaging Leadership on Morale of Staff at NAB

This section is concerned with the impact that an engaging leader can have on the morale of an employee. It looks at whether the following traits of an engaging leader can either positively or negatively impact on morale:

1. Being open to new ideas and suggestions.
2. Ability to give directions but trusts in the employee to fulfil the required work without micro-management.
3. Allows for openness and honesty without judgement or fear of victimisation.
4. Represents the company and assists employees who have work or personal difficulty.
5. Take care of basic lower order needs as per Maslow's hierarchy of needs.

The tables and figures below indicate the frequency responses of the statements that constituted this section.

Table 4.6: Section Analysis of the impact of engaging leadership on morale

	Disagree	Neither	Agree
My leader is open to new ideas and suggestions.	12.0	6.0	82.0
My leader explains what needs to be done and trusts me to figure out how to do it.	10.0	2.0	88.0
I feel free to speak my mind without fear of victimisation.	12.0	6.0	82.0
The company provides assistance for employees who are going through a hard time.	2.0	0.0	98.0
My physical working conditions (workplace, heat, light, noise etc) are good.	2.0	0.0	98.0

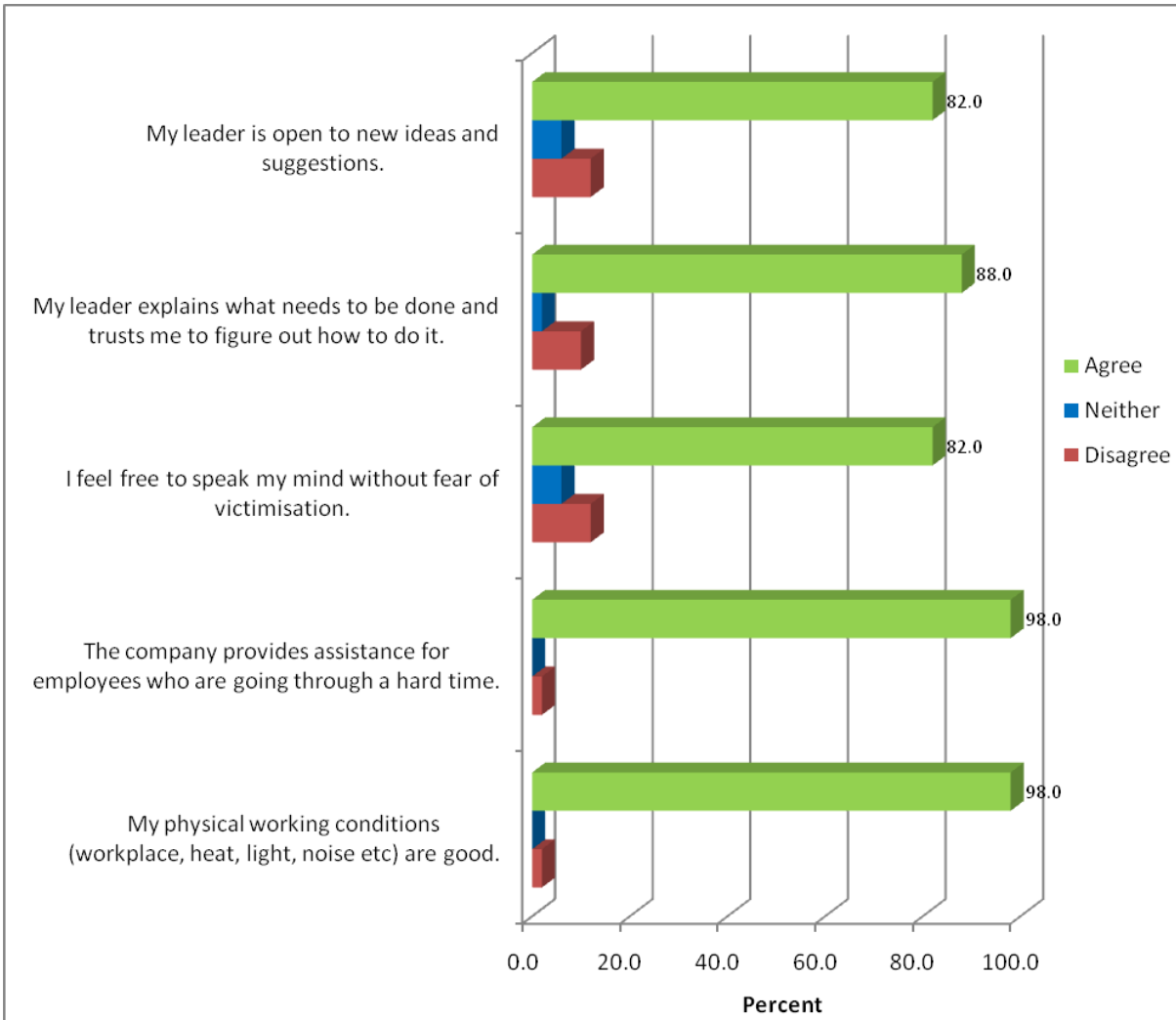


Figure 4.4: Section Analysis of the impact of engaging leadership on morale

The overall pattern is one of agreement (mean = 89.6%).
 The lowest level of agreement regards possible victimisation if the respondent spoke his mind.
 The highest levels of agreement (98%) refer to the assistance provided by the company and the good working conditions on offer.

4.6.2. The Impact of Engaging Leadership on Motivation of Staff at NAB

This section is concerned with the impact that an engaging leader can have on the motivation levels of an employee. It looks at whether the following traits of an engaging leader can either positively or negatively impact on motivation:

1. Involving employees in decisions that affect their work.
2. Empowering employees to make their own decisions.
3. Driving learning and development of employees.
4. Creating an environment where employees can ‘fail-forward’ and the ability to try new things and learn from one’s mistakes.
5. Providing opportunities for employees to do what they are best at everyday.

Table 4.7: Section Analysis of the impact of engaging leadership on motivation

	Disagree	Neither	Agree
I am satisfied with my involvement in decisions that affect my work.	4.0	14.0	82.0
I feel empowered to make decisions that affect my job and my team.	12.0	6.0	82.0
The company provides me with the skills and resources I need to do my job to the best of my ability.	2.0	14.0	84.0
The company creates an environment where I can learn from my mistakes.	12.0	6.0	82.0
Every day I have the opportunity to do what I am best at.	10.0	6.0	84.0

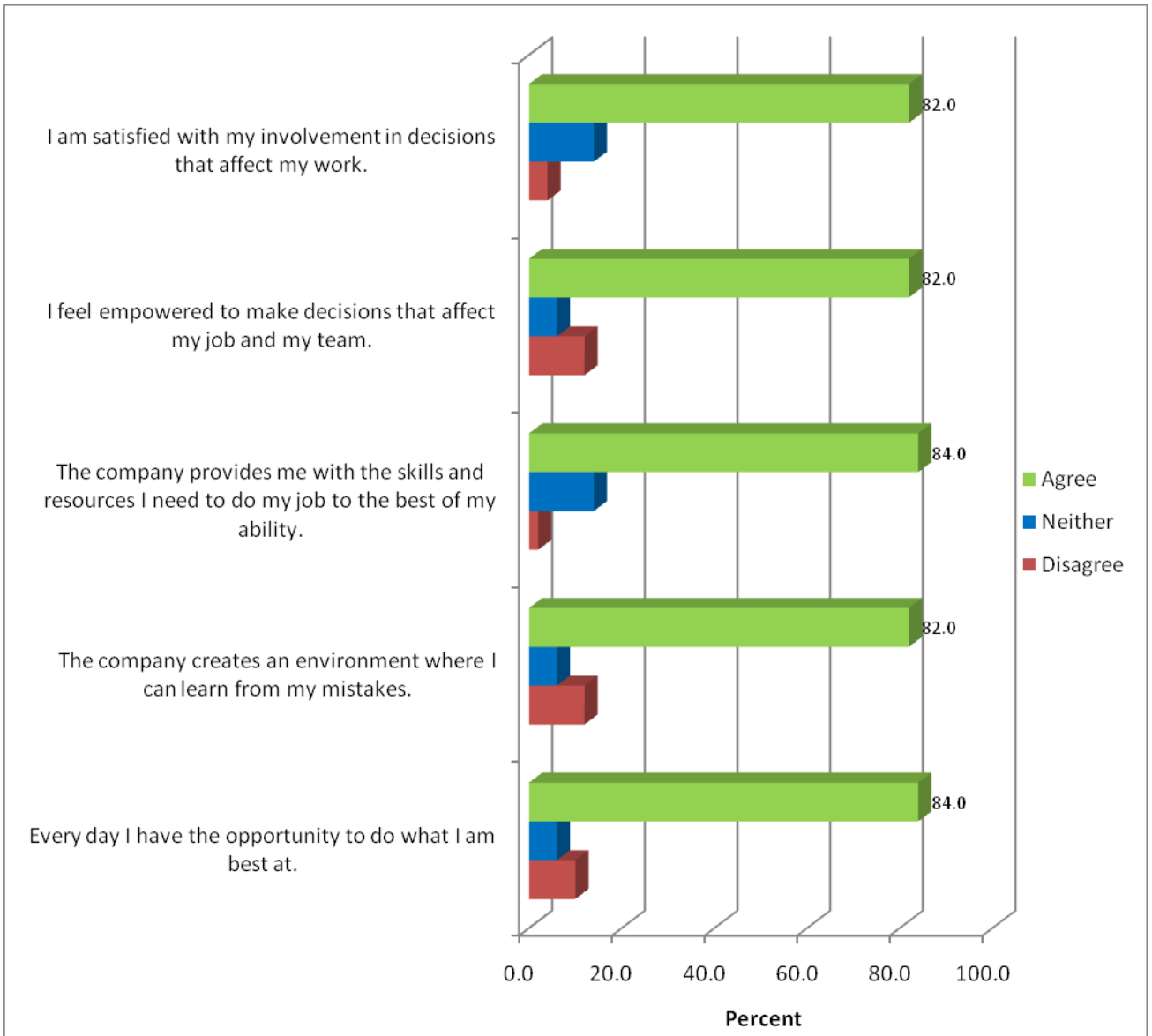


Figure 4.5: Section Analysis of the impact of engaging leadership on motivation

The average level of agreement for this section is 82.8%.

The lowest level of agreement encompasses (82%) three out of the five areas, which include decision-making at work; empowerment to make decisions and failing forward.

The highest levels of agreement (84%) refer to the skills and resources that the company provides in order to do one’s job better and opportunities to do what one is best at.

4.6.3. The Impact of Leadership Tools and Practices on Morale of Staff at NAB

This section is concerned with the impact that leadership tools e.g. Integrated management practices (IMP) can have on the morale of an employee. It looks at whether the following leadership practices and tools can either positively or negatively impact on morale:

1. One on one discussions that take place between the employee and manager on a monthly basis to discuss the whole person, personal life, work performance, support required from the manager etc.
2. An individual development plan (IDP) is meaningful i.e. realistic and being actioned in order to develop the employee functionally in their current role and for future promotions.
3. The manager practices on the level (OTL) communication by being honest about developmental areas and what the company can and cannot assist with.
4. Change management in the broader business and changes that may affect the employee directly or indirectly.
5. Engaging leadership and true commitment to and care for the employee as an individual.

Table 4.8: Section Analysis of the impact of leadership tools and practices on morale

	Disagree	Neither	Agree
My one on one's are useful to me	10.0	8.0	82.0
I have a meaningful IDP	12.0	6.0	82.0
My leader is open and honest in our discussions	12.0	6.0	82.0
My leader keeps me informed of changes in the business	12.0	6.0	82.0
My leader cares about me as an individual.	12.0	6.0	82.0

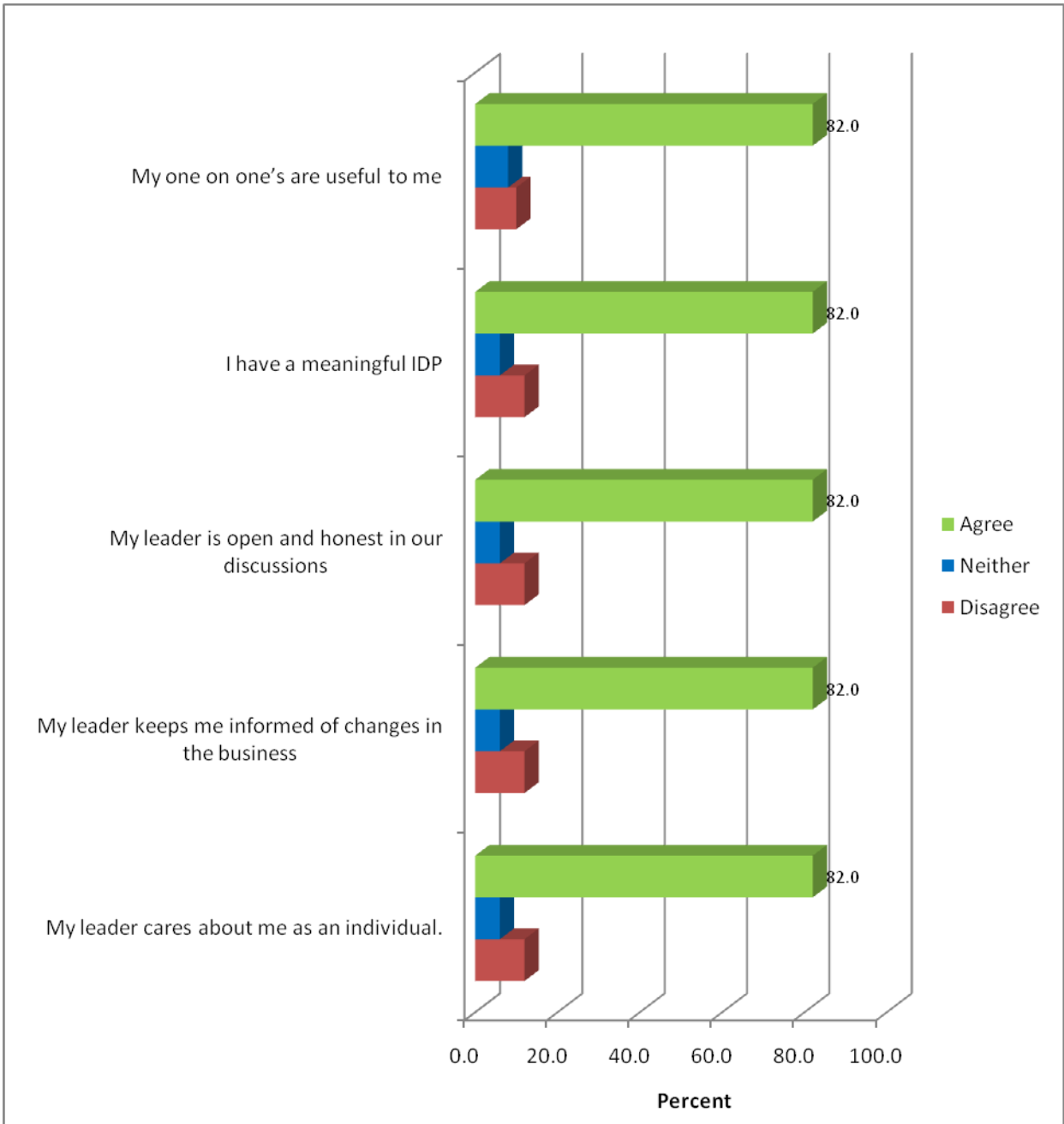


Figure 4.6: Section Analysis of the impact of leadership tools and practices on morale

The average level of agreement with the statements in this section is 82%.
 All five areas were rated at 82%.

4.6.4. The Impact of Leadership Tools and Practices on Motivation of Staff at NAB

This section is concerned with the impact that leadership tools e.g. Integrated management practices (IMP) can have on the motivation of an employee. It looks at whether the following leadership practices and tools can either positively or negatively impact on motivation:

1. Employees being emotionally committed to their leader and not willing to consider opportunities which are similar in another organisation.
2. Leaders who have an intricate understanding and appreciation for their employee/s and the need to be able to balance work and personal lives.
3. Leaders who allow and encourage flexibility to balance work and personal lives i.e. working when needed and attending to personal issues when needed.
4. Leaders who encourage teamwork and team commitment so that employees are not just employees, but also build lasting relationships with those whom they work with.
5. Leaders who live the company values and engage employees to the extent that their issues are dealt with and that they show employees the benefits of working for such an organisation.

Table 4.9: Section Analysis of the impact of leadership tools and practices on motivation

	Disagree	Neither	Agree
If I were offered the same job, at the same pay at a different company, I would not leave the company	12.0	8.0	80.0
I am able to balance my work and my personal life.	12.0	2.0	86.0
I have flexibility in my working hours that allows for work/life balance.	12.0	2.0	86.0
I have friends among those people with whom I work.	2.0	0.0	98.0
Few organisations can match this company as a good place to work.	12.0	6.0	82.0

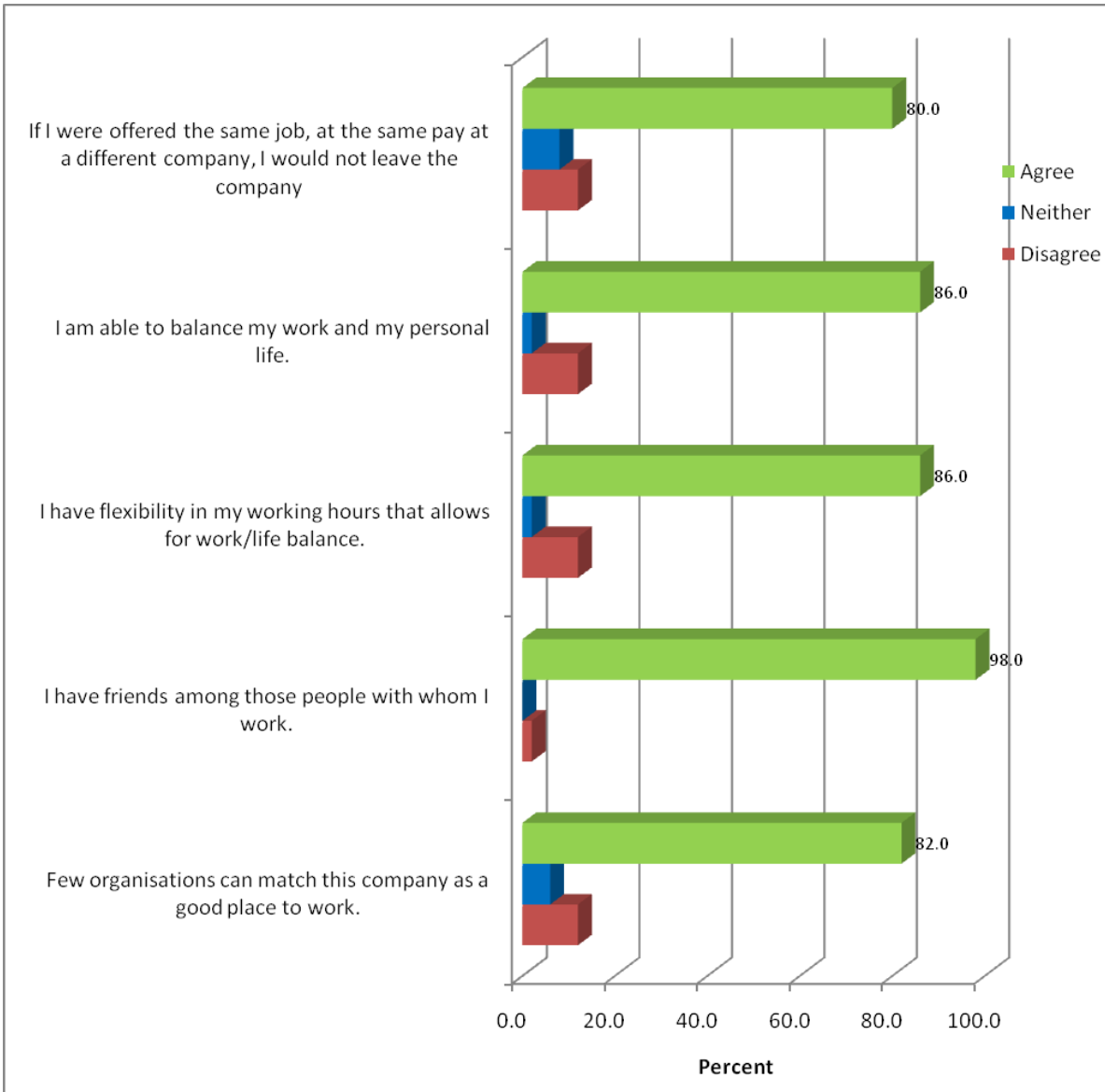


Figure 4.7: Section Analysis of the impact of leadership tools and practices on motivation

The average level of agreement for this section is 86.4%.

Almost all of the respondents (98%) consider the people they work with as their friends.

Only 12% of the respondents indicated that they were prepared to leave the company for a comparative position elsewhere.

A high number of employees (86%) were able to balance their work and personal life and had flexibility in their working hour so that they were able to do this.

4.6.5. Whether an Engaging Work Environment Contributes to Increased Productivity at NAB

This section addresses whether an engaging work environment contributes to increased productivity. It looks at the employee’s view of the business and productivity and encompasses the following:

1. Leaders who encourage employees to come up with innovative solutions that can assist in work-related situations.
2. Leaders who encourage employees to exercise control over their scope of work so that they can be more productive.
3. Leaders who take employee’s suggestions seriously and implement good ideas which can increase productivity.
4. Leaders who develop their employees and are able to promote employees through the organisation.
5. Leaders who share information, knowledge and get employees to understand their role and contribution to the productivity and profitability of the organisation as a whole.

Table 4.10: Section Analysis of whether an engaging work environment contributes to Increased productivity

	Disagree	Neither	Agree
I am encouraged to come up with innovative solutions to work-related issues.	10.0	6.0	84.0
My leader allows me the autonomy I need which leads me to be more productive.	12.0	6.0	82.0
My suggestions are taken seriously and often implemented.	12.0	6.0	82.0
I am confident about my development and career prospects within the company	12.0	6.0	82.0
I understand my contribution to the business’s profitability	10.0	6.0	84.0

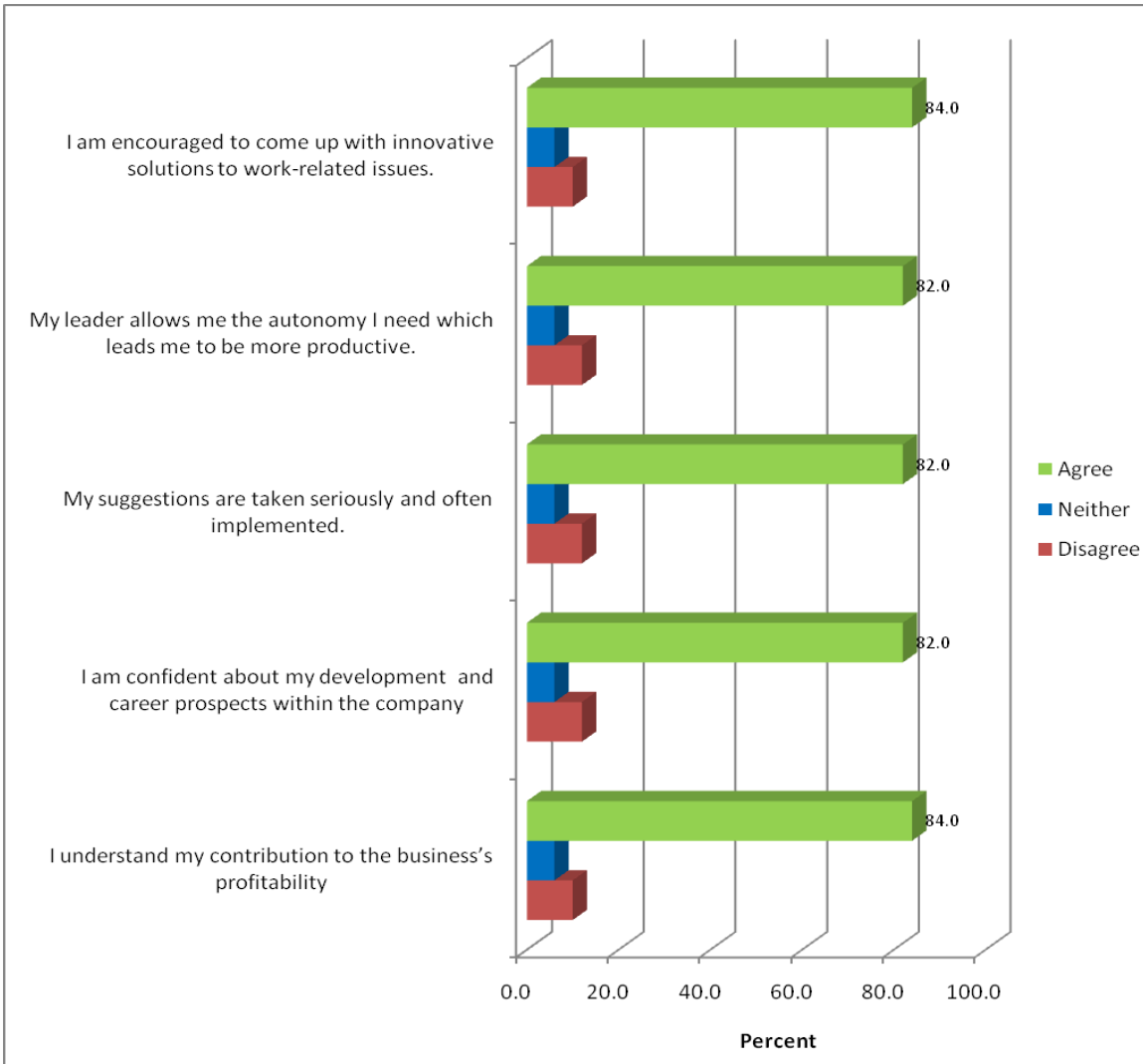


Figure 4.8: Section Analysis of whether an engaging work environment contributes to Increased productivity

The average level of agreement in this section is 82.8%. There is little variation amongst the agreement scores, indicating that respondents basically viewed statements in a similar manner. The highest number of responses were positive (84%) about being encouraged to come up with innovative solutions and understanding their contribution to the business profitability.

4.7. Analysis and Discussion of Quantitative Responses

The frequencies of the quantitative responses were low, as is usual with open-ended questions, so the key points elicited are discussed below:

4.7.1. What Have You Noticed that is Positive about the Organisation?

The responses to this question ranged from changes with regards to “Employment Equity; more equity (race and gender) representation; better employee benefits; better relationships between employees and management; no retrenchments at the company as compared to other organisations; customer focused, positive changes to improve business profitability as this has a direct impact on the SAB Zenzele shares which employees own and receive dividends every 6 months. Better engagement with leaders, more opportunities for internal development, growth and promotions and assistance from the company was cited as other positive aspects.”

4.7.2. What Have You Noticed that is Negative about the Organisation?

Negative aspects were cited as “more opportunity for internal development was required, the changes in the organisation in the continuous improvement initiatives could be better managed, increased work load on certain employees impacted by change, more support required from managers” as well as several non-responses for this question.

4.7.3. Do You Believe that Engaging with Employees is Important? Why?

Table 4.11: Responses to open-ended question 3

Yes	47
No	0
Unsure / No response	3
Total	50

An overwhelming 94% agreed that engaging with employees is important. Substantiation varied from “happy workers are productive workers, employees spend most of their time and work and need to be happy at work, employees need to be respected, employees come to work to give off their best, leaders need to build on their relationships with employees so that it is a win-win situation” and a few respondents who did not validate their answers.

4.7.4. Do You Believe that Leadership can Positively or Negatively Impact Performance? Why/How?

Table 4.12: Responses to open-ended question 4

Yes	45
No	3
Unsure / No response	2
Total	50

90% of respondents answered yes to this question. Substantiation varied from “an employee leaves his / her manager not the organisation, good leaders build good relationships with employees, employees perform better under good leadership, poor leadership will have an impact on performance, leaders must not forget where they came from, they were also once employees, managers must learn to trust their employees and treat them as equals” and several respondents who did not substantiate their responses.

4.7.5. Other Information that will be Relevant to this Research

Responses from employees and managers included: “Leadership and employee engagement has increased tremendously of the past few years, we are happier and perform better. Our issues have been sorted out and we are happy to come to work, we hope that the leaders continue to care for employees, employees can make the organization work or hinder its performance.” There were also several non-responses to this question.

4.8. P-Values and Statistical Significance

Tests used are P-Values and Statistical significance. The traditional approach to reporting a result requires a statement of statistical significance. A p-value is generated from a test statistic. A significant result is indicated with " $p < 0.05$ ". These values are highlighted in yellow.

The Chi square test was performed to determine whether there was a statistically significant relationship between the variables (rows versus columns).

Table 4.13: Summary of the results of the chi square tests

	Grade	Race	Gender	Age
My leader is open to new ideas and suggestions.	0.054	0.107	0.842	0.17
My leader explains what needs to be done and trusts me to figure out how to do it.	0.165	0.922	0.544	0.294
I feel free to speak my mind without fear of victimisation.	0.063	0.59	0.849	0.294
The company provides assistance for employees who are going through a hard time.	0.595	0.427	0.558	0.153
My physical working conditions (workplace, heat, light, noise etc) are good.	0.589	0.404	0.603	0.103
I am satisfied with my involvement in decisions that affect my work.	0.538	0.699	0.41	0.642

I feel empowered to make decisions that affect my job and my team.	0.118	0.624	0.812	0.344
The company provides me with the skills and resources I need to do my job to the best of my ability.	0.315	0.295	0.408	0.499
The company creates an environment where I can learn from my mistakes.	0.071	0.334	0.853	0.323
Every day I have the opportunity to do what I am best at.	.023*	.043*	0.57	0.21
My one on one's are useful to me	0.388	0.618	0.48	.005*
I have a meaningful IDP	0.127	0.618	0.581	0.071
My leader is open and honest in our discussions	0.099	0.557	0.845	0.253
My leader keeps me informed of changes in the business	0.117	0.624	0.754	0.216
My leader cares about me as an individual.	0.098	0.626	0.809	0.166
If I were offered the same job, at the same pay at a different company, I would not leave the company	0.05	0.242	0.809	0.186
I am able to balance my work and my personal life.	0.161	0.983	0.678	0.086
I have flexibility in my working hours that allows for work/life balance.	0.161	0.983	0.678	0.086
I have friends among those people with whom I work.	0.456	0.327	0.757	0.285
Few organisations can match this company as a good place to work.	0.071	.039*	0.822	0.134
I am encouraged to come up with innovative solutions to work-related issues.	0.075	.045*	0.64	0.104
My leader allows me the autonomy I need which leads me to be more productive.	0.076	0.538	0.854	0.216
My suggestions are taken seriously and often implemented.	0.067	0.102	0.851	0.23
I am confident about my development and career prospects within the company	0.095	0.227	0.756	0.187
I understand my contribution to business profitability	0.158	0.132	0.624	0.12

It is noted that there are 5 significant relationships in the table above (highlighted in yellow).

For example, the p-value between “Grade” and “Every day I have the opportunity to do what I am best at” is 0.023 (which is less than the level of significance of 0.05). This implies that the respondents did not score similarly on the statement if grade was taken into account.

It is noted that there are no significant results between Gender and any of the statements. This means that gender did not play a role in terms of how respondents scored the statements.

4.9. Correlations

Bivariate Spearman’s correlation was also performed on the (ordinal) data. The results are found below. Bivariate Spearman’s correlation is defined by Saunders et al (2000) as “assessing the strength of the relationship between two variables.”

l	Correlation Coefficient	.686	.562	.514	.671	.747	.647	.607	.724	.802	.638	.791	.778	.847	.866	.886	.759	1.000	1.000	.729	.681	.683	.866	.708	.720	.696
have flexibility in my life	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000			.000	.000	.000	.000	.000	.000	.000
	N	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
l have friends	Correlation Coefficient	.478	.592	.528	.556	.854	.575	.579	.777	.762	.691	.635	.681	.743	.760	.718	.598	.729	.729	1.000	.514	.544	.700	.618	.629	.610
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000	.000
	N	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
few organizations	Correlation Coefficient	.778	.749	.665	.653	.646	.832	.799	.865	.720	.767	.858	.828	.758	.743	.778	.934	.681	.681	.514	1.000	.945	.792	.949	.921	.782
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000
	N	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
am encouraged to lead	Correlation Coefficient	.780	.749	.594	.624	.614	.799	.773	.705	.725	.812	.868	.825	.756	.742	.780	.929	.683	.683	.544	.945	1.000	.794	.942	.915	.828
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000
	N	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
My leadership allows me to suggest	Correlation Coefficient	.789	.555	.466	.578	.722	.745	.703	.655	.878	.790	.865	.846	.977	.953	.977	.790	.866	.866	.700	.792	.794	1.000	.811	.776	.814
	Sig. (2-tailed)	.000	.000	.001	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000
	N	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
am confident about my leadership	Correlation Coefficient	.813	.836	.689	.635	.640	.849	.816	.754	.760	.749	.888	.908	.790	.826	.813	.958	.720	.720	.629	.921	.915	.776	.974	1.000	.815
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
understand my	Correlation Coefficient	.840	.602	.598	.792	.694	.713	.677	.737	.742	.825	.723	.693	.788	.814	.840	.788	.696	.696	.610	.782	.828	.814	.797	.815	1.000
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50

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

The results indicate the following patterns.

Positive values indicate a directly proportional relationship between the variables and a negative value indicates an inverse relationship.

For example, the correlation value between “My leader is open to new ideas and suggestions” and “My leader explains what needs to be done and trusts me to figure out how to do it” is 0.588. This is a directly related proportionality. Respondents agree that an open minded leader will also acknowledge trust in subordinates. The more open minded a leader is, the more likely s/he is to trust his workers.

A negative correlation implies that as one variable increases, the other decreases. However, none of the relationships are negative in the table.

4.10. Data Mining

Data Mining was also used to draw on key performance areas as identified by the organisation. The factors that were taken into consideration were engagement, morale and motivation. Data mining is defined as “a process used by companies to turn raw data into useful information,” Fox (2011). These key performance areas were trended over a 3 year period and included the Organisational Effectiveness surveys that are undertaken by the organisation on an annual basis as well as trends over the past 3 years with regards to turnover rates, internal promotions within the group, absenteeism, Integrated Management Practices (IMP) quality and compliance scores and productivity metrics of cases produced as a percentage of target and machine efficiency.

Table 4.15: 3 Year Trend of Data Mining Key Performance Areas in Percentages

	Year 1	Year 2	Year 3
IMP Compliance	67	89	100
IMP Quality	60	95	100
Turnover	37	9	2
Absenteeism	4	1.89	1.2
OE	63	65	75
Internal Promotions	25	79	95
Machine Efficiency	67	78	89
Case Produced	70	77	91

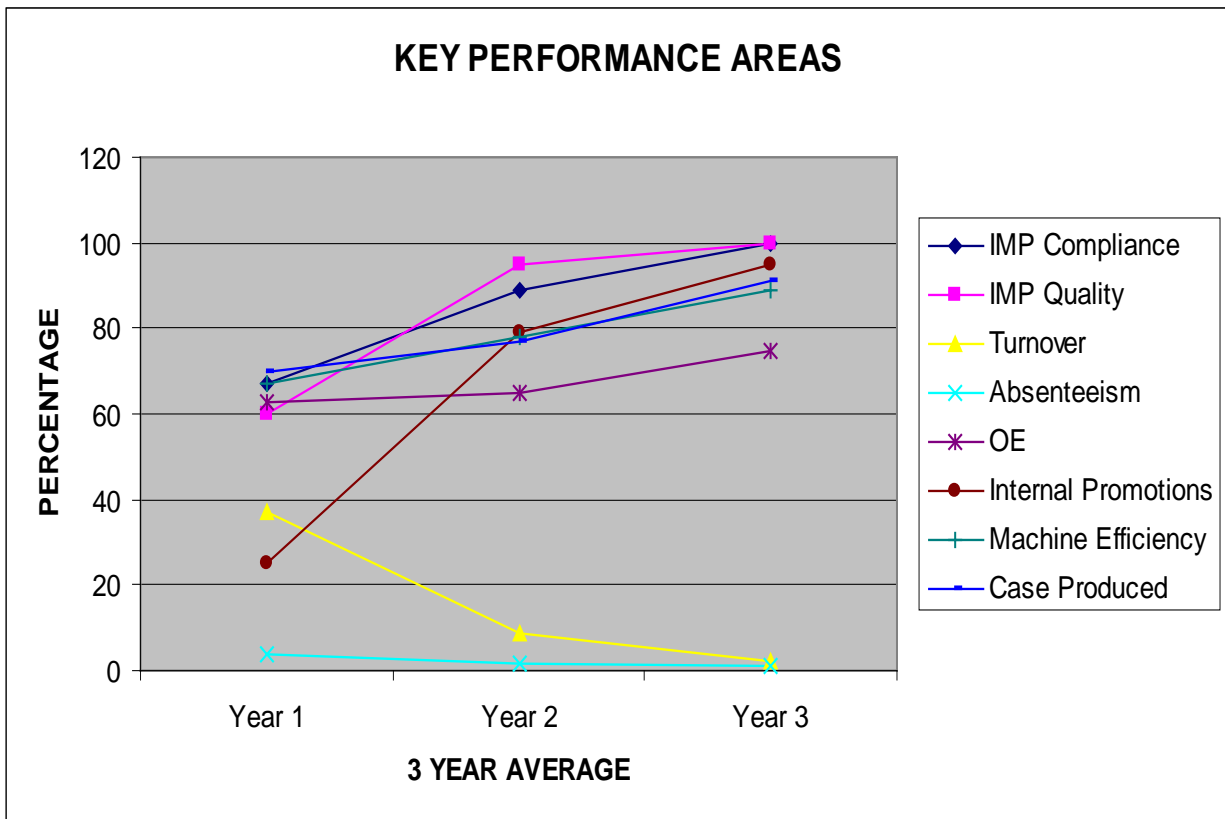


Figure 4.9: Analysis of 3 Year Trend of Data Mining Key Performance Areas

The data collected shows a clear positive increase between IMP compliance, IMP quality, organisational effectiveness survey scores, internal promotions, machine efficiency and cases produced over the 3 year period. Factors such as turnover and absenteeism showed a positive decline over the 3 year period.

4.11. Summary

In this Chapter reliability of the questionnaire was demonstrated in the form of the Cronbach's Alpha measure which came out at .991 which indicates excellent reliability. Communalities and the detail of factor analysis as well as the descriptive statistics were reviewed by means of graphical and cross-tabulation representations. A section analysis of each of the five key objectives and an analysis of the responses was conducted. This was followed by an analysis and discussion of the five quantitative / open-ended questions that were presented to respondents. Hypothesis testing was considered next, where p-values, statistical significance and the chi-square tests were performed. Bivariate Spearman's correlation was then performed on the ordinal data. Data mining based on key performance areas such as organisational effectiveness surveys, turnover rates, internal promotions within the group, absenteeism, integrated management practices (IMP) quality and compliance scores and productivity metrics of cases produced as a percentage of target and machine efficiency were trended over a 3 year period were presented and discussed.

The next chapter looks at the conclusions of the research taking into consideration the literature review and the field work. The following chapter contains recommendations based on the research undertaken.

CHAPTER FIVE – CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

This chapter reviews the data that emerged from the questionnaires and the data mining which was undertaken. Conclusions with regards to the problem statement as explained in chapter one are discussed. Considerations about whether the data has answered the research question are made. Next, the benefits of the research and recommendations to solve the business problem are discussed. The limitations of the study and recommendations to overcome the limitations are then outlined.

5.2. Findings

This section links the objectives with the findings and considers whether the research questions were answered and the evidence supporting this. The objectives of the research were to determine:

- The impact of engaging leadership on morale of staff at NAB
- The impact of engaging leadership on motivation of staff at NAB
- The impact of leadership tools and practices on morale of staff at NAB
- The impact of leadership tools and practices on motivation of staff at NAB
- Whether an engaging work environment contributes to increased productivity at NAB

The conclusions and recommendations based on the fieldwork are as follows:

5.2.1. Objective One: The Impact of Engaging Leadership on Morale of Staff at NAB

Findings:

Literature: Literature sources confirm the importance of engaging leaders on morale of employees.

Fieldwork: As highlighted in the section analysis, the overall pattern is one of agreement (mean = 89.6%). The highest levels of agreement (98%) refer to the assistance provided by the company and the good working conditions on offer. Some 82% of respondents agreed that their leader is open to new ideas and suggestions. A total of 82% of respondents also agreed that they feel free to speak their mind without fear of victimisation. In total 88% of respondents agreed that their leader explained what needs to be done and trusts them to figure out how to do it. Engaging with employees was also further verified in the open-ended questions, where employees were asked if they felt that engaging with employees is important and were required to substantiate their answer. An overwhelming 94% agreed that engaging with employees is important. Substantiation that dealt with engaging leadership and the link to morale was cited in the following statements from employees “happy workers are productive workers, employees spend most of their time and work and need to be happy at work and employees need to be respected.”

Conclusion: Based on this evidence it is clear that engaging leadership had a positive impact on the morale of staff at NAB.

Recommendation: It is recommended that the organisation focuses on more trust building between leadership and employees as the lowest scoring area in this section, points to employees speaking their mind without fear of victimisation. The increased attention on this aspect will enhance employee / leadership relations which can only improve employee morale.

5.2.2. Objective Two: The Impact of Engaging Leadership on Motivation of Staff at NAB

Findings:

Literature: The literature is clear that engaging leadership can positively impact on the motivation of employees.

Fieldwork: The average level of agreement for this section as per the analysis was 82.8%. The lowest level of agreement encompasses (82%) three out of the five areas, which included decision-making at work; empowerment to make decisions and learning from ones mistakes i.e. failing forward. The highest levels of agreement (84%) referred to the skills and resources that the company provided in order to do one's job better and opportunities to do what one is best at. As highlighted above the question of engaging with employees were posed to employees 94% agreed that engaging with employees is important. Substantiation that deals with engaging leadership and the link to motivation was cited in the following statements from employees "employees come to work to give of their best; leaders need to build on their relationships with employees so that it is a win-win situation."

Conclusion: Based on this evidence it is clear that engaging leadership did have a positive impact on motivation of staff at NAB.

Recommendation: It is recommended that the organisation focuses on decision-making and empowering employees to make their own decisions. Although this area scored high the organisation can only gain by placing more emphasis on this area as a contributing factor to motivation of employees.

5.2.3. Objective Three: The Impact of Leadership Tools and Practices on Morale of Staff at NAB

Findings:

Literature: The literature confirms the link between leadership tools and practices on morale of employees.

Fieldwork: The average level of agreement with the statements in this section being 82%. All five areas that were rated by respondents namely: One on ones being useful; having a meaningful individual development plan; one's leader having on the level conversations, change management and the leaders caring about his/ her employee were rated at 82%. One of the questions posed to respondents in the open-ended questions were: Do you believe that leadership can positively or negatively impact performance? Why / How? Some 90% of respondents answered yes to this question. Substantiation varied from "an employee leaves his / her manager not the organisation; good leaders build good relationships with employees."

Conclusion: Based on the evidence one can deduce that employees did perceive a positive correlation between leadership tools and practices such as integrated management practices (IMP), on the level (OTL) conversations, etc on morale of staff at NAB.

Recommendations: All areas scored 82% which on average if compared to the other areas examined was the lowest scoring area. One of the areas that the organisation could improve on would be the leadership tools with specific reference to development which will assist them in improving the morale of employees.

5.2.4. Objective Four: The Impact of Leadership Tools and Practices on Motivation of Staff at NAB

Findings:

Literature: The literature supports the correlation between leadership tools and motivation of employees.

Fieldwork: The average level of agreement for this section was 86.4%. Almost all of the respondents (98%) consider the people they work with as their friends. Only 12% of the respondents indicated that they were prepared to leave the company for a comparative position elsewhere. A high number of employees (86%) were able to balance their work and personal life and had flexibility in their working hour so that they were able to do this. One of the questions posed to respondents in the open-ended questions were: Do you believe that leadership can positively or negatively impact performance? Why / How? 90% of respondents answered yes to this question. Substantiation varied from: “employees perform better under good leadership, poor leadership will have an impact on performance, leaders must not forget where they came from, they were also once employees, managers must learn to trust their employees and treat them as equals”.

Conclusion: Based on this information it is evident that leadership tools and practices did positively impact on motivation of staff at NAB.

Recommendation: The recommendation is to have ensured the completion of the substantiation of the open-ended questions in relation to leadership and performance so that this information could have been utilised more adequately.

5.2.5. Objective Five: Whether an Engaging Work Environment Contributes to Increased Productivity at NAB

Findings:

Literature: The literature confirms the link between an engaging work environment and increased productivity.

Fieldwork: The average level of agreement in this section is 82.8%. The highest number of responses were positive (84%) about being encouraged to come up with innovative solutions and understanding their contribution to the business profitability. Three areas scored 82% i.e. My leader allows me the autonomy I need which leads me to be more productive; my suggestions are taken seriously and often implemented; I am confident about my development and career prospects within the company. It is also interesting to note that based on the data mining evidence, as one of the key leadership tools of Integrated Management Practices (IMP) on compliance and quality increases to 100% in year 3, machine efficiency and cases produced also increases from 78% to 89% and 77% to 91% respectively.

Conclusion: One can therefore see the positive correlation between engaging leadership tools, practices and the environment and the relationship to business productivity in the form of machine efficiency and cases produced. Based on this evidence it is clear that an engaging work environment did in fact contribute to increased productivity at NAB.

Recommendation: The recommendation would be to continue to draw on the trend to test sustainability of the interventions undertaken by the organisation.

5.3. Benefits of this Research

The benefits of the research, for other organisations are that the research shows positive correlations between leadership and productivity at NAB. Engaging leadership and leadership tools and practices implemented at NAB over a three year period did at the end of the three year period result in increased morale, motivation and productivity of the business. The research also provides a sample case study which proves tangibly, based on factual data and statistics the benefits for organisations that engaging leadership can have on business productivity.

The processes followed by the organisation in order to elicit the results that they required can be replicated by other organisations who want to turn around their businesses. Although the results were not significant in the first two years, the third year did produce the required results. It is therefore possible that organisations that are willing to put in the time and effort can yield the same results in terms of engagement and business productivity.

The benefit for NAB as an organisation is that they have evidence that the hard work and effort through their journey of engaging with employees and implementing leadership tools and practices resulted in an increase in business productivity. Their efforts in engaging employees and leading through a different business model did in fact elicit the required results in turning around the organisation both from a people perspective as well as a business performance perspective.

5.4. Recommendations to Solve the Business Problem

The organisation has experienced the benefits of engaging leadership and the implementation of leadership tools and practices. The landscape of the organisation is continuously changing with new initiatives, re-structures and productivity improvements taking place on a daily basis. One factor which could adversely affect the results in term of engagement, leadership and productivity by NAB are the sustainability of these results in an ever changing environment. Recommendations to solve this problem is discussed below:

5.4.1. Sustainability of the Engaging Leadership Initiatives

Sustainability of the initiatives that the organisation has undertaken is of paramount importance. Since the changes took place over a three year period, a lot of hard work and effort has gone into producing the results that it has produced. It is therefore imperative that the results yielded are maintained and even improved. Current line managers need to be kept motivated about why they go the extra mile and put in the extra effort to engage with their employees.

New line managers coming into the business also need to be coached and trained on what the organisations expectations are in terms of engaging leadership. New line managers also need to be coached and trained on the tools that are at their disposal in order to be able to engage and lead their employees productively. It is also vital that their Human Resource, Key Performance Indicators are monitored regularly and the correlations between engaging leadership and business productivity metrics are reviewed. This will ensure continued buy-in from line managers so that they not only practice engaging leadership because this is what the organisation subscribes to but also believe in the benefits that they are reaping.

Employees also need to be encouraged to use the leadership tools and practices to their advantage so that they can develop themselves and drive engagement and openness from the bottom-up. New employees coming into the organisation also need to be empowered about the leadership tools and practices that the organisation subscribes to so that they too can travel the same journey that the company is travelling. Perceptions of employees about new practices implemented by the company are that once there is something new, the old ideas will fall away and new ideas will be implemented. Sustainability is therefore important for line managers to maintain credibility with their employees.

5.5. Limitations of this Study

Time was a definite limitation in this study. The research had to be conducted and completed within four months. Approval was finalised at the end of February which left four months for the completion of the study.

Although the questionnaire was a satisfactory way to gauge respondents views, the quantitative questions provided more valuable information as all questions needed to be answered and they were answered adequately. The hybrid of the questionnaire encompassing quantitative and qualitative information was valuable but could have been more beneficial if the substantiation or verification required from respondents were completed fully. Several respondents answered yes or no to questions, but did not substantiate their answers fully. This made it difficult to analyse the qualitative questions at the same level that the quantitative questions were able to be analysed. This led to quantitative responses contributing more to the research than the qualitative questions did. This study was predominantly a quantitative study with only five open-ended questions which called for qualitative responses.

Respondents were to an extent willing to participate but were also initially sceptical about providing feedback and answering questions for a manager within the business. This could have been because the issues were specifically related to their immediate work environment. Their scepticism was largely combatted by assuring them of confidentiality.

5.6. Recommendations to Overcome the Limitations

A combination of a quantitative questionnaire followed up by a short interview might have added more value to the research. This would have allowed for one to draw tangible conclusions based on the hard numbers, but would have also allowed for one to acquire an in-depth view of the rationale behind some of the answers, which could have added more value to the study. The recommendation for future studies is therefore to conduct a permutation of both a quantitative questionnaire in conjunction with a short in-depth interview. Another recommendation would be to follow up this study with a purely quantitative study.

The initial issue of willingness of respondents could have been averted by conducting the research in an organisation which one had no link to. This would have allowed for the research to be undertaken in an environment without any pre-conceived views about what was going on in the organisation. Alternately the questionnaires could have been administered by a third party who would have been seen by the respondents as completely objective and unbiased about the responses elicited.

5.7. Suggestions for Further Research

There a few focus areas that the research was not able to examine. Future research undertaken could concentrate on:

- The view of leadership prior to the leadership practices and tools being implemented and the comparison to the view of leadership after the implementation.
- A deeper look at similar tools and practices which aim to increase productivity through leadership in other organisations.
- The monetary gain that the organisation would have benefitted by in terms of the productivity improvements, if an organisation is willing to disclose this.
- The sustainability of the interventions engaging leadership tools and practices over a two year period.
- A qualitative study on the impact of engaging leadership on productivity

5.8. Concluding Summary

This chapter reviewed whether or not the data collected answers the following research questions:

- What is the impact of engaging leadership on morale of staff at NAB?
- What is the impact of engaging leadership on motivation of staff at NAB?
- What is the impact of leadership tools and practices on morale of staff at NAB?
- What is the impact of leadership tools and practices on motivation of staff at NAB?
- Does an engaging work environment contribute to increased productivity at NAB?

The literature reviewed in Chapter two discussed the benefits that organisations have reaped by engaging with their employees. The various leadership tools and practices, in order to engage with employees as a means to improve morale, motivation and as an end-state overall business productivity was discussed.

The data collected from the questionnaires shows a positive correlation between engaging leadership and business productivity. The data mining evidence also reflects a clear positive increase between IMP compliance, IMP quality, organisational effectiveness (OE) survey scores, internal promotions, machine efficiency and cases produced over the three year period. Factors such as turnover and absenteeism showed a positive decline over the three year period.

From the research conducted it is evident that there is an undeniable positive correlation between the engaging leadership tools and practices implemented by New Age Beverages over a three year period which aimed at improving employee morale, motivation and ultimately business productivity.

The tools and practices implemented by the organisation were cited by employees as paramount to the relationship built between employees and management. As was evident by the HR key performance indicators, turnover and absenteeism decreased significantly over the afore-mentioned period. The key leadership tools of IMP compliance and IMP quality and internal promotions increased significantly. The 'happiness' of employees was measured over the period by the OE survey scores which also increased significantly especially from year two

to three. The end result was an increase in the key business productivity metrics of cases produced and machine efficiency.

In conclusion it is evident that the leadership model, tools and practices implemented by New Age Beverages was an excellent way to engage with their employees, improve morale and motivation and inevitably increase business productivity. Although the process was time consuming, the culmination of the business's effort and commitment has led them to be able to reap the fruits of their labour. It is also patently clear that simple tools, processes and commitment can go a long way in an organisation reaching its goals. It is contended that the recommendations made, if implemented and if carefully monitored, will add value to New Age Beverages in terms of employee contentment, motivation and morale.

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UNIVERSITY OF KWAZULU-NATAL
Graduate School of Business

Dear Respondent,

MBA Research Project

Researcher: Natalina Singh 079 523 0676

Supervisor: Alec Bozas 082 33 444 77

Research Office: Ms P Ximba 031-2603587

I, Natalina Singh, am an MBA student in the Graduate School of Business, at the University of KwaZulu-Natal. I would appreciate it if you would please participate in a research project entitled, **Leadership and business productivity: A case study of New Age Beverages.**

The aim of this study is to gauge whether engaging leadership impacts on morale and business productivity. Through your participation I hope to understand your view on engaging leadership. The results of this survey should contribute to a better understanding of effective management.

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this research. Confidentiality and anonymity is assured. The research documents will be securely stored and ultimately destroyed in accordance with the regulations of the Graduate School of Business, UKZN.

If you have any questions or concerns about participating in this study, please contact me or my supervisor on the numbers listed above.

It should take you about 10 minutes to complete the questionnaire. Thank you for taking the time to complete the questionnaire.

Sincerely

Investigator's signature _____ Date _____

This page is to be retained by participant

**UNIVERSITY OF KWAZULU-NATAL
Graduate School of Business**

MBA Research Project

Researcher: Natalina Singh 079 523 0676

Supervisor: Alec Bozas 0823344477

Research Office: Ms P Ximba 031-2603587

CONSENT

I _____ (full names of participant) hereby confirm that I understand the contents of this document and the nature of the research project, and I consent to participating in the research project. I understand that I am at liberty to withdraw from the project at any time, should I so desire.

Signature of Participant

Date

This page is to be retained by researcher

VOLUNTARY QUESTIONNAIRE

Researcher: Natalina Singh (079 523 0676)
Supervisor: Alec Bozas (082 33 444 77)

UNIVERSITY OF KWAZULU-NATAL GRADUATE SCHOOL OF BUSINESS

DEMOGRAPHIC INFORMATION

JOB GRADE:

Please indicate your JOB GRADE by ticking ONE box only	
Grade	Tick appropriate box
FA/ PE/ OE	1
P9 – P20	2

RACE:

Please indicate your RACE	
Race	Tick appropriate box
African*	1
Indian	2
Coloured	3
White	4

GENDER:

Please indicate your GENDER	
Gender	Tick appropriate box
Male	1
Female	2

AGE:

Please indicate your AGE	
AGE GROUP	Tick appropriate box
18-25	1
26-35	2
36-45	3
46>	4

1. African – Historically known as Black

Questions

Please tick the suitable box	Strongly Disagree	Disagree	Neither Agree / Disagree	Agree	Strongly Agree
1. My leader is open to new ideas and suggestions.	1	2	3	4	5
2. My leader explains what needs to be done and trusts me to figure out how to do it.	1	2	3	4	5
3. I feel free to speak my mind without fear of victimisation.	1	2	3	4	5
4. The company provides assistance for employees who are going through a hard time.	1	2	3	4	5
5. My physical working conditions (workplace, heat, light, noise etc) are good.	1	2	3	4	5
6. I am satisfied with my involvement in decisions that affect my work.	1	2	3	4	5
7. I feel empowered to make decisions that affect my job and my team.	1	2	3	4	5
8. The company provides me with the skills and resources I need to do my job to the best of my ability.	1	2	3	4	5
9. The company creates an environment where I can learn from my mistakes.	1	2	3	4	5
10. Every day I have the opportunity to do what I am best at.	1	2	3	4	5
11. My one on one's are useful to me	1	2	3	4	5
12. I have a meaningful IDP	1	2	3	4	5
13. My leader is open and honest in our discussions	1	2	3	4	5
14. My leader keeps me informed of changes in the business	1	2	3	4	5
15. My leader cares about me as an individual.	1	2	3	4	5
16. If I were offered the same job, at the same pay at a different company, I would not leave the company	1	2	3	4	5
17. I am able to balance my work and my personal life.	1	2	3	4	5
18. I have flexibility in my working hours that allows for work/life balance.	1	2	3	4	5
19. I have friends among those people with whom I work.	1	2	3	4	5
20. Few organisations can match this company as a good place to work.	1	2	3	4	5
21. I am encouraged to come up with innovative solutions to work-related issues.	1	2	3	4	5
22. My leader allows me the autonomy I need which leads me to be more productive.	1	2	3	4	5
23. My suggestions are taken seriously and often implemented.	1	2	3	4	5

24. I am confident about my development and career prospects within the company	1	2	3	4	5
25. I understand my contribution to the business's profitability	1	2	3	4	5

Open-ended Questions

1. What have you noticed that is positive about the organisation?

2. What have you noticed that is negative about the organisation?

3. Do you believe that engaging with employees is important? Why?

4. Do you believe that leadership can positively or negatively impact performance? Why/How?

5. Please add any information that will be relevant to this research

Thank you for participating in this study



Research Office, Govan Mbeki Centre
Westville Campus
Private Bag x54001
DURBAN, 4000
Tel No: +27 31 260 3587
Fax No: +27 31 260 4609
ximbap@ukzn.ac.za

28 March 2012

Ms Natalina Singh (971154982)
Graduate School of Business and Leadership

Dear Ms Singh

PROTOCOL REFERENCE NUMBER: HSS/0086/012M
PROJECT TITLE: Leadership and business productivity: A case study of New Age Beverages

In response to your application dated 23 March 2012, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol has been granted **FULL APPROVAL**.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment /modification prior to its implementation. In case you have further queries, please quote the above reference number. Please note: Research data should be securely stored in the school/department for a period of 5 years.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

.....
Professor Steven Collings (Chair)
Humanities & Social Science Research Ethics Committee

cc Supervisor Mr Alec Bozas
cc Mrs Wendy Clarke

