

**FACTORS THAT CONTRIBUTE TO THE LEVEL OF EMPLOYEE
ENGAGEMENT IN THE TELECOMMUNICATION INDUSTRY IN KENYA:
A CASE STUDY OF ZAIN KENYA**

**BY
CATHERINE NDANU MUTUNGA**

**A MANAGEMENT RESEARCH PROJECT SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF DEGREE
IN MASTER OF BUSINESS ADMINISTRATION (MBA), SCHOOL OF
BUSINESS,**

UNIVERSITY OF NAIROBI

JUNE 2009

DECLARATION

I declare to the best of my knowledge that this is my original work and has not been presented for a degree in any other university. No part of this proposal may be reproduced without prior permission of the author and / or University of Nairobi.

Student Name: Catherine Ndanu Mutunga

Signature:

Date:

This project proposal has been presented for examination with my approval as the appointed university supervisor.

Supervisor: Prof. K'Obonyo

Signature:

Date:

DEDICATION

To my beloved husband Peter Kiema and our wonderful child who persevered difficult times, missed valuable family moments to enable me complete the study.

ACKNOWLEDGEMENT

There are several people that I owe a debt of gratitude for their time, guidance and encouragement. I am grateful to all but, I would like to single out a few individuals who deserve particular mention.

To my supervisor, Prof. K'Obonyo for his witty wisdom, support and guidance. Without his insistence on quality, this study would have been unsuccessful.

Special thanks to my MBA Colleagues and friends for words and acts of encouragement throughout the postgraduate program.

To all my friends that have helped me out throughout the study, financially and otherwise, I would like to thank them all.

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	vii
ABSTRACT.....	viii
CHAPTER ONE.....	1
INTRODUCTION.....	1
1.1 Background	1
1.1.1 Employee Engagement.....	2
1.1.2 Telecommunications Industry in Kenya	4
1.2 Statement of the Problem.....	6
1.3 Objectives of the Study.....	7
1.4 Significance of the Study	7
CHAPTER TWO.....	9
LITERATURE REVIEW	9
2.1 Introduction	9
2.2 Employee Engagement	9
2.2.1 Categories of Employee Engagement.....	12
2.2.2 Importance of Employee Engagement	13
2.3 Factors Leading to Employee Engagement.....	14
2.4 Measuring Employee Engagement	18
2.5 Creating the culture of Engagement	19
2.6 Impact of Human Resource Management Practices on Employee Engagement	20
2.7 Summary of Literature Review	21
CHAPTER THREE	23
RESEARCH METHODOLOGY	23
3.1 Research Design	23
3.2 Population of Study	23
3.3 Sampling and Sample Size.....	23
3.4 Data Collection.....	23
3.5 Data Analysis	24
3.6 Summary of Data Collection and Analysis.....	24
CHAPTER FOUR.....	25
RESULTS AND FINDINGS	25
4.1 Introduction.....	25
4.2 Demographic Information.....	25
4.2.1 Age.....	25
4.2.2 Gender age.....	26

4.2.3 Years of Service at Zain	26
4.2.4 Marital Status.....	26
4.2.5 Relationship Between Age and Years at Zain	27
4.2.6 Relationship Between Gender and Marital Status	27
4.3 Factors which Contribute to Employee Engagement	28
4.4 Extent of Employees' Engagement at Zain Limited	30
CHAPTER FIVE.....	32
DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS.....	32
5.1 Introduction	32
5.2 Summary	32
5.3 Discussions.....	33
5.3.1 Factors which Contribute to Employee Engagement.....	33
5.3.2 Extent of Employees Engagement at Zain Limited	34
5.4 Conclusions	35
5.5 Recommendations	35
REFERENCES.....	36
APPENDIX I: INTRODUCTION LETTER	39
APPENDIX II: RESEARCH QUESTIONNAIRE	40

LIST OF TABLES

Table 1: Respondent's age	25
Table 2: Respondent's gender	26
Table 3: Years of employment at Zain	26
Table 4: Marital status	26
Table 8: Extent of employees' engagement.....	31
Table 6: Relationship between gender and marital status	27
Table 7: Factors which contribute to employee engagement	29
Table 5: Relationship between Age and Years of employment.....	27

ABSTRACT

The objectives of the study were to identify factors which contribute to employee engagement; and to determine the extent to which employees are engaged at Zain Kenya Limited. A case study research design was adopted. The population of interest consisted of management and non management staff working at Zain Nairobi headquarter. A sample size of 42 respondents was selected through stratified random sampling process to ensure representativeness of the Divisions of the company. Data was collected through questionnaires emailed to respondents and results analyzed using factor analysis, mean scores, and standard deviation. Results were presented in tables. Out of the forty two sampled respondents, 21 responded representing a response rate of 50 percent.

Even though respondents were represented in various age groups, majority of the employees sampled (52 percent) were aged between 21 and 30. Seventy six percent of the respondents were females, and sixty seven percent of employees had worked for less than 5 years at Zain. Married respondents were represented by 57 percent while respondents who were single were represented by 43 percent.

Remuneration contributed to employee engagement to a very large extent. Other factors which contributed to engagement to a large extent include training and development; career growth; supervisor skills and fairness; job security; and recognition and appreciation. On the other hand, provision of mobile phones by the company; and company mission statement were identified as factors which contributed to engagement to a small extent implying that they were less significant. On the contrary, the study found that punishment had a moderate but, positive contribution to employee engagement. It was also noted that the contribution of punishment to engagement was greater than provision of free mobile phones and company mission statement.

It was established that employees at Zain were disengaged. This was depicted by distraction from work, lack of satisfaction with remuneration, work-life balance. Respondents showed that they lacked the freedom to express their opinions and that they were not adequately involved in making company strategic decisions. It was concluded that several factors contribute to engagement but, salary and benefits was the largest contributor. It was also concluded that punishment could be used to positively influence

employee engagement. This however, would depend on the magnitude of punishment as well as circumstances leading to punishment.

Based on the findings of the study, it was recommended that;

1. The relationship between punishment and engagement of employee at the place of work should be investigated by researchers in future.
2. Zain should undertake remuneration survey within the communication industry and consequently use findings to review its remuneration levels.
3. Zain should allow her employees to form a trade union or register with existing unions to represent them effectively.
4. Since career development is crucial for retaining staff, the company should invest in staff training and be fair and objective when carrying out promotion of employees.
5. Studies on employee engagement should be replicated in other industries.

CHAPTER ONE

INTRODUCTION

1.1 Background

Employees are very important inputs in the production process and service delivery in any given industry. Their skills, roles and satisfaction at the place of work influence the competitive edge of the firm within the industry. For employees to play their part effectively, it is important that they are satisfied, motivated and managed in a way that enhances their level of engagement with the employer. Firms need to create conducive working environment and institute policies which support employee commitment. Gunnigle and Moore (1994) note that human resource policies are not only derived from business strategy but also that business strategy is likely to be problematic if not properly attached to human resource policy. Human resource strategies and policies that are concerned with the use of labor in firms (Boxall and Purcell, 2000) consequently need to be effective.

Good spirit at work, at the personal level, reflects a distinct state that involves profound feelings of wellbeing, a belief that one's work makes a contribution, a sense of connection to others and common purpose, an awareness of a connection to something larger than self, and a sense of perfection (Kinjerski and Skrypnek, 2004). Perceived as beneficial to employees, customers, and employers, spirit at work is being promoted by academics and organizational consultants. Organizations are introducing programs to increase spirit at work, however, research identifying organizational characteristics that directly cultivate an individual's experience of spirit at work is lacking. At the organizational level, spirituality in the workplace refers to an organizational culture guided by mission statements, leadership and business practices that are socially responsible and value-driven, that recognizes the contributions that employees make to the organization, and that promotes personal spiritual development and wellbeing (Ashmos and Duchon, 2000; Guillory, 2000; Mitroff and Denton, 1999).

It is common cause that everyone in business should understand the objectives and pull in the same direction to maximize profit and growth. There is a measure of success stories in this regard especially where people and productivity issues occupy the centre stage;

morale, commitment and engagement are positively affected. Nevertheless, some organizations have year after year made a concerted effort to address employee commitment and engagement issues and as always, successes have varied from organization to organization (Wellins, Bernthal and Phelps, 2005). It takes little persuasion on a theoretical level to convince a business leader, that employees who are more committed or engaged, work harder and smarter, and will be better for the company than those who turn up and do merely what they are obliged to do (Gallup Research Report, 2003). The Gallup Research Report (2003) estimated that actively disengaged workers are 10 times more likely to say they will leave their organizations within a year than engaged staff. Their 2003 survey in the US and Canada of 1000 workers found that only a quarter were actively engaged in their work with a huge group of between 56% and 60% not engaged and 17% actively disengaged. The research estimates that actively disengaged (uncommitted) workers cost US businesses between \$270 and \$343 billion a year due to low productivity.

1.1.1 Employee engagement

Armstrong (2006) defines engagement as a positive two – way relationship between an employee and their organization. Both parties are aware of their own and the other's needs, and the way they support each other to fulfill those needs. He adds that engaged employees and organizations will go the extra mile for each other because they see the mutual benefit of investing in their relationship. Weatherly (2003) argues that engagement of talent is based on the development and communication of an employee value proposition (EVP) that at least partly articulates the psychological contract, the value exchange, or the deal between the employer and employee. The EVP also forms the basis for an employer brand that the organization can use to market itself to potential employees. An EVP needs to address four areas which include great company, great leaders, great job and attractive compensation.

In today's competitive global business environment, however, it is becoming clear that a sole focus on satisfaction and stability is not enough to forge the crucial link between individual performance and positive business results; it must expand to include the concept of employee engagement (Sanchez and Maccauley, 2006). Engagement, which indicates a more complex alignment and identification with the organization, results in

higher achievement, by many measures, on both an individual and enterprisewide basis. The human resource management approach to talent management recognizes that different talent pools have varying engagement needs. This contrasts with Watson Wyatt's findings but is supported by Penna's research which has found, for example, that knowledge workers have different engagement drivers from production workers (Ingham, 2007). The main driver of engagement for people who have a direct role in manufacturing a product or delivering a service tends to be their relationship with their line manager. Secondary drivers include employees' life at work, the organization's values and senior leadership. Knowledge workers usually have a low amount of direct management and the manager is just one element of several factors which are all important in gaining their engagement. According to Ingham (2007) the order of factors tends to be life at work first, followed by senior leadership, organizational values and then the knowledge worker's relationship with their manager. Supporting these findings, research by Purcell et al. (2002) found that knowledge workers are engaged by factors linked to their careers, training and job challenge while clerical and manual workers were engaged by involvement and team work. Other studies suggest that managerial staff is most affected by work-life balance and clerical staff by their relationships with customers supported by the quality of the brands. Sanchez and Mccauley (2006) state that employee engagement model consists of satisfaction, motivation, commitment and advocacy.

Satisfied employees

Satisfied employees enjoy doing their jobs and are not dissatisfied with the terms and conditions of employment. Generally, they are content to work alone, reliably, without requiring a great deal of management oversight. At the same time, they are not necessarily team players, and tend not to go above and beyond in their efforts. Purely satisfied employees are often externally focused on family life, or on their goals outside the workplace rather than focused on doing all they can to help drive positive business results (Sanchez and Mccauley, 2006).

Motivated employees

Motivated employees occupy the next stage of the employee engagement continuum. In addition to sharing the attributes of satisfied employees, motivated workers contribute energetically, and are highly focused individual contributors to the enterprise. Mainly,

though, they are striving to achieve individual goals more than team or organizational goals.

Employee commitment

At the Committed stage, employees have thoroughly internalized the values and behaviors represented above but have also forged a strong identification with the organization (Sanchez and Mccauley, 2006). They are loyal to the company and optimistic about its future. They are also openly ambitious and believe the organization will enable their best performance. Above all, they have a sense of true belonging to the organization, feeling valued and involved, and are thus resilient in response to any short-term setbacks or dissatisfactions. Walton (1985) notes that commitment is thought to result in better quality, lower turnover, a greater capacity for innovation and more flexible employees. In turn these are seen to enhance the ability of the organization to achieve competitive advantage.

Advocate

Employees at the Advocate stage of the engagement model evidence a level of engagement that is indicative of a positive link between employee performance and business results. Advocate stage employees have a vested interest in the organization's success. They freely contribute discretionary effort a willingness to go the extra mile in executing projects and even the most routine work; are motivated to perform to the highest standards; and apply creative energy to their work and the work of their teams. They proactively seek opportunities to serve the mission of the organization. In addition, they speak positively about the products and services of the organization and recommend it as an employer (Sanchez and Mccauley, 2006). They are also willing to withhold criticism and/or be constructively critical for the good of the organization. This fourth stage is the most desired outcome.

1.1.2 Telecommunications Industry in Kenya

The telecommunication industry has undergone tremendous innovations with the proliferation of information and communication technology. At present, mobile telephones are an integral part of modern telecommunications. In many countries, more than half of the population already uses mobile telephones and the market is still growing

(Muturi, 2004). For the last one decade, the marketing environment facing firms in Kenya has been dynamic. Generally, there has been a shift from a stable, non – volatile predictable and uncompetitive environment to one that is quite volatile, unpredictable and competitive (Muturi, 2004). Up to 1990's many firms in Kenya enjoyed unchallenged monopolies and government protection. Deregulation and globalization have however turned around the Kenyan marketing environment. Globalization has spearheaded the integration of the Kenyan economy with other world economies such that Kenya is now part of the global village. The power of information and technology, deregulation, globalization of markets and stiff competition has made customers better educated, more inquisitive, sophisticated and deciding. The marketing environment has tremendously changed thereby posing serious implications and challenges to the survival and profitability of firms. To address these challenges, it is necessary to improve employee engagement.

The key players in the telecommunication industry in Kenya include Safaricom, Zain, Orange, YU, and Telkom Kenya. Safaricom has the largest number of subscriber base estimated at 13 million persons representing a market share in excess of 70 percent. Zain enjoys a subscriber base of approximately 3 million subscribers representing market share of 18 percent. Zain offers a host of value added services including voice solutions, M – Commerce and data solutions. Data includes provision of services such as Internet, data transfer and management. Voice product embrace services such as voice calls, short messaging system and chat. Product and service development innovations in the telecommunication industry include money transfer services such as MPesa by Safaricom and Zap by Zain.

An organization's most important people are often also the most likely to look elsewhere for other opportunities. Armstrong (2006) argues that talent will always be in high demand, and many talent groups will be attracted by the prospect of short periods of employment with a large number of employers. Telecommunication industry is no exception to these challenges. The uniqueness of the nature of services and products, industry newness in the Kenyan economy and low supply of skilled personnel increases competition for talent. Further, liberalization of the market has increased the number of participants in the industry creating job openings against a shortfall of supply. Consequently, mobile service providers suffer huge losses in terms of high turnover of

specialized staff such as telecommunication engineers lured by lucrative pay offers from rival firms. Finding qualified people to fill gaps left by turnover is difficult and the cost of providing specialized engineering training to new recruits is high. Under these circumstances, firms are better off engaging their employees with the objective of retaining them for long term growth and survival.

1.2 Statement of the Problem

The telecommunication industry is expected to play a major role to faster economic growth and acceleration of achievement of Vision 2030 as envisaged by the government of Kenya. The growth in the industry has generated intense competition and firm rivalry. Mobile service providers in Kenya compete on the basis of price. However, price based competition is temporary, unsustainable, and can easily be aped by competitors. Competition based on price has low returns particularly for firms with comparatively low sales volume. It is important therefore, to redefine competitive advantage for firms in the telecommunication industry. Non price competition such as skilled and committed employees provides more sustainable and firm specific competitive advantages.

Employees who are engaged in their work and committed to their organizations give companies crucial competitive advantages including higher productivity and lower employee turnover. Organizations with an inculcated employee engagement philosophy within their work environment naturally become counted as best companies to work for since they put people at the heart of the corporate purpose (Gratton, 2000). Thus, it is not surprising that organizations invest substantially in policies and practices that foster engagement and commitment in their workforces. It is important for managers to cultivate engagement given that disengagement or alienation is central to the problem of workers' lack of commitment and motivation. Meaningless work is often associated with apathy and detachment from ones work. In such conditions, individuals are thought to be estranged from themselves. Weatherly (2003) argues that human capital can be developed and cultivated, but it can also decide to leave the organization, become sick, disheartened, and even influence others to behave in a way that may not be to the advantage of an employer, thus usurping or siphoning off resources intended for use elsewhere in the organization. To reduce loss of resources, it is imperative that employees be engaged by their employers.

Success in the telecommunication industry depends on human capital because identical products and services are offered by competing companies. Given this scenario and the fact that Zain rolled out a strategy to increase its competitiveness in the industry, it is important to find out the level of engagement of its human resources. A study by Devi (2009) found that pay and benefits are not by themselves effective drivers of employee engagement. He therefore concluded that corporate culture contributes to employee engagement. Piersol (2006) reported that communication is instrumental to promoting employee engagement. These studies were however, carried out in the developed world implying that they may not mirror realities in the developing countries. In addition, literature reviewed suggests that no study on engagement has been done in the telecommunication industry in Kenya. The study therefore, aimed to bridge the existing knowledge gaps by finding responses to the following research questions;

- i) Which factors encourage employee engagement in the telecommunications industry?
- ii) To what extent are employees engaged in the telecommunication industry?

1.3 Objectives of the Study

The objectives of the proposed study were to:

- i. Identify the factors that contribute to employee engagement at Zain Kenya.
- ii. Determine the extent to which employees are engaged at Zain Kenya

1.4 Significance of the study

The study of employee engagement is of value to the following:

- i. Zain will gain from findings of the study by understanding determinants of employee engagement within the company. The findings will be used as building block to enhancing competitive advantage of Zain through employee investment decisions.
- ii. Other companies in the telecommunication industry will use results of the study in adopting paradigm shift in designing long term competitive strategies which are not based on price.

- iii. Potential investors in the telecommunication industry will understand what leads to employee satisfaction. This will enable investors to develop human resource strategies which attract, utilize and retain competent employees.
- iv. Lastly, this study also aims to add to the body of knowledge that exists locally and globally, in the area of talent, attraction, motivation and retention.

CHAPTER TWO

LITERATURE REVIEW

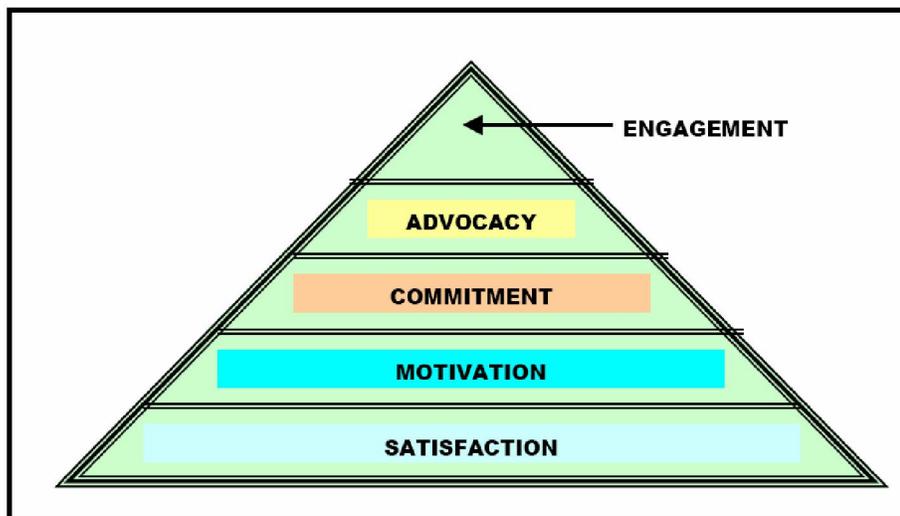
2.1 Introduction

There is a large amount of research that has been done on employee engagement and employee commitment in the workplace and its effect on the bottom line in the US and the UK (Pentilla, 2004). However, little is known about this context in Kenya. Despite its importance, little is known about employee engagement locally. The following sections focus on review of the concept of employee engagement.

2.2 Employee engagement

The International Survey Research (2003) formally defines employee engagement as a process by which an organization increases commitment and contribution of its employees to achieve superior business results. They conclude that employee engagement is a combination of an employee's cognitive, affective and behavioural commitment to a company. Brown (2005), views engagement as a progressive combination of satisfaction, motivation, commitment and advocacy resulting from employees' movement up the engagement pyramid.

Fig 2.1 Engagement pyramid



Source: Brown, S.P (1996) A Meta-analysis and review of organizational research on job involvement. *Psychological Bulletin*, 120: 234-255.

Employee engagement has its roots in classic work done in employee motivation, in the form of intrinsic motivation (Hertzberg, 1966). Bateman and Grant (2003) state that intrinsic motivation is said to exist when behavior is performed for its own sake rather than to obtain material or social reinforces. Although Deming (1993) placed great weight on the value system, he also acknowledged the vital role of intrinsic motivation and the need to engage workers in their work. It would appear that employee engagement is strongly linked to the work of classic motivation theorists and researchers.

Engagement at work was conceptualized by Kahn, (1990) as the 'harnessing of organizational members' selves to their work roles. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. Kahn (1990) goes on to suggest that employees experience dimensions of personal engagement (or disengagement) during daily task performances. Engagement occurs when one is cognitively vigilant and/or emotionally connected to others. In other words, employees who know what are expected of them, who form strong relationships with co-workers and managers, or how in other ways experience meaning in their work, are engaged. Disengaged employees, on the other hand, disconnect themselves from work roles and withdraw cognitively and emotionally. Disengaged employees display incomplete role performances and task behaviours become effortless, automatic or robotic (Hochschild, 1983).

Hochschild (1983) stated that unemployment of the self in one's role is considered as robotic or apathetic behaviour. Employee engagement focuses on how the psychological experiences of work and work contexts shape the process of people presenting and absenting themselves during task performances. Kahn (1990) suggested that there are two major dimensions of engagement which include emotional and cognitive engagement. To be emotionally engaged is to form meaningful connections to others and to experience empathy and concern for other's feelings. In contrast, being cognitively engaged refers to those who are acutely aware of their mission and role in the work environment. According to Kahn (1990, 1992) employees can be engaged on one dimension and not the other. However, the more engaged an employee is on each dimension, the higher his or her overall personal engagement.

The second related construct to engagement in organizational behavior is the notion of flow advanced by Crabtree (2003). Gratton (2000) defines flow as the ‘holistic sensation’ that people feel when they act with total involvement. Flow is the state in which there is little distinction between the self and environment. When individuals are in flow state little conscious control is necessary for their actions. Employee engagement is thus the level of commitment and involvement an employee has towards their organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee. Thus Employee engagement is a barometer that determines the association of a person with the organization.

Engagement is most closely associated with the existing construction of job involvement (Brown 1996) and flow. Job involvement is defined as ‘the degree to which the job situation is central to the person and his or her identity. Kee (2003) maintained that job involvement is a cognitive or belief state of psychological identification. Job involvement is thought to depend on both needs saliency and the potential of a job to satisfy these needs. Thus job involvement results from a cognitive judgment about the needs satisfying abilities of the job. Finally engagement may be thought of as an antecedent to job involvement in that individuals who experience deep engagement in their roles should come to identify with their jobs.

Human Resource (HR) practitioners believe that the engagement challenge has a lot to do with how employee feels about the work experience and how he or she is treated in the organization. It has a lot to do with emotions which are fundamentally related to drive bottom line success in a company. There will always be people who never give their best efforts no matter how hard HR and line managers try to engage them. But for the most part employees want to commit to companies because doing so satisfies a powerful and a basic need in connect with and contribute to something significant.

The view of Melcrum in their employee engagement survey (2005) which perceives employee engagement as about translating employee potential into employee performance and business success is the one that will be adopted for the purpose of this study. In Melcrum (2005), it is asserted that although the employee engagement models

are different from each other, they are largely clear and consistent with one major aspect. They all signify that getting more out of employees' potential is considered necessary for the greater good of the company and the growth of employees. Gubman (2004) suggests that the key goal of engagement should be determined by the organization and its strategic goals for the year. What drives that particular organization to succeed will be determined by the strongest levers of the company's leadership, brand, culture, rewards framework, communication and infrastructure.

2.2.1 Categories of Employee Engagement

According to the Gallup consulting organization there are different types of people. Engaged employees are people who want to know the desired expectations for their role so they can meet and exceed them. They're naturally curious about their company and their place in it. They perform at consistently high levels. They want to use their talents and strengths at work every day. They work with passion and they drive innovation and move their organization forward.

Disengaged employees tend to concentrate on tasks rather than the goals and outcomes they are expected to accomplish. They want to be told what to do just so they can do it and say they have finished. They focus on accomplishing tasks vs. achieving an outcome. Employees who are not engaged tend to feel their contributions are being overlooked, and their potential is not being tapped. They often feel this way because they don't have productive relationships with their managers or with their coworkers.

Actively disengaged employees are the "cave dwellers." They're consistently against virtually everything. They're not just unhappy at work; they're busy acting out their unhappiness. They sow seeds of negativity at every opportunity. Every day, actively disengaged workers undermine what their engaged coworkers accomplish. As workers increasingly rely on each other to offer services, the problems and tensions that are fostered by actively disengaged workers can cause great damage to an organization's functioning.

2.2.2 Importance of Employee Engagement

An organization's capacity to manage employee engagement is closely related to its ability to achieve high performance levels and superior business results. Some of the advantages of engaged employees include the following. Engaged employees will stay with the company, be an advocate of the company and its products and services, and contribute to bottom line business success. They will normally perform better and are more motivated. There is a significant link between employee engagement and profitability. Engaged employees form an emotional connection with the company. This impacts their attitude towards the company's clients, and thereby improves customer satisfaction and service levels. Further, engagement builds passion, commitment and alignment with the organization's strategies and goals hence increasing employees' trust in the organization. In a competitive industry such as telecommunication, firms can cultivate employee loyalty by engaging them. Through this, firms can effectively transform employees to brand ambassadors for the company.

A highly engaged employee will consistently deliver beyond expectations. In the workplace research on employee engagement (Hagen and Morsheda, 1998) have repeatedly asked employees 'whether they have the opportunity to do what they do best everyday'. While one in five employees strongly agree with this statement. Those work units scoring higher on this perception have substantially higher performance. Thus employee engagement is critical to any organization that seeks to retain valued employees. The Watson Wyatt consulting companies has proved that there is an intrinsic link between employee engagement, customer loyalty, and profitability. As organizations globalize and become more dependent on technology in a virtual working environment, there is a greater need to connect and engage with employees to provide them with an organizational identity.

According to Hewitt (2005), enhancing employee engagement creates a "win-win" situation. Employees are happier and more productive and this ultimately leads to a positive impact on business results. Employee engagement also acts as a catalyst towards the retention of staff. Greenberg (2004) observes that employee engagement is critical to any organization that seeks not only to retain valued employees, but also to increase its

levels of performance. The more highly engaged your employees are, the more likely you are to have a strongly customer-focused organization. Finally, and perhaps least surprisingly, Perrin (2003) found strong linkages between what the customer focused employees expressed about their organization and revenue growth. There is also an inverse relationship between customer focus and the cost of goods sold.

2.3 Factors Leading to Employee Engagement

Studies have shown that there are critical factors which lead to Employee engagement. They include Training and Career development, management performance, remuneration, managing expectations, family-work balance, trust, employee motivational match and exceptional leadership.

Career development influences engagement for employees and retaining the most talented employees and providing opportunities for personal development. Employees need to feel that the core values for which their companies stand are unambiguous and clear. Upward mobility of staff can be enhanced through training of staff. There are two widely expressed, but wholly opposed, perspectives on the link between training interventions and employee turnover (Torrington et al., 2005). On the one hand is the argument that training opportunities enhance commitment to an employer on the part of individual employees, making them less likely to leave voluntarily than they would if no training were offered. The alternative view holds that training makes people more employable and hence more likely to leave in order to develop their careers elsewhere. The view is thus put that money spent on training is money wasted because it ultimately benefits other employers.

Successful organizations show respect for each employee's qualities and contribution – regardless of their job level. A company's ethical standards also lead to engagement of an individual. Employees want to be involved in decisions that affect their work. The leaders of high engagement workplaces create a trustful and challenging environment, in which employees are encouraged to dissent from the prevailing orthodoxy and to input and innovate to move the organization forward. How much employees are prepared to endorse the products and services which their company provides its customers depends largely on their perceptions of the quality of those goods and services. High levels of employee engagement are inextricably linked with high levels of customer engagement.

The employee engagement levels would be high if their bosses (superiors) provide equal opportunities for growth and advancement to all the employees. Fair evaluation of an employee's performance is an important criterion for determining the level of employee engagement. The company which follows an appropriate performance appraisal technique (which is transparent and not biased) will have high levels of employee engagement. There should be both upward and downward communication with the use of appropriate communication channels in the organization. If the employee is given a say in the decision making and has the right to be heard by his boss then the engagement levels are likely to be high.

The relationship between leadership behavior and job satisfaction has received a great deal of attention in past research, and, the findings, however, have been mixed. Research by Savery (1994) reported a positive relationship between leadership behavior and job satisfaction. Similarly, Pool (1997) found that consideration leadership behavior has a positive relationship with job satisfaction, while initiating structure leadership behavior has a negative relationship with job satisfaction; while others found no relationship between the two variables.

There is some debate in the retention literature about the extent to which raising pay levels reduces staff turnover. On the one hand there is evidence to show that, on average, employers who offer the most attractive reward packages have lower attrition rates than those who pay poorly. The consensus among researchers specializing in engagement and retention issues is that pay has a role to play as a satisfier, but that it will not usually have an effect when other factors are pushing an individual towards quitting. Raising pay levels may thus result in greater job satisfaction where people are already happy with their work, but it will not deter unhappy employees from leaving. Remuneration therefore, must be complemented by other factors to improve employee engagement.

In addition, the company should have a proper pay system so that the employees are motivated to work in the organization. In order to boost his engagement levels the employees should also be provided with certain benefits and compensations. Research indicates that the engagement levels are low if the employee does not feel secure while working. Therefore every organization should adopt appropriate methods and systems for the health and safety of their employees.

For some years research evidence has strongly suggested that employers benefit from ensuring that potential employees gain a 'realistic job preview' before they take up a job offer (Ingham, 2007). The purpose is to make sure that new staff enter an organization with their eyes wide open and do not find that the job fails to meet their expectations. A major cause of job dissatisfaction, and hence of high staff turnover, is the experience of having one's high hopes of new employment dashed by the realization that it is not going to be as enjoyable or stimulating as anticipated. Only a satisfied employee can become an engaged employee. Therefore it is very essential for an organization to see to it that the job given to the employee matches his career goals which will make him enjoy his work and he would ultimately be satisfied with his job. The company should follow the open door policy.

A person's family life influences his work life. When an employee realizes that the organization is considering his family's benefits also, he will have an emotional attachment with the organization which leads to engagement. Understanding employees and offering them the opportunity to stay with their family increases levels of engagement. For example, provision of leave to enable an employee join his family for a holiday is likely to result to higher commitment by the employee.

Trust is the belief or confidence in a person or organization's integrity, fairness and reliability (Lypnack and Stamps, 1997). Trust is a positive expectation that another will not through words, actions, or decisions act opportunistically. The key dimensions underlining trust are integrity, competence, consistency, loyalty and openness. Honesty and integrity are among the six traits found to be consistently associated with leadership (Robbins, 2001).

In a study of remote workers and their differences from non-remote workers, evidence shows that interpersonal trust of the employee in their manager was found to be strongly associated with higher self-perceptions of performance, higher job satisfaction and low job stress (Staples, 2001). These findings were similar for both remote and non remote employees. Interesting studies regarding trust were conducted in downsizings of organizations that illuminate this critical issue. According to Lypnack and Stamps (1997), trust is the belief or confidence in a person or organization's integrity, fairness and reliability. They revealed that individuals with high levels of trust had significantly higher

job satisfaction. In addition, respondents with high trust levels felt they worked under less tension and felt less fidgety and nervous than did the respondents with lower trust levels. Melcrum (2005) states that defined differently, key drivers mean that levers that can be pulled to maximize the impact on engagement. These levers or key drivers are seen as significant to employee engagement. Shaw (2005) believes that there is a science to engagement. He further states that to be truly effective, companies need to balance their efforts according to their desired outcomes and focus their resources on improving engagement in areas that will provide the highest performance and returns. Organizations drive engagement by proactively leveraging three sources of influence for change: employees, leaders, and organizational systems and strategies. These three drivers work in concert to build an enabling environment for employee engagement. Although engagement has multiple drivers, the ultimate ownership of engagement rests within the individual employee. Organizations hoping to drive engagement must tap into employees' passion, commitment, and identification with the organization. This is accomplished by having the right employees working in the right jobs, which is the first engagement driver. When we say the "right" employees we mean that individuals have the skills to do the job ("can do") and that their jobs tap into their personal motivators ("will do").

Organizations can ensure high job fit by effectively deploying employees' talents when making selection, placement, and promotion decisions. Research has repeatedly shown that when job fit is high; an employee performs better and is more likely to stay with the organization. In addition to having a motivational match, some employees are more likely than others to be inherently engaged in their work. This has implications for driving engagement levels because organizations can benefit from hiring employees with a greater tendency for engagement before they even begin to work.

The second engagement driver is exceptional leadership. Many of the work environment factors are directly affected by the quality of leadership. Leaders have the influence and power to serve as catalysts for higher levels of engagement, not only in one or two areas, but in all aspects of leadership. Finally, organizations need strong systems and strategies that support and foster engagement. Examples of systems are hiring, promotion, performance management, recognition, compensation, training, and career development. Together, these systems provide a firm foundation upon which to accelerate engagement.

A shaky or incomplete foundation will make your efforts to build engagement more difficult, if not impossible.

Thomas et al (2004), state that management needs to demonstrably value employee feedback. Actual dialogue is essential; communicating openly, honestly and frequently will build employee engagement only if it goes both ways. Thomas et al (2004) further suggest that leaders in an organization should build a sense of purpose with all employees. The organizational structure and reporting roles need to reinforce openness and dialogue with easy access to tools and forums where employees are listened to without fear of reprisal. Employees that step tentatively into this dialogue for the first time need to be rewarded with action by management, respect for their input as well as with follow-up in each and every moment. Things may not necessarily change because of every employee's suggestions but their comments need to be treated fairly and consistently throughout the organization. Several studies confirm that recognition and respect are more motivating than money.

According to the Corporate Research Foundation (2005), an organization's reputation and branding are a critical success factor in building an employee engagement culture. Organizational reputation is achieved by how the company builds relationship both with internal and external stakeholders, including business success. Gratton (2000) states that leadership actions and behavior are catalytic to the organization's reputation and that financial prosperity is not the only measure of success. A study by the Corporate Research Forum (2005), established that company branding can only be achieved through employees who are engaged. The research further states that branding does not only entail the "look and feel" perspective, but also the customer's psychological and emotional connection to the company which can only be achieved through highly engaged employees who live the brands of the organization (Levin and Sloane, 2005).

2.4 Measuring Employee Engagement

Engagement looks at how much people want to exert extra effort and will engage in the discretionary behaviors that contribute to business success. Although data is still gathered on processes and practices, the focus is on the difference these practices make to employees (Weatherly, 2003). Engagement surveys generally provide a lot more usable

information to inform change. Because the surveys help identify the practices that drive engagement, they help link activities and output. The following section outlines steps involved in measuring employee engagement.

The employer must listen to his employees and remember that this is a continuous process. The information employee's supply will provide direction. This is the only way to identify their specific concerns. When leaders listen, employees respond by becoming more engaged. This results in increased productivity and employee retention. Engaged employees are much more likely to be satisfied in their positions, remain with the company, be promoted, and strive for higher levels of performance.

Employee engagement needs to be measured at regular intervals in order to track its contribution to the success of the organization. But measuring the engagement (feedback through surveys) without planning how to handle the result can lead employees to disengage. It is therefore not enough to feel the pulse; the action plan is just as essential.

Employee engagement satisfaction surveys determine the current level of employee engagement. A well-administered satisfaction survey will let us know at what level of engagement the employees are operating. Customizable employee surveys focus on a starting point towards the efforts to optimize employee engagement. The key to successful employee satisfaction surveys is to pay close attention to the feedback from the staff. It is important that employee engagement is not viewed as a one time action. Employee engagement should be a continuous process of measuring, analyzing, defining and implementing.

2.5 Creating the culture of engagement

It is common knowledge that leaders shape and change culture in organizations. This they do by "walking the talk", demonstrating what is important to them and therefore to the company. Also through rewards, modeling behavior, and measurement on a continuous basis managers can change the organizational culture and put remedial action in place where necessary (Kee, 2003). All the mentioned dimensions cumulatively become building blocks towards creating a culture of engagement because employees will identify with correct organizational behaviors which are supported by leadership and

management, organizational values, vision and mission, human resource policy and so forth to catapult the company's success through highly engaged and performing employees.

Studies by Gallup (2003) suggest that the supervision styles used by managers influence the level of employee engagement. After 30 years of research, the Gallup Institute (2003) has determined that there are five essential skills that leaders need to have if they are going to succeed in increasing employee engagement. These include building trust, mentoring, inclusion, alignment, and team development. An organization's leadership sets the tone for the entire atmosphere of the company. Therefore, companies capable of building strong relationships between the leadership and employees will be able to create a supportive people culture, which in turn, will drive higher levels of engagement. Robinson, Harley and Lee (2005) state that integrated corporate culture and employee engagement is key to organizational success. They argue that research has shown that the more engaged the workforce, the more innovative, productive and profitable the company. Although employee engagement surveys have become increasingly popular, such surveys fail to inform what specific actions are needed to get people more engaged.

Ayers (2005) states that all of these skills are dependant on each other, i.e. one has to build trust before one can be effective at mentoring, and mentoring is crucial to be successful at inclusion and alignment. It is no secret that the organization's culture drives its performance. Successful cultures, however, do not just spring up by themselves. In Melcrum (2005), Schein states that corporate culture is developed by its leaders either when the organization starts up or reinvented via a change in strategy.

2.6 Impact of human resource management practices on employee engagement

In the face of intense competition and shareholder pressure for high returns, in order to ameliorate the existing revenue pressures most companies resort to easy, short-sighted, knee-jerk reaction type of response and thousands of employees, in particular low level employees lose their jobs in the hope that costs will be minimized and profits maximized. Needless to say, the psychological damage that retrenchments and downsizing cause to surviving employees is too ghastly to contemplate. Kozlowski (2004) states that due to the negative impact of retrenchments and downsizing, business leaders must acknowledge

the fact that employee engagement is declining; constant retrenchments has to be one of the contributing factors.

According to West (2000), when downsizing, organizations do not accomplish the desired improvements, but instead experience an escalation in negative consequences. These include negative effects on the “survivor’s” morale, productivity and overall commitment to the organization. West (2000) goes on to say that researchers report such downsizing effects as: feelings of job insecurity, anger, job stress, decreased loyalty and organizational commitment, lowered motivation and productivity, and increased resistance to change. Survivors also suffer from a common set of symptoms, which include guilt, anxiety, fear, insecurity, anger and in more severe cases, even depression (West, 2000).

It is therefore obvious that retrenchment and/or downsizing have a negative effect on employee engagement, because as stated before, the elements that are needed to create engaged employees are the ones that are adversely affected by the retrenchment of their colleagues. In reality, however, business cannot shy away from retrenchments and downsizing, especially if such interventions are part of the company’s integrated business strategy. However, to minimize the psychological damage on employees such as loss of long standing relationships, loss of coaches, mentors and friends; feelings of uncertainty about the future, disengagement and high stress levels due to amplified responsibilities, proper management processes need to be in place before and after retrenchments in order to ameliorate the situation.

2.7 Summary of literature review

Employee engagement is a key success factor for any company and at macro level is a stronger differentiator between winning and losing nations (Cameron, 2005). There is no doubt that for Kenyan business to be counted amongst the most enterprising economies like China, it needs to revisit the primary asset; people to elevate it to the higher levels of performance. Admittedly, there are numerous prevailing forces existing in Kenya which make employee engagement quite a challenge, such as depth of leadership skills in companies, labor conflicts, and outside work issues; high rate of poverty and

unemployment all have a secondary effect on employee engagement. However, despite these challenges firms in the telecommunication industry compete for few skilled staff and it is necessary to engage employees with the objective of reducing staff turnover and lowering training costs.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

The design of the study was a case study. Since employee engagement requires a detailed examination, a case study was considered appropriate.

3.2 Population of Study

Since the unit of analysis in this study was the employee, the target population comprised of all Zain employees. A list of all employees which number 600 is attached as appendix 3.

3.3 Sampling and Sample Size

The sample size was 42 employees consisting 12 managers and 30 non management employees. This number was considered sufficient since it was above 30 which is generally regarded the minimum sample size. A stratified random sampling technique was be used to select the respondents to achieve balanced representation from the 6 divisions of the company namely Finance and Administration, Marketing, Human Resources, Risk and strategy, Commercial, and Information technology. Seven employees consisting of 2 employees in management positions and 5 non managers will be selected from each of the 6 divisions of the company.

3.4 Data Collection

Data was collected through a semi structured questionnaire. Questionnaires were sent through email. Data was collected from respondents drawn from the departments of marketing, human resources, finance and administration, engineering, and operations. Seven employees were randomly selected from each of the mentioned departments for purposes of interview. The questionnaire was divided into Sections A and B. Section A aimed at demographic data while section B targeted information on factors which encourage employee engagement. The questionnaire was tested on a pilot sample of 10 employees. The sample used in the pilot study was not included in the main sample of the study.

3.5 Data analysis

Descriptive statistics such as percentages, mean scores and standard deviations was used to analyze data. Factor analysis was used to determine factors that significantly contribute to employee engagement. Mean scores were used to determine the extent to which employees are engaged in Zain Kenya Limited.

3.6 Summary of data collection and analysis

Objective	Question	Analytical tool	Expected result
Identify factors which contribute to employee engagement	5	Factor analysis	Intensities of various factors influencing engagement
Determine level of employees' engagement at Zain Limited	6	Mean scores and standard deviation	Level of engagement gauged

CHAPTER FOUR

RESULTS AND FINDINGS

4.1 Introduction

This section presents and explains data which was obtained from analysis. The findings have been analyzed on the basis of the specific objectives of the study. The section contains three sub-sections detailing general information and findings of the two objectives. The case study of factors that contribute to employee engagement strategies at Zain was undertaken involving a sample size of 42 employees. However, out of the targeted 42 respondents, 21 responded representing a response rate of 50 percent. The chapter is structured along the objectives of the study.

4.2 Demographic information

This section covers respondent's age, gender, years of service at Zain and marital status of the respondents. Cross tabulations have also been presented showing relationships between variables.

4.2.1 Age

Table 1 show that more than half of the respondents (52%) were aged between 21-30 years while 24 percent of the respondents were aged between 41-50 years.

Table 1: Respondent's age

Age	Frequency	Percent
21-30 yrs	11	52.0
31-40 yrs	5	24.0
41-50 yrs	5	24.0
Total	21	100.0

4.2.2 Gender age

Results show that out of the sampled respondents, 76 percent were females while 24 percent were males.

Table 2: Respondent's gender

Gender	Frequency	Percent
Male	5	24.0
Female	16	76.0
Total	21	100.0

4.2.3 Years of service at Zain

Results depicts that 67 percent of employees at Zain limited have worked for less than one year while those who have worked with the company for between 5 to 9 years were represented by 33 percent.

Table 3: Years of employment at Zain

Years of service	Frequency	Percent
Less than 5 yrs	14	67.0
5-9 yrs	7	33.0
Total	21	100.0

4.2.4 Marital status

Table 4 indicates that 57 percent of respondents were married while 43 percent were single.

Table 4: Marital status

Marital status	Frequency	Percent
Married	12	57.0
Single	9	43.0
Total	21	100.0

4.2.5 Relationship between Age and Years at Zain

Results displayed on Table 5 show that 81 percent of young employees aged between 21 and 30 had worked for less than 5 years at Zain. Only 19 percent of employees aged between 21 and 30 years had worked for more than 5 years. Sixty percent of employees aged between 31 and 40 had worked for less than 5 years at Zain while 40 percent of employees in the same age bracket had worked for a period ranging between 5 years and 9 years. On the contrary, 60 percent of employees aged between 41 and 50 years had worked longer (5-9 years). It was noted that only 40 percent of older employees (41-50 years) had less than 5 years work experience at Zain.

Table 5: Relationship between Age and Years of employment

Age	Years of employment at Zain		Total
	Less than 5 yrs	5-9 yrs	
21-30 yrs	9	2	11
31-40 yrs	3	2	5
41-50 yrs	2	3	5
Total	14	7	21

4.2.6 Relationship between Gender and Marital Status

It was established as shown on Table 6 below that 60 percent of male respondents married compared to 56 percent of married females. In addition, less (40 percent) of male respondents were single compared to 44 percent of single ladies.

Table 6: Relationship between gender and marital status

Respondent's gender	Marital status		Total
	Married	Single	
Male	3	2	5
Female	9	7	16
Total	12	9	21

4.3 Factors which contribute to employee engagement

Assessment of the extent to which various factor stimulate the level of engagement of employees at Zain Limited was done using a five-point Likert scale. The mean scores obtained from analysis of data were rated in the following manner: 1 – 1.4 = very small extent; 1.5 – 2.4 = small extent; 2.5 – 3.4 = moderate extent; 3.5 – 4.4 = large extent; 4.5 – 5.0 = very large extent.

Results shown on Table 7 indicates that remuneration to a very large extent (Mean = 4.9) influences the level of engagement of employees. Training and development; career growth; fair treatment by supervisor; job security; and recognition & praise had the same level of influence (mean = 4.0) on level of engagement by employees. Provision of mobile phones by the company as well as company Mission Statement had the lowest influence on employees' level of engagement. It was also revealed that punishment had a more positive influence on level of engagement than provision of mobile phones; Mission statement; commitment by fellow employees; and management succession in that order.

Table 7: Factors which contribute to employee engagement

Statistics	Training and development	Supervision styles	Teamwork	Management succession	Career growth	Deadline for tasks	Medical cover	Safety programmes	Fair treatment by supervisor	Supervisor's skills in handling work issues	Acknowledging good performance	Trusting supervisor	Physical working conditions	Appraisal reports	Computers	Provision of mobile phone	Job security	Materials and equipment	Recognition and praise	Staff involvement in decision making	Mission statement	Commitment by fellow employees	Remuneration	Promotion opportunities	Learning opportunities	Punishment
Mean	4.0	4.3	3.4	2.8	4.0	2.8	3.5	3.0	4.0	3.8	3.8	2.8	3.5	3.5	3.0	2.5	4.0	3.0	4.0	3.3	2.5	2.8	4.9	3.5	3.8	3.0
Std. Deviation	.8	.5	.5	1.0	.1	.5	.6	.1	.1	.5	.5	.5	.6	.6	.8	.6	.1	.8	.1	1.0	.6	.5	.5	.6	.5	.1

4.4 Extent of employees' engagement at Zain Limited

The level of engagement by employees of Zain was gauged using a multi-attribute approach which adopted a five-point Likert Scale. The scale ranged from 1-5, where 1 represented very small extent and a scale of 5 represented very large extent. The mean scores obtained from analysis of data were rated in the following manner: 1 – 1.4 = very small extent; 1.5 – 2.4 = small extent; 2.5 – 3.4 = moderate extent; 3.5 – 4.4 = large extent; 4.5 – 5.0 = very large extent.

Table 8 depicts low level of employee engagement at Zain Limited. This is demonstrated by results which point out that only training opportunities offered by Zain (mean = 3.8) motivated employees to large extent. It was pointed out that employees were involved in strategic decision making to a small extent (mean = 1.8). Respondents showed that freedom to freely air employees' opinions was available to a small extent (mean = 2.0). Results further showed that remuneration was unsatisfactory; whereas work-life-balance was available to a small extent (mean = 2.3). It was also revealed that respondents have never been distracted from their work only to a small extent (mean = 2.3).

Table 8: Extent of employees' engagement

Statistics	Involvement in routine decision making	Involvement in strategic decision making	Input in group task is above average	High output is independent of teamwork	Hate underperforming	Training opportunities at zain	Competitive salary	Work life balance	Employees freely Share their opinions	Teamwork encourages hard work	Motivated to meet organizational goals	Colleagues committed to doing quality work	Never distracted from work
Mean	3.3	1.8	3.3	3.3	3.3	3.8	2.3	2.3	2.0	2.8	3.0	2.3	2.3
Std. Deviation	1.0	1.0	.5	.5	.5	.5	.5	.5	.1	.5	.1	.5	.5

CHAPTER FIVE

DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary, discussions, conclusions and recommendations of the study. Major findings of the study have been discussed and interpreted alongside the objectives of the study. Conclusions have been arrived at based on the findings of the study and recommendations suggested for improving employee engagement at Zain Limited and future research in human resource management.

5.2 Summary

The objectives of the study were to identify factors which contribute to employee engagement, and to determine the level of employee engagement at Zain Limited. A case study research design approach was adopted for purposes of the study. The sample size was 42 employees comprising of both management and non management staff based at Zain headquarter in Nairobi. Stratified random sampling was used in selecting respondents. Data was collected through questionnaires emailed to respondents. Results were analyzed using factor analysis and descriptive statistics. Out of 42 sampled respondents, 21 responded representing a response rate of 50 percent.

It was established that remuneration was the largest contributor (mean = 4.9) to employee engagement. Other factors which contributed to employee engagement to a large extent were identified as training & development; career growth; fair treatment by supervisor; job security; and recognition and praise. Provision of mobile phones by the company and Mission statement made the lowest contribution to employees' engagement. Even though the impact of punishment on engagement was moderate, it was however, positive and greater than provision of mobile phones to employees.

It was established that the level of engagement of employees at Zain was low. This was supported by results which showed that employees were dissatisfied with their remuneration, often got distracted from work, and was not quite involved in strategic decision making. Employees also limited freedom to air their views and work-life-balance arrangement was unsatisfactory.

5.3 Discussion

5.3.1 Factors which contribute to employee engagement

Remuneration was pointed out as factor which to a large extent contributed to engagement of employees. The finding suggests that the level of satisfaction of employees depend on their level of remuneration. Poor remuneration would lead to employee dissatisfaction and subsequent lack of motivation. This in turn contributes to disengagement by employees. Whereas, employees do not work for remuneration alone, it can be argued that pay and benefits are important determinants of employee motivation. Remuneration further explains reasons for high staff turnover in the telecommunication sector. This may be attributed to search for better pay and benefits.

Training and development as well as career growth were also identified as factors which contribute to employee engagement to a large extent. Training is associated with imparting of new skills which prepare employees to handle jobs requiring more responsibilities. Companies which invest in equipping employees with new skills through training are considered more attractive because they are concerned not only with current performance of employees but, also they are willing to make employees more competitive through training. Training may also be linked to engagement because of its ability to motivate employees. Companies which spend resources training employees are able to motivate them since employees feel valued and appreciated.

Career growth on the other hand has significant influence on engagement. The finding agrees with the views of Brown (2005), which indicate that engagement is a progressive combination of satisfaction, motivation, commitment and advocacy resulting from employees' movement up the engagement pyramid. The faster the growth, the greater the engagement. This may be supported by the argument that as workers advances along a career, their pay and benefits change to reflect their new responsibilities. This change is usually in favour of employees and therefore, improves their level of satisfaction at the place of work. The finding concurs with Torrington *et al.* (2005) argument which posits that career development influences engagement for employees.

Fair treatment by supervisor to a large extent contributes to employee engagement. This finding supports assertions by Gallup (2003) that the supervision styles used by managers influence the level of employee engagement. Kaye et al. (2005) argue that frontline managers are the most important people in improving engagement. This is because they

constantly interact with employees and as Holzer et al. (2001) found out, frontline managers are responsible for providing feedback information to employees. Feedback information influences employees' satisfaction at the place of work thereby motivating them to continue working. Treatment by supervisor closely relates with job security which was also identified as a factor which contributes to engagement to a large extent. Objective managers are therefore, better placed to positively influence employee engagement. Since supervisors are also charged with appraising performance, their skills and objectivity are important in inducing engagement of employees at the place of work.

Provision of mobile phones and Mission statement of the organization had less contribution to employee engagement. This may imply that employees consider phones as basic tool of work which they have a right to. The proliferation of mobile phones and the reduced market prices may have also changed the way workers value phones. Gubman (2004) argues that disengaged employees tend to concentrate on tasks rather than the goals and outcomes. This was evidenced by results of the study which showed that Mission statement had little contribution on engagement. Employees perhaps do not understand, share the Mission statement and they care about tasks assigned to them by supervisor. On the other hand, results revealed that punishment had a positive though moderate contribution to employee engagement. It is difficult at this stage to conclude that punishment improves the level of employee satisfaction. It also premature to argue that punishing employees would automatically improve their level of engagement. Circumstances leading to punishment and the magnitude of punishment may influence employee engagement.

5.3.2 Extent of employees engagement at Zain Limited

Findings show that employees are inadequately involved in strategic decision making hence leading to disengagement. The finding also relates closely with results discussed in the previous section pointing that Mission statement had no significant contribution to engagement. Though strategic decisions are usually made by top management given the fact that they are long term in nature and require resources, there was need for employee involvement by seeking their opinions. Despite the fact that remuneration was identified as a significant factor contributing to engagement, results showed that employees were dissatisfied with their level of pay and benefits. This suggests that they are consequently disengaged. The argument is further reinforced by results depicting Zain employees as distracted from their work. The results mirror those reported by Kahn (1990) indicating

that disengaged employees disconnect themselves from work roles and withdraw cognitively and emotionally.

Employees' lack of engagement may also be influenced by lack of room to air their opinions. In addition, employees do not enjoy work-life-balance. Results suggest that Zain employees lack trade union or they are not unionisable and lack avenues for raising their complaints. Employees are therefore frustrated and dissatisfied and hence disengaged.

5.4 Conclusions

Several factors contribute to employees' engagement at the place of work. However, the contribution of these factors varies in strength and appeal to workers. Pay and benefits has the strongest contribution to engagement while Mission statement and Mobile phones has the least contribution. It must also be pointed out that punishment can positively influence engagement. This finding has a strategic implication for human resource managers and scholars. It was established that employees at Zain Limited are disengaged. This was evidenced by distraction from work and dissatisfaction with levels of pay and benefit; work-life-balance; and difficulties associated with freedom of expression.

5.5 Recommendations

Based on findings of the study, the following recommendations have been proposed:

1. There is need to investigate the relationship between punishment and engagement of employee at the place of work.
2. Zain should undertake remuneration survey within the communication industry. Based on the findings of the survey, the company should review the remuneration of employees with the view of raising workers' satisfaction levels
3. Zain should allow her employees to form a trade union or register with existing unions which are qualified to represent them effectively. This is likely to improve employees' level of engagement with the employer.
4. Since career development is crucial for retaining staff, the company should invest in staff training. However, opportunities for upward mobility should be identified or created to enable employees take up higher roles to utilize gained skills. In addition, job rotation should be encouraged and where no openings for promotion exist, then job enrichment should be pursued by the employer.
5. Studies of employee engagement should be replicated in other industries.

REFERENCES

- Armstrong, M., (2006), *Strategic Human Resource Management: A guide to action*. 4th ed. Kogan Page Limited
- Ashmos, D. and Duchon, D. (2000), "Spirituality at work", *Journal of Management Inquiry*, Vol. 9, pp. 134-45.
- Bateman, T. and Crant, M. (2003), *Revisiting Intrinsic and Extrinsic Motivation*. Unpublished Manuscript, US pp. 10-15
- Brown, S.P (1996) A Meta-analysis and review of organizational research on job involvement. *Psychological Bulletin*, 120: 234-255.
- Boxall, P. and Purcell, J. (2000), "Strategic human resource management: where have we come from and where should we be going?", *International Journal of Management Reviews*, Vol. 2 No. 2, pp. 183-203.
- Cameron, D. (2005), *Developing Management Skills*, Prentice-Hall, Upper Saddle River
- Crabtree, S., (2003), *Bringing work problems home*. Research paper, Life and Work Connections Inc. USA
- Deming, W., (1993), *The New Economics for Industry, Government and Education*.
- Guillory, W., (2000), *The Living Organization: Spirituality in the Workplace*. A Guide for Adapting to the Chaotically Changing Workplace, Innovations International, Utah, UT.
- Gunnigle, P. and Moore, S. (1994), "Linking business strategy and human resource management: issues and implications", *Personnel Review*, Vol. 23 No. 1, pp. 63-84.
- Gratton, L. (2000), *Living Strategy: Putting People at the Heart of Corporate Purpose*, Prentice-Hall, Great Britain.
- Greenberg, J (2004), *Increasing employee retention through employee engagement*, Alphameasure Incorporated Publication, October, pp. 3.
- Gubman, E. (2004), From Engagement to passion for work: the search for the missing person. *HR Planning*, 42: pp. 3-27.
- Hagen, A.F. and Morsheda, T.H. (1998), "Critical strategic leadership components: an empirical investigation", *SAM Advanced Management Journal*, Vol. 63 No. 3, pp. 39-44.
- Hertzberg, F. (1966), *Work and the Nature of Man*. World Publishing, Cleveland.
- Hewitt, E. (2005), *Refreshing Engagement*. Hewitt.s online Magazine . October. Available from:
<http://www.hewitt/resources/rptpubs/hewittmagazine/vol17iss2/featureshewitt03.html>

- Hochschild, A.R. (1983), *The Managed Heart: Commercialisation of Human Feeling*. University of California Press: Berkeley, CA.
- Ingham, J., (2007), *Strategic Human Capital Management; Creating Value Through People*, Elsevier
- Kahn, W.A. (1990), Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, Vol. 33, pp. 692-724.
- Kahn, W.A. (1992), To be fully there: psychological presence at work. *Human Relations*, Vol. 45, pp. 321-50.
- Kee, M.R. (2003), Corporate Culture makes a fiscal difference. *Industrial Management*, Vol 45, Iss 6, November/December, pp. 19.
- Kozlowski, S.W.J., Chao, G.T., Smith, E.M. and Hedlund, J. (1993), *Organizational downsizing: strategies, interventions, and research implications*. In C.L. Cooper and I.T. Robertson (Eds.).
- Kinjerski, V.M. and Skrypnek, B.J. (2004), “Defining spirit at work: finding common ground”, *Journal of Organizational Change Management*, Vol. 17, pp. 26-4
- Lynpach, J. and Stamps, J. (1997), *Virtual Teams: Reaching Across Space, Time, and Organizations With Technology*, John Wiley & Sons, Inc., New York, NY.
- Levin, B. and Sloan, N. (2005), Using tried and true retention strategies, *Workspan Magazine*, July, 2005.
- Melcrum Publishing (2005), An Independent Research Report. *Employee Engagement*, Melcrum, UK.
- Mitroff, I. and Denton, E. (1999), “A study of spirituality in the workplace”, *Sloan Management Review*, Vol. 40 No. 4, pp. 83-92.
- Muturi, P. W., (2004), “*Factors that determine customer loyalty to a mobile service provider: A case of mobile telephone users in Nairobi*”, Unpublished MBA Research project. University of Nairobi.
- Pentilla, C. (2004), *Entrepreneur Magazine*, March Issue. North Carolina, USA pp. 10.
- Purcell, J., Kinnie, N., Hutchinson, S., Rayton, B. and Swart, J. (2002). *Understanding the People and Performance Link: Unlocking the Black Box*. Chartered Institute of Personnel and Development.
- Robinson, D., Harley, A., and Lee, D. (2005), How to integrate culture and employee engagement. *Strategic HR Review*, Sept/Oct, Vol 4, issue 6. Melcrum Publishing, UK.
- Robbins, S.P. (2001), *Organizational Behavior*, Prentice-Hall, Upper Saddle River, NJ.
- Sanchez, P., and Mccauley, D., (2006), Measuring and Managing Engagement in a Cross – Cultural Workforce: New Insights For Global Companies. *Global Business and Organizational Excellence*.

- Savery, L.K. (1994), "Attitudes to work: the influence of perceived style of leadership on a group of workers", *Leadership and Organization Development Journal*, Vol. 15 No. 4, pp. 12-18.
- Staples, D.S. (2001), "A study of remote workers and their differences from non-remote workers", *Journal of End User Computing*, Vol. 13 No. 2, p. 3.
- Shaw, K. (2005), An Engagement Strategy process form Communicators. *Strategic Communication Management*, April/May 9, 3; ABI/INFORM Global, pp. 26.
- The Gallup Organisation, (1992-1999), *Gallup Workplace Audit*, Washington, DC: US. Copyright Office.
- Thomas, A. and MacDiarmid, A. (2004), Encouraging Employee Engagement. *CMA Management*, Vol 78 Iss 4, June/July, pp.14.
- Torrington, D., Hall, L., and Taylor, S., (2005), *Human Resource Management*, 6th ed. Prentice Hall
- Perrin, T., (2004), *European Talent Survey*. Available from: http://towersperrin.com/hrservices/webcache/towers/united_kingdom/publications/reports/talent_exec_survey/talent_survey04.pdf.
- Walton, R.E. (1985) , 'From control to commitment in the workplace', *Harvard Business Review*, March–April, pp. 77–84.
- Weatherly, L. (2003). *Human Capital – The Elusive Asset: Measuring and Managing Human Capital: A Strategic Imperative for HR*. SHRM Research, Quarter 1.
- Wellins, R., Bernathal, P. and Phelps, M. (2005), *Development Dimensions International*, 1-30, Pittsburgh, PA.
- West, G.B. (2000), *The Effects of Downsizing on Survivors*. Ph.D. thesis, Virginia Polytechnic Institute and State University.

APPENDIX I: INTRODUCTION LETTER

Catherine Ndanu
P.O. Box 78665, 00507 Viwandani
NAIROBI

RE: RESEARCH PROJECT FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (TOPIC: FACTORS CONTRIBUTING TO THE LEVEL OF EMPLOYEE ENGAGEMENT AT ZAIN)

Dear Respondent,

I am conducting research on the above topic for the purposes of contributing to best practices in this particular area of study. This is being done as part of the course requirements for the degree of Masters in Business Administration for which I am registered at the University of Nairobi's Business School.

Employee Engagement is one of the crucial business issues facing Kenya as well as the rest of the world. Simply put, it comprises getting every employee's full presence and commitment to the company they work for. The challenge is how to go beyond the required expectations and produce outstanding performance. All things being equal, the study will unfold whether there are a number of variables at play that influence commitment or engagement, or lack of it. For example, what type of impact is caused by the company's vision and mission, culture, its leadership, cutting edge human resources practices, or external forces to name a few.

Could you please return the completed questionnaire by no later than the 31st August, 09. I wish to thank you for being willing to complete this research. The results of the study will be shared with you at request. Should you have any queries or concerns regarding the completion of this survey, please do not hesitate to contact me.

Kind Regards,

Catherine Ndanu

Student Reg No: D61/P/7130/03

Cell Number: 0725557073

Email: Catherine.n.kiema@gsk.com

Research Supervisor: Professor K'Obonyo

APPENDIX II: RESEARCH QUESTIONNAIRE

FACTORS CONTRIBUTING TO THE LEVEL OF EMPLOYEE ENGAGEMENT IN KENYA

Please read the instructions provided for each section before answering the questions that follow. The questionnaire consists of 3 sections:

SECTION A: DEMOGRAPHIC INFORMATION

1. Age

- | | | | |
|-------------------|--------------------------|-------------------------|--------------------------|
| (a) Up to 20 Yrs. | <input type="checkbox"/> | (b) 21– 30 Years | <input type="checkbox"/> |
| (c) 31 – 40 Yrs. | <input type="checkbox"/> | (d) 41 – 50 Yrs | <input type="checkbox"/> |
| (e) 51 – 60 Years | <input type="checkbox"/> | (f) 61 Yrs and
above | <input type="checkbox"/> |

2. Gender.

- | | | | |
|----------|--------------------------|------------|--------------------------|
| (a) Male | <input type="checkbox"/> | (b) Female | <input type="checkbox"/> |
|----------|--------------------------|------------|--------------------------|

3. Years of of employment with Zain.

- | | | | |
|---------------------|--------------------------|----------------------|--------------------------|
| (a) Less than 5 yrs | <input type="checkbox"/> | (b) 5 – 9 yrs | <input type="checkbox"/> |
| (c) 10 – 14 yrs | <input type="checkbox"/> | (d) 15 yrs and above | <input type="checkbox"/> |

4. Marital status

- | | | | |
|--------------|--------------------------|-------------|--------------------------|
| (a) Married | <input type="checkbox"/> | (b) Single | <input type="checkbox"/> |
| (c) Divorced | <input type="checkbox"/> | (d) Widowed | <input type="checkbox"/> |

SECTION B: FACTORS WHICH CONTRIBUTE TO EMPLOYEE ENGAGEMENT

5. To what extent is your level of engagement in your work at Zain stimulated by the following factors (*Tick the appropriate box for each factor*)

Engagement driver	Very small extent	Small extent	Moderate extent	Large extent	Very large extent	Not applicable
Training and development						
Supervision styles						
Teamwork						
Management succession						
Career growth						
Deadlines for tasks						
Medical cover						
Safety programmes						
My supervisor treats me fairly						
My supervisor handles my work-related issues satisfactorily						
My supervisor acknowledges good performance						
I can trust what my supervisor tells me						
Physical working conditions						
Performance appraisal reports						
Computers						
Provision of mobile phone by the company						
Job security						
Materials and equipment						
Recognition or praise						
Care by colleagues						
Involvement in decision making						
Company mission statement						

Commitment to work by fellow employees						
Report on my work						
Salary/Wages						
Promotion opportunities						
Opportunities to learn and grow						
Punishment						
Any other, please specify						

SECTION C: THE EXTENT TO WHICH EMPLOYEES ARE ENGAGED

6. To what extent do you agree with each of the following statements? (Where 1= Very small extent; 2 = Small extent; 3= Moderate extent; 4= Large extent; and 5= Very large extent) 6= Not Applicable

Statement of engagement	1	2	3	4	5	6
I am highly involved in routine decision making at Zain Kenya						
I am deeply involved in strategic decision making at Zain Kenya						
My level of input in group task is well above average						
My output is always high even when I work independently						
I always feel like breaking down whenever my performance falls below average						
I am highly motivated by the training opportunities I get at Zain Kenya						
I enjoy a competitive salary package						
I enjoy work/home balance and this motivates me to work harder						
I share freely my opinions at Zain Kenya						

My involvement in team work makes me work harder						
I am motivated to put in extra effort to meet the Organization's goals						
My colleagues are committed to doing quality work						
I am never distracted from work						

Thank you.