

Saimaa University of Applied Sciences  
Business Administration, Lappeenranta  
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# **ROOTS AND CONSEQUENCES OF THE EMPLOYEE DISENGAGEMENT PHENOMENON**

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## ABSTRACT

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Roots and consequences of the employee disengagement phenomenon, 72 pages, 1 appendix

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The subject of this thesis is to explore the phenomenon of employee disengagement. The main aim of this research is to understand the nature of this phenomenon, its roots and consequences, as well as provide a description of why an organization would be interested in improving employee engagement and what human resource practices can be used for this purpose.

To get a clear picture of the phenomenon, this study examines an academic literature and earlier practitioners' works on the subject. Theoretical data on employee engagement is used as the basis for understanding the phenomenon of employee disengagement. A single-case study is chosen as the research method. Empirical research objective is a group of ten people who work in small and medium-sized companies in Finland. Collected empiric data is analyzed by use of content analysis.

The study results show that the disengagement of employees is a complex phenomenon, and therefore its management requires certain academic and managerial knowledge. Personal disengagement is associated with negative changes in employee's behaviour, which lead to harmful consequences for both the worker and organization. The study defines the main causes of the phenomenon and its potential consequences, and also suggests solutions for how to manage with its negative impact.

The research findings also show that there is also one more interesting phenomenon. This is the phenomenon of non-engagement as a personal choice. The behaviour of people who choose the state of non-engagement as preferred for them differs significantly from the behaviour of other employees without engagement.

Keywords: employee disengagement, employee engagement, human resource practices

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# 1 INTRODUCTION

The topic of this research is concerned with problems of employee disengagement as one of determining factors that influence people in decisions to quit. The study is focused on possible causes and potential consequences of this phenomenon, and also main practices which can be used by an organization in order to affect employee disengagement and its negative impact.

My personal interest in human resource management (HRM) issues became the motivator for this study. The chosen topic is interesting for me because I have often seen situations at work when the employee and the organization were not satisfied with each other. There were a lot of different reasons why it happened, such as mutual unjustified expectations, mismatch between job and individual, poor leadership, lack of employee recognition, stresses because of overwork, etc. As a result, people often were looking like passive and tired employees, who were not really interested in their duties and only waited for time to go home; in other words, they were unsatisfied with their working place and disengaged. Watching what was happening, I could only guess at how people with such a working attitude are able to do their job without causing complaints from the superiors.

It was an actual problem for me in one company, where I was partly dealing with recruitment. I saw people who came to the house and left after the probation period or even earlier. All organizational and partly my own efforts that had been spent in finding and attracting employees and coaching and introducing them to a process eventually turned out to be a waste of time and resources. People were leaving for reasons unknown to me, and the whole process began again from the beginning.

There were also situations when my workmates, responsible and reliable people with good potential, were leaving the company. I wanted to know why they did it, whether it was possible to keep them, and whether it makes

economic sense. Delving into the study of these issues, it is possible to assume that such employees' behaviour is partly the result of their low engagement. If so, then from the manager's perspective other multiple questions arise. What is disengagement? How can it be affected? Why should the company care about this matter? This research tries to find the answers to all these questions.

### **1.1 Research objectives and questions**

The object of this research is the phenomenon of employee disengagement, its roots and consequences. The empirical target of the study is the behaviour of employees in the context of their level of engagement to the organization where they work. The aim of the study is to understand and describe why people become disengaged, and what an organization might do in order to improve the employee engagement and not to lose talented workers.

The main questions of the research are:

1. *Why do employees disengage?*
2. *Why and how would an organization improve the employee engagement level?*

The literature review starts from the discussion about the employee engagement phenomenon, providing it as the basis for understanding the phenomenon of employee disengagement. It is done because of two main reasons:

- Both concepts are closely related and often discussed in literature as being connected to each other.
- The phenomenon of employee engagement is better studied in the context of advantages for an organization.

The literature review starts from the discussion of such important issues as the definition of employee engagement, its modeling, and the key drivers of this phenomenon. Models of employee engagement represent the main exploration

trends of previous researches and their results. Knowledge of factors that may drive this phenomenon helps organizations to identify the focus areas for improving the level of employee engagement.

Answering the first study questions, the researcher examined theoretical data about the phenomenon of employee disengagement, the main reasons why engaged employees become not-engaged and actively disengaged, and the symptoms of disengagement.

The second research question consists of two sub-questions:

- *Why should an organization improve the employee engagement level?*
- *How would an organization improve the employee engagement level?*

The first sub-question concerns the discussion of positive effects of employee engagement and negative influences of employee disengagement on the organization. The second sub-question is answered by describing the approach of employee engagement improvement and suggested human resource (HR) practices that are shown to affect the employee engagement level.

This study is a qualitative research, which includes interviews of ten informants. All of them work in the sector of small and medium sized enterprises (SME) in Finland. The outcome of the research has the purpose to describe the nature of the studied phenomenon, its impact on the employee and the organization; this study also recommends possible solutions for managing with situations when the level of employee engagement is low.

## **1.2 Potential value of the study**

Frequent turnover of employees brings to the enterprise evident costs, both direct and indirect. According to different research studies, the cost of hiring and training a new employee can vary from 25 percent to 200 percent of annual compensation (Fitz-enz 1997, Surmacz 2004). Labor turnover is still the point at issue; some companies accept it as a cost of doing business. It is

understandable, especially in the current economic situation where a lot of people are unemployed.

This paper will be useful for those employers, who look ahead and make long-term plans for the future and who understand that people are the most valuable capital. Indeed, it is necessary to remember about the effect of labor shortage, which, for example, in Finland is expected to be significant for the next several decades. According to the population projection from 2009–2060, the proportion of people of working age in the population will decrease from the present 66 per cent to 58 per cent by 2040 and to 56 per cent by 2060 (Statistics Finland 2009). This problem also adds value for this research, which has the aim to find out the roots of employee disengagement and measures to retain talented people.

Usually problems of employee engagement, employee satisfaction and intention to leave are studied based on the data of big American companies. The empirical part of the current research is done with the focal point on the SME sector in Finland. Companies from this sector often do not have extensive HRM resources, such as a HRM department or HR manager. Besides, SMEs are often limited in budget and can't allow spending money for research. At the same time, talent loss is an actual problem for these companies that often have a small staff. Employees in SMEs often do large amounts of diversified operations and are able to substitute for each other when it is necessary. That is why the loss of each talented person from the team can become a "painful hit" for an organization.

## **2 EMPLOYEES AND ENGAGEMENT**

During research of the employee engagement phenomenon was done a classification of employees according to their level of engagement. For example, The Gallup Organization in its survey (Gallup 2006) used the following characteristics of employees:

1. *Engaged employees*, who do their job with passion and enthusiasm and who are aware of being strongly connected to their organization. They provide emotional and physical input to the company's performance and development, and facilitate onward movement.
2. *Not-engaged employees* who are actually "checked out". They put their time into their work, but there is no energy, passion or enthusiasm from their side; it looks like "sleepwalking" during the workday.
3. *Actively disengaged employees*, who are unhappy at work and who spend their working time actively acting out this feeling. The negative influence of such workers constantly affects other people and destroys achievements of engaged workmates.

In 2003, the talent study of Towers Perrin used a little different names for types of employees; according their level of engagement, people were divided in *highly engaged*, *moderately engaged*, and *disengaged*. The difference in names is probably concerned with the ways of measuring the levels of engagement. According to Towers Perrin (2003), moderately engaged employees demonstrated signs of disengagement, providing from neutral to negative points of view about their company, but in some areas they were quite positive.

Regardless of chosen names for levels of engagement, both studies showed deplorable findings. According to Towers Perrin (Ibid), the amount of engaged employees was only 17% of the respondents, the amount of moderately engaged was 64%, and the amount of disengaged workers was 19%. Findings of The Gallup Organization (Gallup 2006) were as follows: engaged employees - 27% of the respondents, not-engaged - 59%, and actively disengaged - 14%.

If these figures are an accurate representation of employee behaviour, it means that energy and enthusiasm of 73–81 percent of workers (a tremendous amount) are not available to their organization. In order to be able to manage



with low levels of employee engagement, it is necessary to understand the reasons behind such worker's behaviour and find out the ways to influence it.

## **2.1 What is employee engagement?**

As employee engagement and employee disengagement are related concepts, which are often discussed in literature as being connected to each other, it is necessary at first to take a closer look at the phenomenon of employee engagement. Organizations cannot affect employee disengagement without understanding what employee engagement is, what factors drive it, and where it can lead. Good knowledge about this phenomenon allows the organization to find out the ways of managing with employee disengagement on a long-term basis. Therefore, the employee engagement literature is presented in this paper as the basis for understanding the employee disengagement phenomenon.

For the last several years, observers have been interested greatly in employee engagement. Some have asserted that employee engagement prognosticates employee results, organizational accomplishment, and financial performance (Harter, Schmidt and Hayes 2002; Bates 2004). Although the concept of employee engagement is a relatively new one, HR consulting agencies heavily market advice about how this phenomenon can be created and leveraged (Macey and Schneider 2008, p. 3). Many employee engagement studies are done by consulting firms and practitioners. At the same time, there is a surprising dearth of research on employee engagement in the academic literature (Robinson, Perryman and Hayday 2004, according to Saks 2006, p. 600).

There is no single and generally accepted definition for the term "*employee engagement*". Employee engagement has been defined using many different ways. This fact is making the situation more difficult with definitions and measures often looking like some other already known and established concepts, for example, organizational commitment and organizational citizenship behaviour (OCB) (Robinson et al. 2004). Most commonly, employee engagement was identified as emotional and intellectual commitment to the

organization (Baumruk 2004; Wellins and Concelman 2005). Other definitions were associated with the amount of discretionary effort demonstrated by employees in their jobs (Towers Perrin 2003).

According to Wildermuth and Pauken (2008a, p. 123), the term “*engagement*” has its roots in role theory, particularly in the work of Erving Goffman (1961), who defined engagement as the “*spontaneous involvement in the role*” and “*visible investment of attention and muscular effort*”. Later, Kahn (1990, p. 694) characterized personal engagement as “*the harnessing of organization members’ selves to their work roles*”; he also stated, that “*in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances.*”

In social science literature engagement is closely related with two constructs. The first of them is job involvement, which was defined by Lawler and Hall (1970, pp. 310–311) as “*the degree to which the job situation is central to the person and his [or her] identity*”. The second construct is the notion of “*flow*”, which was proposed by Csikszentmihalyi and determined as the “*holistic sensation that people feel when they act with total involvement*” (1975, p. 36).

Engagement was also the subject of studies for burnout researchers Maslach, Schaufeli and Leiter (2001). They identified engagement as the positive antithesis of burnout and stated that this phenomenon is associated with energy, involvement, and efficacy. According to Schaufeli, Salanova, Gonzalez-Roma and Bakker (2002, p. 74), engagement is “*a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption*”. Vigor means that employees are highly energetic; dedication represents their feeling of pride and enthusiasm, and absorption implies that workers have the will to entirely focus on the task.

Although there are such different definitions and meanings of engagement, and practitioners often tend to combine them with other constructs, the academic literature defines this notion as “*a distinct and unique construct that consists of*

*cognitive, emotional, and behavioral components that are associated with individual role performance” (Saks 2006, p. 602).*

It is necessary to make a distinction between engagement and several related constructs, such as organizational commitment and organizational citizenship behaviour (OCB). Engagement contains the elements of both commitment and OCB, but there is not a perfect match. Engagement has a two-way nature and the extent to which engaged workers are expected to have an element of business awareness; neither commitment nor OCB reflect these aspects. (Robinson et al. 2004, p. 8)

## **2.2 Models of employee engagement**

According to Saks (2006, p. 602), researchers have done little in the modeling of engagement though there are two main research streams in this area. The first stream concerns the studies of Kahn (1990); later his findings and model of engagement were empirically tested by May, Gilson, and Harter (2004). The second stream is represented by researchers of burnout, who developed a model of job engagement as the positive antithesis of burnout. Afterwards, Saks (2006) also offered as an alternative, to refer to the social exchange theory (SET) and developed his own model of employee engagement, which was also tested.

Models of employee engagement help in understanding what factors have an influence on employee engagement and can predict it, and also to identify the consequences of the phenomenon. Next, a closer look will be given to three models of engagement: Kahn’s model diagnosed by May et al. (2004), the Job Demand-Resources (JD-R) model (Bakker and Demerouti 2008), and the model of the antecedents and consequences of employee engagement (Saks 2006).

### **Kahn’s model of engagement**

During two of Kahn’s qualitative studies (1990), he examined the psychological conditions of personal engagement and disengagement at work. Kahn

interviewed employees of two different organizations about their moments of engagement and disengagement. The researcher stated that there are three psychological conditions that people experience at work, particularly, meaningfulness, safety, and availability. These psychological conditions are linked to personal engagement or disengagement. According to Kahn (ibid, p. 703), employees in each work situation unconsciously ask themselves three questions: “(1) *How meaningful is it for me to bring myself into this performance?* (2) *How safe is it to do so?* And (3) *How available am I to do so?*”

An empirical test of Kahn’s model (May et al. 2004) found that meaningfulness, safety, and availability have significant influence on engagement (Figure 1).

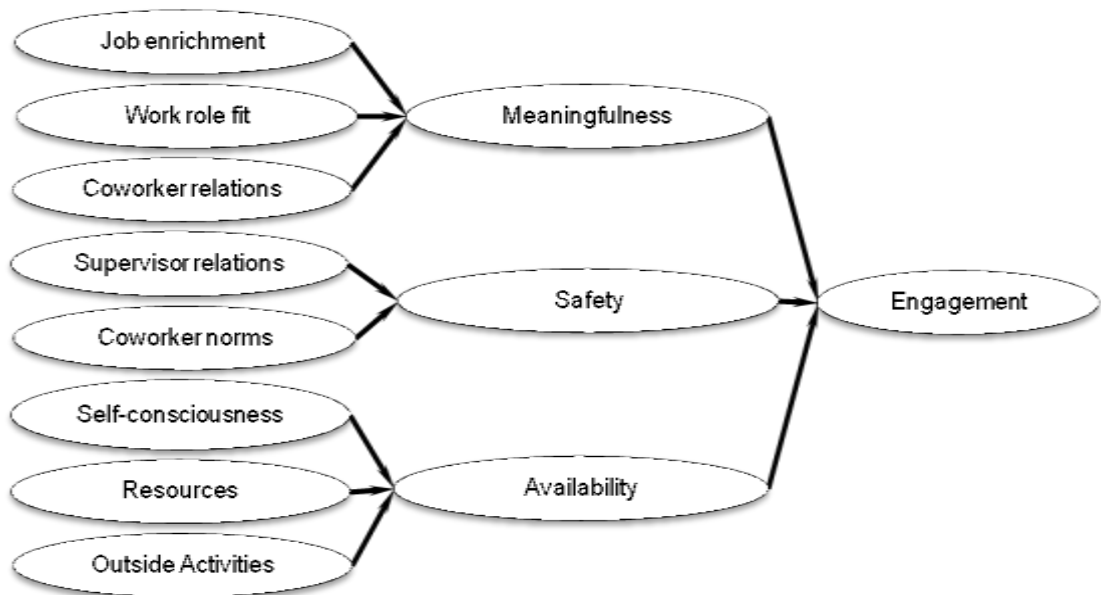


Figure 1 Path-analytic framework of engagement (adapted from May et al. 2004, p. 25)

There were also identified several important links (ibid, p. 30):

- Job enrichment, as an attempt to make work different and interesting, and also fit between the employee and his or her work role, are positive predictors of meaningfulness.
- Good relationships with workmates and supportive supervisor relationships are positive predictors of safety.

- Strict observance of co-worker norms (norms within the groups and organization) and self-consciousness are negative predictors of safety.
- Accessibility of physical, emotional and cognitive worker's resources is a positive predictor of psychological availability.
- Participation in outside activities is a negative predictor of psychological availability.

The findings of Kahn (1990) and May et al. (2004) described engagement from the psychological point of view and identified the main factors that influence its level.

### The Job Demand-Resources model of work engagement

Bakker and Demerouti (2008) reviewed qualitative and quantitative studies on work engagement in order to identify its antecedents and consequences. Basing on findings of previous studies they developed an overall model of work engagement that can be used in today's workplace. The Job Demand-Resources (JD-R) model of work engagement is presented in Figure 2.

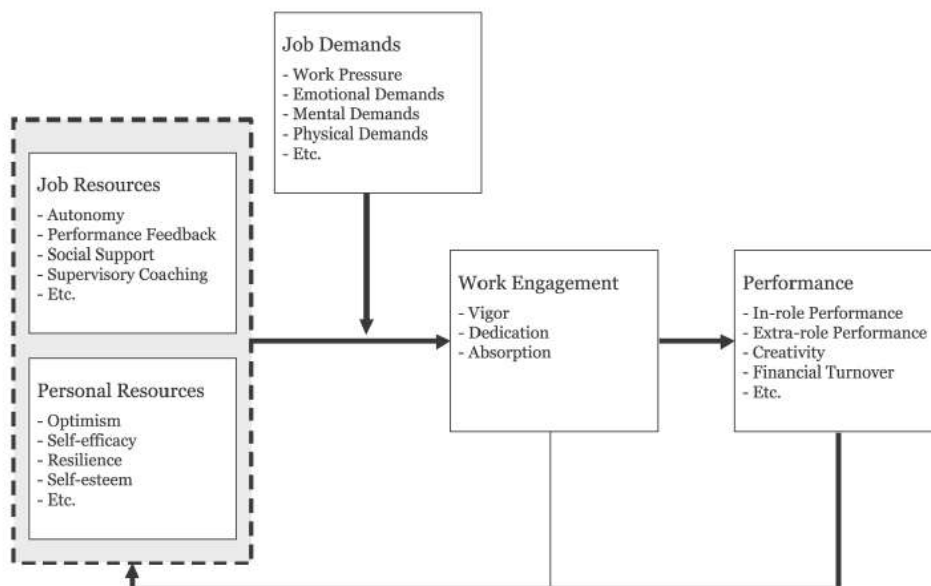


Figure 2 The JD-R model of work engagement (Bakker & Demerouti 2008, p. 218)

Authors of the model stated that the main predictors of engagement are job resources (autonomy, performance feedback, supervisory coaching, etc.) and personal resources (optimism, self-efficacy, self-esteem, etc.).

Predictors of engagement can take effect independently or be combined with other factors. When job demands are high, these resources have a positive impact on work engagement, which, in turn, has a positive influence on job performance. Engaged employees provide better performance. Therefore, they are able to generate their own resources, which over time facilitate engagement development and create a positive gain spiral. (Ibid)

### **The model of the antecedents and consequences of employee engagement**

Saks did a study that aimed to test a model of the antecedents and consequences of job and organization engagements (Figure 3). The model was developed based on principles of SET as mentioned above.

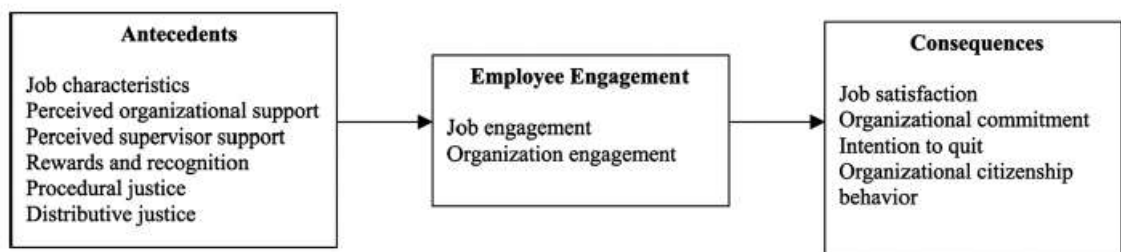


Figure 3 A model of the antecedents and consequences of employee engagement (Saks 2006, p. 604)

Results of tests done by Saks (ibid, p. 613) showed that:

- There is a distinction between the constructs of job engagement and organization engagement.
- Support provided by an organization is a positive predictor of both job and organization engagement.

- Job characteristics considerably predict job engagement.
- Procedural justice is an important predictor of organization engagement.
- Job and organization engagement are significant predictors of job satisfaction, organizational commitment, intentions to quit, and organizational citizenship behaviour directed to organization.

Saks asserted that employee engagement is a meaningful construct that should be studied more. Identification of other potential predictors of the phenomenon and possible effects of experimental interventions on employee engagement were offered by the researcher as issues for further studies. (Ibid, p. 613–614)

### **2.3 Drivers of employee engagement**

Many researchers have tried to identify factors that lead to employee engagement. As there is no agreement between researchers in defining the term of employee engagement, all undertaken studies came up with different key drivers and propositions. Taking a closer look at factors influencing the level of employee engagement, it is possible to combine them into four main groups: individual characteristics and personality of employee, organizational environment, leadership characteristics, and job characteristics.

#### **Individual characteristics and personality**

According to Wildermuth and Pauken (2008b, p. 208), the personality of workers may affect engagement, because for some people it is possible to remain engaged in spite of insufficient working conditions, poor management and a routine job. Wildermuth and Pauken (ibid) based on results of burnout research and supposed that an employee was most likely to be engaged if he or she had the following personality traits:

- *Hardiness* as openness to changes, ability to survive in difficult times
- *Internal locus of control* or extent of individuals' beliefs that they can control events in their lives

- *Active coping style* as a characteristic of a person who uses active strategies in order to manage with life problems or traumas
- *High self-esteem* as a person's positive overall evaluation of own worth
- *Extraversion* as the state of being concerned primarily with things outside the self with the tendency to enjoy human interactions.

According to Wildermuth (2009, p. 16), the importance of studying individual characteristics of workers is not in identifying those people who are “*born to be engaged*”; instead, knowledge of staffs’ personalities may help leaders create an environment where all employees are able to express freely their true identities and to benefit from full usage of their own potential.

### **Organizational environment**

The analysis of various studies on the organizational roots of employee engagement revealed several important factors connected to this phenomenon. These factors include relationships in the workplace, communication, congruence between organizational and individual values, and work-life balance.

If *relationships in the workplace* are good and rewarding, they create a comfortable and respectful environment for workers and improve the level of employee engagement. Kahn (1990, pp. 708–709) stated that interpersonal relationships promote psychological safety if they provide support, trust, openness, flexibility and lack of threat. Findings of the study done by May et al. (2004) showed that the relationship with the supervisor is also an important factor affecting employee engagement. Schaufeli and Bakker (2004) and Saks (2006) confirmed that support from colleagues predicts engagement. The consulting agency Towers Perrin (2003) pointed out the importance of a collaborative work environment, where people work well in teams.

*Communication* is by its very nature a two-way process that involves listening, questioning, understanding and responding. Two-way communication was identified as a driver of employee engagement by Robinson et al. (2004) and



Mercer LLC (2007). The Chartered Institute of Personnel and Development (CIPD) made a survey of employee attitudes and engagement in 2006; findings showed that employees are more likely to be engaged if they feel well-informed about processes going on in the organization and have opportunities to feed their views upwards.

*Congruence between organizational and individual values* has also been found to be an important environmental factor connected to engagement (Wildermuth and Pauken 2008a). Values matter to employee engagement in levels of psychological meaningfulness and safety at work. Meaningfulness was described by Kahn (1990, p. 704) as the “*sense of return on investments*” that employees got for their energy and efforts. Psychological meaningfulness is the feeling of being “*worthwhile, useful and valuable*”, when employees are able to give to and receive from work (ibid). Safety is the ability to be oneself at work without fear of negative consequences. It means that individual feel safe to take the risk of self-expression understanding the boundaries between allowed and disallowed behaviours. Employees feel safe in situations that are trustworthy, predictable, consistent, and secure (ibid, p. 708)

Feelings of psychological meaningfulness and safety are more likely to be experienced by employees, when organizational environment is characterized by, for example, the following features:

- Organization encourages ethic norms (Penna Consulting Plc, here and after referred to as Penna, 2005), justice (Saks 2006), trust (Macey and Schneider 2008) and equal opportunities (Robinson et al. 2004).
- Employees have an opportunity to voice their ideas and participate in decision making (Towers Perrin 2003; CIPD 2006).
- Organization provides to workers opportunities for development and career advancement (Harter et al. 2002), as well as learning and sufficient training (Frank, Finnegan and Taylor 2004).
- Employees have clear vision of their mission and purposes (MacLeod and Clarke 2009).

- Employees are treated as individuals (Penna 2005; CIPD 2006).
- Organization provides the worker with all necessary resources to get job done (Harter et al. 2002).
- Employees are given financial and non-financial benefits (CIPD 2006), rewards and recognition (Harter et al. 2002).

*Work-life balance*, as a proper prioritization between "work" (career and ambition) on one hand and "life" (outside activities and family) on the other, is an important predictor of employee engagement. Respondents to Penna's (2005) research pointed out that being able to leave work on time and enjoy a work-life balance creates a positive experience at work.

According to Williams and Alliger (1994, p. 864), separating work and family responsibilities may positively affect moods of employees and their well-being. According to Peeters, Watez, Demerouti, and de Regt (2009, p. 710), employees of organizations with a supportive work-family culture have less feelings of burnout, because they have less work-family conflicts. Work-family enrichment is also connected to work engagement. The research of Sonnentag (2003, p. 525) provided support for a positive effect of recovery during leisure time on work engagement.

### **Leadership characteristics**

Most researchers agree that leadership style and management process have great influence on the level of employee engagement. Many aspects of the employee's life at work are under the control and responsibility of senior leaders and line managers. Employees are more likely to be engaged at work when their leadership is characterized by some of the following features:

- Leader shows resilience, consistency, trust and competence (Kahn 1990).
- Leader is engaged (Welbourne 2007) and committed to the organization (CIPD 2006).

- Senior management has a clear vision about future success (Towers Perrin 2003).
- Management clearly articulates organizational goals (Welbourne 2007) and sets realistic performance expectations (Gorman and Gorman 2006).
- Leader puts the right people on the right jobs (CIPD 2006) and selects talent (Wellins, Bernthal and Phelps 2005).
- Management provides to employees care and support (Kahn 1990) and recognition for a well done job (Wellins et al. 2005), and has an interest in the worker's well-being (Towers Perrin 2003).
- Leader provides to employees opportunities for development (Harter et al. 2002) and career advancement (Gorman and Gorman 2006).

The features imply that employee engagement can be affected by both the personal individuality of a leader and the style of management, which can be characterized by the ways of making decisions and relating to subordinates.

### **Job characteristics**

Results of several researches show that job characteristics are connected to employee engagement. Kahn (1990) asserted that employees have a sense of psychological meaningfulness when they have *meaningful* tasks. Wildermuth and Pauken (2008b, p. 207) stated that meaningfulness results from individuals' perceptions that their work matters. According to Kahn (1990, p. 705), a job is meaningful if it involves challenges, variety, creativity, and a clear description of procedures and goals. Kahn also suggested that people require jobs with reasonable combinations of routine and novelty (ibid, p. 704). Wildermuth and Pauken (2008b, p. 207) stated that tasks should require *constant learning and progress*.

*The level of control* experienced by the employee is also an important factor affecting engagement. Engaged employees are likely to have some level of autonomy. According to Hackman and Oldham (1980), autonomy provides to an employee freedom and independence in scheduling their work and determining

procedures. It also gives to employees a sense of ownership of the work and an opportunity to do work without constant direction (Kahn 1990, p. 706).

Additionally, several researchers found *job satisfaction* as the driver of employee engagement (Robinson et al. 2004); at the same time, results of other studies showed that employee engagement was a predictor of job satisfaction (Saks 2006) providing a significant impact on it (Nowack n.d.).

## **2.4 Positive effect of engagement**

It is important for an organization to pay an attention to the engagement issues, because there is evidence of significant benefits related to this phenomenon. Additionally, a high level of employee engagement provides benefits for *both* the worker and employer.

According to Schaufeli et al. (2002, p. 74), work engagement is “*a positive, fulfilling, work-related state of mind*”, so engaged employees are workers with a high level of energy and mental resilience, they have a sense of significance and enthusiasm.

Engaged employees often experience positive emotions at work, such as happiness, joy, enthusiasm, interest and contentment. Furthermore, workers with a high level of engagement may influence their colleagues by transferring positive emotions and experiences and, as a result, create a positive team climate. Additionally, engagement is positively related to the employee’s health. (Bakker and Demerouti 2008, pp. 215–216)

Organizations with a high level of employee engagement may also benefit from several potential advantages. Engaged employees perform better on a daily basis; they are able to mobilize their own work and personal resources and, as a result, facilitate engagement development (ibid, p. 217). They also have less sick days per year (Gallup 2003, according to MacLeod and Clarke 2009).

According to Saks (2006, p. 615), engagement significantly predicts job satisfaction, employee commitment to the organization, intention to quit, and organizational citizenship behaviour. Engaged employees advocate for the workplace speaking positively about the company and recommending their company's products or services (Baumruk 2004, p. 49). Workers with a high level of engagement are able to improve customer satisfaction by means of providing better services to clients; engagement also leads to increase of productivity and profits, and to reduction of labour turnover (Harter et al. 2002; Towers Perrin 2003). This phenomenon is also correlated with innovation and creativity (Krueger and Killham 2007).

All indicated benefits for organizations and individual employees provide the evidence that employee engagement can be used by an organization as a tool for business success.

### **3 EMPLOYEE DISENGAGEMENT CONCEPT**

Employee disengagement is related to employee engagement; these phenomena are often studied as being connected to each other and disengagement is often discussed in the context of its negative influence on the organization.

Kahn (1990, p. 701) gave following definition for personal disengagement:

*“Personal disengagement ... is the simultaneous withdrawal and defense of a person's preferred self in behaviors that promote a lack of connections, physical, cognitive, and emotional absence, and passive, incomplete role performance.”*

Furthermore, Kahn discussed problems of personal disengagement, which lead to *“the uncoupling of selves from work roles”* (Ibid). Depending on the researcher, such unemployment of the self in one's role can be called *“robotic or apathetic”* behaviour, *“burn out”*, *“apathetic or detached”* behaviour, or *“effortless”* (Ibid, p. 701).

Disengaged employees are not enthusiastic; they do not want to expend extra effort and support team work. They adopt a “*wait-and-see attitude*” and behave in a similar way requiring a push to join in. Workers with a low level of engagement are disinterested and not curious about their organization and their own role in it, they often have poor relationships with their managers and co-workers. (Wellins and Concelman 2005)

According to Branham (2005, p. 4), disengaged workers can negatively influence morale and revenues of the organization; they often make trouble, complain, and have accidents. They can harm the organization in the manner in which they speak to customers; their negative behaviour affects client satisfaction, and can lead to loss of them (Vajda and SpiritHeart 2008).

Disengaged employees are usually unhappy at work and actively express this feeling. The negative influence of such workers constantly affects other people in the team and destroys achievements of engaged workmates (Gallup 2006). Disengaged employees are disconnected from their jobs, tend to be significantly less efficient and less loyal to their organizations; they are less satisfied with their personal lives, experience more stress and insecurity about their job than their co-workers (Gallup 2001).

### **3.1 Reasons why people disengage and quit**

Having studied the findings of Kahn (1990, pp. 702–717), Branham (2005, pp. 12–13), and Pech and Slade (2006, p. 24) it is possible to determine the potential sources or causes of employee disengagement and to divide them into several groups:

- External environment causes, which can become *challenges* for employees, for example, instability and insecurity arising from government, unions or shareholders, or possible *opportunities*, such as sudden wealth to buy independence, an unanticipated outside job offer, and so on;

- Psychological causes and sources, more specifically: lack of psychological meaningfulness and psychological safety at work, lack of identification with an organization, lack of trust, a sense of being undervalued, perceived inequities in pay and performance, unrealized ambitions, stress and anxiety, disinterest, etc.;
- Organizational causes, such as restructuring of the company and connected to it, transformational changes, company's culture with inadequate norms, traditions, policies and practices (unethical actions, sexual harassment, racial discrimination, unreasonable enforcement of authority, etc.), bad working conditions, poor management and leadership, overgrown bureaucracy, lack of resources, low standards and acceptance of poor performance, work complexity, etc.;
- Other sources, for example, employee's substance abuse and unacceptable behaviour, illness, laziness, competency issues, poor interpersonal relationships leading to conflicts, etc.

Findings of Unpublished Saratoga Institute research showed that initiators of people's disengagement at work were aligned with reasons of final decisions to quit the organization. According to the research results, employees quit because of insufficient leadership characteristics (35 %), organizational environment (49 %), and job characteristics (11 %). Only five percent from the reasons of leaving were unavoidable and included retirement, birth of a child, family issues, and so on. (Branham 2005, p. 24)

Negative comments about *leadership* included complaints about lack of supervisor respect for employees, carelessness, lack of support, poor leadership skills, favouritism, incompetence, unresponsiveness, and inconsistency. Poor sides of *organizational environment* included limited career growth, inadequate compensation and benefits, excessive workloads, lack of recognition, bad working conditions, poor quality or lack of training, unethical behaviours inside the organization, and lack of collaboration. People were not satisfied with *job itself*, if tasks were boring or not challenging. (Ibid)

### **3.2 Negative influence of disengagement**

Organizations should pay attention to the employee disengagement phenomenon, because it has great impact on *both* the worker and employer, just as employee engagement.

According to Bakker and Demerouti (2008, pp. 215–217), disengaged employees experience negative feelings and have health problems more often than engaged workers; they also can influence their colleagues by transferring negative emotions. Employees with a low level of engagement are more often likely to suffer from anxieties and depression (Robinson 2010); they are more likely to be emotionally exhausted, cynical (Maslach et al. 2001), and unhappy at the workplace, as well as in their personal lives because of the inability to manage with work stresses (Gallup 2006).

Disengaged employees have misgivings about their company in terms of customer satisfaction, providing little personal investment in customer focus, so productive output of not-engaged and disengaged employees is much less than the output of engaged workers (Towers Perrin 2003). Employees with a low level of engagement have more accidents at work and more inventory shrinkage (Harter, Schmidt, Killham, and Asplund 2006, p. 28).

Disengaged employees do not advocate their company as a place to work and less often recommend their company's products or services (Baumruk 2004, p. 49). They are less innovative and creative, and do not tend to share new ideas with co-workers (Krueger and Killham 2007). Disengaged employees often are not satisfied, not committed, and have an intention to leave their organization (Saks 2006, p. 615).

The noticeable early warning signs of employee disengagement are absenteeism, tardiness, or behaviour that shows withdrawal or increased negativity (Branham 2005, p. 14). According to Pech and Slade (2006, p. 23), the symptoms of employee disengagement also can be represented by low morale, mistakes, lack of energy, and lack of attachment.



By examining the effects of disengagement on both the worker and company, it is possible to conclude that this phenomenon can cause significant harm to the business. The only way to get protection from the effects of employee disengagement is to stop it by identifying and eliminating its causes.

### **3.3 The state of non-engagement**

Non-engagement is the level of engagement when employees are not highly engaged or actively disengaged; this condition is some kind of “*stuck in neutral position*” (Sanford and Coffman 2002). Not-engaged employees are not necessarily negatively disposed, but they do not have positive attitudes either.

These employees spend their time and get their tasks done in accordance with organizational standards, but they do not have passion, enthusiasm, and the desire to put extra effort into their work. It happens because not-engaged employees do not feel a sense of achievement; in most cases, they are fixated on the process of doing the job instead of the results. They do the minimum they can in order only to accomplish the task. Not-engaged employees are stuck in a low-risk, low-commitment mode being emotionally disconnected from their organization, their manager, or their workmates. They do not commit to work. As a result, not-engaged employees are likely to feel their contributions are being underestimated, and their potential is not being realized. (Ibid)

According to Towers Perrin (2003, p. 2), the large number of moderately or not-engaged employees is a challenge for the typical company right now. There is a risk for an employer, that this group of people will slide towards increasing disengagement with serious consequences on productivity and morale (ibid). If this happens, improvement of the employee engagement level will become a more complicated and time-consuming process.

## **4 MEASURES TO IMPROVE THE LEVEL OF EMPLOYEE ENGAGEMENT**

As employee engagement is connected to employees' health, organizational performance, customer satisfaction, and innovations, organizations need to do their best in fostering employee engagement. The approach of employee engagement improvement and HR practices that are shown to affect the employee engagement level will be discussed in the following chapters.

### **4.1 Employee engagement improvement as a systematic approach**

According to LG Improvement and Development, for improving the employee engagement level, organizations need to develop and use systematically an approach that includes several important stages. The first stage concerns all preliminary work before the implementation of engagement initiatives. The organization should define the meaning of employee engagement for itself, determine key areas for focusing, estimate costs and potential payback of engagement initiatives, and gain the support from senior leaders. During the next stage, management chooses the approach to understanding engagement, undertakes research, conducts a key driver analysis connecting results of research to key performance indicators, and identifies the areas of good practices. The third stage includes the development of a central action plan to improve employee engagement and preparatory work with managers on their further actions. The following stage is the implementation of the action plan. The progress should be monitored by management. The final stage of the process is evaluation of the progress. Managers should analyze the results in order to understand whether or not implemented strategies have been successful. (Ibid)

### **4.2 Human resource practices and engagement**

Organizations that want to foster employee engagement should carefully choose combinations of different HR practices. There is no clear list of activities that have been considered to encourage high engagement; different

researchers, mostly HR consultants, provide different areas for focusing and possible actions to improve the employee engagement level. The following practices have been mentioned most often:

- Learning, development and training
- Assessment and recognition
- Building confidence and trust in leadership.
- Promotion of two-way communication
- Building collaborative work teams
- Wellness initiatives

Identified HR practices are discussed next in more detail.

### **Learning, development and training**

According to Wellins et al. (2005, p. 14), employee willingness to develop and learn promotes innovation and creativity in the workforce. Managers need to work with employees finding out their strengths and needs for development, and provide opportunities for improving skills and capabilities. Talent development and training result in greater worker loyalty to the organization (Taylor 2004, according to Frank et al. 2004, p. 20). Mercer LLC (2007) stated that opportunities for development may enhance employee engagement.

### **Assessment and recognition**

According to Mercer LLC (2007, p. 7), recognition of the individual and team performance and their contribution makes employees feel appreciated and valued by the organization; competitive pay and bonuses together with nonmonetary rewards support engagement. Wellins et al. (2005, p. 15) stated that in the context of employee engagement, support and recognition can also mean that the worker's ideas are listened to and responded to; performance feedback is one more essential practice, because it plays the role of motivator for action encouraging and reinforcing employees for a job well done.

## **Building confidence and trust in leadership**

Feelings of trust and confidence in leadership are important matters in the context of employee engagement. Strong leaders have a clear vision of the organizational goals and objectives and do their best to help staff to achieve them (CIPD 2006). Consistency between the leader's words and actions plays a great role in building trust and engagement; fair leadership, effective management and a strong sense of connection with an organization gives people feelings of pride, optimism and certainty about what they do, how they do it and who they do it for (Towers Perrin 2003).

## **Promotion of two-way communication**

The two-way communication programme is a part of the environment of mutual trust, accountability and responsibility; it puts emphasis on the goals of the organization and the roles that employees should play (Towers Perrin 2003). According to CIPD (2006, p. 14), managers need to pay maximum attention to communication issues; offering to people opportunities "*to feed their views and opinions upwards*" and to be "*informed about what is going on in the organization*" These are critical in the context of engagement. Well informed employees are able to set correct priorities and, as a result, to use their working time, resources, and budgets in a best way (Wellins et al. 2005, p. 13).

## **Building collaborative work teams**

Human beings have a basic need for belonging, so employees see the relationships with co-workers as a source of the "*family feeling*" (Branham 2005, p. 170). According to Wellins et al. (2005, p. 14), in the context of engagement, building teamwork and collaboration requires creation and maintaining good relationships, both within the group and across groups; Support and cooperation between people allow them to achieve better results, share ideas and come up with creative solutions.

## Wellness initiatives

According to CIPD (2006), working conditions have great influence on the levels of engagement, performance and intentions to quit. Managers should care enough about employee well-being and make plans to reduce stress at work. By providing different personal benefits and work-life services (medical care, health insurance, wellness programmes, food services, flexible work schedules, job sharing, wellness seminars, etc.) in accordance with the needs of the employees, the organization can improve their productivity, engagement, and retention (Branham 2005, pp. 160–165).

### 4.3 Summary

Summarizing the theoretical data obtained from the literature review, the researcher has grouped the answers to research questions into a table (Table 1). The first column of Table 1 reflects the number of potential reasons or sources of employee disengagement. That is the theoretical answer to the question of *why do workers disengage*.

Possible consequences of employee disengagement are presented in the second column of the table. Negative changes in employee's behaviour and harmful impact of disengagement phenomenon on the organization provide the response to questions of *why would an organization improve the employee engagement level*.

The third column of Table 1 presents suggested solutions to improve employee engagement that can be used by managers. These recommendations give the answer to the question of *how would an organization improve the employee engagement level*.

Identified reasons and consequences of the employee disengagement phenomenon together with suggested recommendations to managers are the elements of the theoretical framework. These elements are seen as essential for finding answers to the research questions.

Table 1 Employee disengagement: potential reasons, consequences and suggested solutions

Potential reasons of employee disengagement	Possible consequences of the phenomenon	Suggested solutions
Poor management and/or leadership	Problems with health	Development and systematic use of an approach for improving the employee engagement level.
Lack of meaningfulness at work, including: <ul style="list-style-type: none"> <li>• boring or unchallenging tasks</li> <li>• work role misfit</li> <li>• lack of recognition</li> <li>• lack of opportunities to participate in decision-making</li> <li>• poor learning and development opportunities</li> <li>• lack of collaboration</li> <li>• inadequate reward system</li> <li>• other reasons</li> </ul>	Lack of energy Emotional exhaustion Stresses Depression Absenteeism Poor performance Low customer focus	
Lack of safety at work, including: <ul style="list-style-type: none"> <li>• instability and unpredictability</li> <li>• inconsistency of strategy and goals</li> <li>• lack of trust</li> <li>• poor ethical norms</li> <li>• unfair treatment</li> <li>• perceived inequities</li> <li>• poor relationship with supervisor and colleagues</li> <li>• other reasons</li> </ul>	Mistakes Accidents Declining innovation Low morale Cynicism Lack of satisfaction	Carefully selection of different HR practices combinations, which can include: <ul style="list-style-type: none"> <li>• Learning, development and training</li> <li>• Assessment and recognition</li> <li>• Building confidence and trust in leadership</li> <li>• Promotion of two-way communication</li> <li>• Building collaborative work teams</li> <li>• Wellness initiatives.</li> </ul>
Organizational issues, including: <ul style="list-style-type: none"> <li>• poor working conditions</li> <li>• deficit of resources</li> <li>• overgrown bureaucracy</li> <li>• excessive workloads</li> <li>• acceptance of low performance</li> <li>• other reasons</li> </ul>	Intention to leave	
Lack of identification with the organization		

## **5 RESEARCH METHODOLOGY**

According to Morse and Richards (2002), there is no best approach for conducting and analyzing qualitative data, because each method serves a different purpose. Good methods are the methods that support a fit among question, method, data, and analytic strategy (ibid). The goal of the researcher is to identify what method is the most appropriate and best suited.

The phenomenological or sometimes called non-positivistic approach has been adopted as an approach of the study; it is essentially derived from the social sciences and better suited to the research of general issues concerning people and their behaviour (Remenyi, Williams, Money and Swartz 1998). According to Byrne (2001), "*phenomenological researchers hope to gain understanding of the essential "truths" (i.e., essences) of the lived experience*". Researcher van Manen (1990) stated that this type of approach offers an expository, insightful, interpretive, and engaging mode of investigation, from which it is possible to extract the essence of an experience.

### **5.1 Qualitative case study as a research method**

According to McMurray, Pace, and Scott (2004, p. 69), quantitative research is focused on the role of measurement and observation and associated with the collection and use of numerical data. Quantitative researchers try to do their studies in order to get the explanation and control, while qualitative researchers are pressed for understanding the complex interrelationships among all that exists (Stake 1995, p. 37). Qualitative methods are concentrated mainly on the kind of evidence that will help researchers to understand the meaning of what is going on (Gillham. 2000, p. 10).

The case study research method is applied across a variety of disciplines. Yin (1994) specified situations, where the case study can be used as a research strategy. The areas of application include: policy, political science and public administration research, community psychology and sociology, organizational

and management studies, city and regional planning research, conducting of dissertations and theses in the social sciences (ibid, p. 1). In all of these indicated areas the distinctive need for a case study arises out of the wish to understand complex social phenomena (ibid, p. 3).

According to Soy (1997), case study research provides an understanding of a complex issue or object and can improve experience or add strength to the results of previous researches. This method gives emphasis to detailed contextual analysis of a limited number of events or conditions and their relationships (ibid). Stake (1995) stated that case study is the study of particularity and complexity of the single case with the aim to understand its activities within important circumstances.

According to Yin (2003, p. 13), the case study research method is an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially in such situations, when the boundaries between the phenomenon and context are not clearly evident. The case study inquiry deals with a technically distinctive situation, relies on multiple sources of evidence, and benefits from the prior development of theoretical propositions (ibid). This method is useful for gaining insight into relatively less-known areas with little experience and limited theory available (Ghauri, Grønhaug, and Kristianslund 1995, p. 87).

When choosing a research method, Yin (2003, p. 5) brought into focus the three important conditions: a) the type of research question posed, b) the extent of control an investigator has over actual behavioural events, and c) the degree of focus on contemporary as opposed to historical events. Table 2 presents these three conditions and demonstrates how each of them is related to five major research strategies in the social sciences.

As the table shows, the case studies are the preferred strategy when “*how*” and “*why*” questions are being formulated, when the researcher has little control over events and cannot manipulate the relevant behaviours, and when focus is on contemporary phenomena.



Table 2 Relevant situations for different research strategies (Yin 2003, p. 5)

Strategy	Form of research question	Requires control over behavioral events?	Focuses on contemporary events?
Experiment	how, why	yes	yes
Survey	who, what, where, how many, how much	no	yes
Archival analysis	who, what, where, how many, how much	no	yes/no
History	how, why	no	no
Case study	how, why	no	yes

This thesis is studying a phenomenon, which has its own uniqueness; the boundaries between the phenomenon and its real-life context are not clearly evident. This phenomenon is complex, and the aim of the study is to describe and understand its nature by gaining insight into a relatively less-known area with limited theory available. The questions “*why*” and “*how*” are the premise of this study. The examination of contemporary events is done on the condition that the investigator’s control over events and access to actual behavioural events are limited. All of the data available for the empirical research is in the form of qualitative data that was obtained through interviews. Summarizing all indicated points, it is possible to conclude that choosing the qualitative case study as the research method is the most appropriate for this study.

## 5.2 Data collection and analysis

The process of data collection started from observation of existing literature on the employee leaving intention and its reasons. After reviewing several information resources, it was noticed that in many cases employee disengagement is the reason why people leave the company. By changing the

angle of view, the researcher did the survey of literature about the problems of employee disengagement, its negative impact on organizational performance, and ways to manage with this phenomenon and more specifically, the engagement practices which can be used by an organization for affecting disengagement and decreasing employee leaving intent.

Reviewing the literature on employee disengagement, it became clear that researchers often mention this phenomenon only in the context, for example, opposing the concept of disengagement with the concept of engagement or debating the affect of disengaged workers on organizational performance. Consequently, in order to get a better picture about employee disengagement, the researcher decided to undertake the study based on theoretical data provided by both concepts.

The researcher reviewed available books, articles and Internet publications with the aim of forming a broad picture of the studied topics based on data from previous studies. Looking through literature sources, it was found that employee engagement has a clear link to many features in work. An extensive review of available data in the field of human psychology, organizational management and HRM helped to understand the nature of studied phenomena and form a detailed picture of them. A relevant literature review including HR practices for improving the employee engagement level formed the theoretical framework for guiding the research.

The main method of gathering empirical data for this study was interview. This method is often used in qualitative research and, according to Yin (1994, p. 89), it is “*one of the most important sources of case study information*”. However, this way of gathering data is not always appropriate and easy (Morse and Richards 2002, p. 92). Gillham (2000, pp. 61–62) stated that interviewing can be an enormously time-consuming process if a large number of interviewees are involved; at the same time, the strength of this method is in the “*richness*” of the communication, which brings more valuable results. The price that the researcher pays for this richness is in time required for transcription and analysis (ibid). Gillham also recommended using interview techniques in cases

when small numbers of accessible people are involved, all of them are “key” people and questions in the interview are mainly open and require an extended response, and when the topic is sensitive and trust is involved (ibid).

All the interviews in this study were semi-standardized. This type of interview is both flexible and consistent (Gillham 2000, p. 69); it has structure and, at the same time, allows the interviewer to add or change questions during the process. The researcher developed in advance, theory-driven and open-ended questions in order to frame the discussion, but also to invite detailed and complex answers (Morse and Richards 2002, pp. 91–94). The questions were based on scientific literature and the researcher’s theoretical assumptions (Flick 2006, p. 156). A list of main interview questions is presented in Appendix 1. The total number of questions in some interviews reached fifty. The discussed subject was complicated, so each participant had a brief conversation with the researcher before the actual interview about the topic and was given a list of main questions in order to be prepared for the discussion. The interviewees were welcomed to provide their own examples and experiences, which helped to find sufficient answers and eliminate misunderstandings.

The interviews were conducted in English or Russian depending on the spoken language of the participants. All interviews were recorded, and right after each interview the researcher did the transcription of data for the following analyses. Transcription was the stage of data transformation from an actual happening to a form that can be handled and manipulated (Morse and Richards 2002, p. 99) during the following content analysis. Each interview lasted from 90 minutes to two hours, and the total length of all interviews was seventeen hours.

Content analysis is one of the classical procedures that are used for analysing textual data (Bauer 2000, according to Flick 2006, p. 312). Flick (ibid) asserted that an essential feature of content analysis is the use of categories, which are often derived from theoretical models. According to Gillham (2000, p. 71), the essence of content analysis is to identify substantive statements.

Written results of transcription and interview notes were read several times for a better understanding and higher level of awareness. By taking each transcript in turn, statements that really made a point were highlighted. The next step of the process was a deriving a set of categories for the responses to each of the questions by looking through the highlighted statements. All categories were given a simple heading and put in a list. As a result, an analysis grid was made that combined the list of categories and the list of interviewees. Each statement was marked on the analysis grid for a count analysis; actual statements were also written on a separate sheet in order to use data for meaning analysis. (Gillham 2000, pp. 71–75)

### **5.3 Validity and reliability**

Yin (2003, pp. 33–34) recommended to use four tests for establishing the quality of a case study research: *construct validity*, *internal validity*, *external validity* and *reliability*.

The *construct validity* test refers to “*establishing correct operational measures for the concept being studied*” (Kidder and Judd 1986, according to Yin 2003, p. 34). This test is often problematic in case study research, because the investigator has close and direct contact with the people and organizations examined. In order to succeed in developing the appropriate set of measures, the researcher needs to refrain from subjective judgments during data collection (Riege 2003, p. 80).

The *internal validity* is concerned with establishing causal relationships by distinguishing them from spurious relationships (Kidder and Judd 1986, according to Yin 2003, p. 34). Making this test the researcher needs not only to highlight mainly similar or different patterns between respondents’ behaviours, but also to identify significant components for those patterns and the mechanisms that produced them (Riege 2003, p. 81).

The *external validity* deals with the question of whether the findings of the research can be generalized (Yin 2003, p. 37). Case studies depend on

analytical generalization of particular research findings to some broader theory by comparing theoretical constructs with empirical results (Riege 2003, p. 81).

The *reliability* refers to the demonstration that research processes and procedures can be repeated while achieving the same results (Kidder and Judd 1986, according to Yin 2003, p. 34). The goal of the reliability test is to minimize possible mistakes and biases in a study.

Four tests for establishing the quality of a case study research, including the list recommended by Yin (2003) on case study tactics are presented in Table 3. It also indicates the ways in which these recommendations were responded to in the current research.

It is necessary also to add that the lack of multiple sources of evidence limits the validity; there were no documentations, archival records or physical artefacts available on the subject matter. The researcher attempted to overcome this problem by making several detailed interviews. Interview questions were designed in such a way as to maximize coverage of the topic. As mentioned above, the questions were provided to the informants beforehand, so they had time to prepare themselves for discussion.

All respondents are friends of the researcher; this fact has a number of advantages and shortcomings in the context of the reliability of the study. On one hand, good relationships between the researcher and informants have positively influenced the diversity and richness of opinions on the issue being studied. The interviewees were in the mood for open discussion, so the researcher can rely on the veracity of their answers. Agreement between the researcher and the respondents that their personal information is kept confidential has facilitated honest and open conversations. They did not have a fear that their opinions could affect relationships at work, so their answers were truthful and detailed. On the other hand, there is also a risk that friendly relations could affect the objectivity of interviewees' responses. This can happen because in their desire to please the researcher, the respondents may

avoid discussing unpleasant issues and give the answers that the researcher expects to hear from them.

Table 3 Case study tactics and actions done in the research (adapted from Yin 2003, p. 34)

<b>Tests</b>	<b>Case study tactic</b>	<b>Research phase in which tactic occurs</b>	<b>Actions taken in the research</b>
<b>Construct validity</b>	Use multiple sources of evidence	Data collection	Interviewing of multiply informants, use of notes done during the interviews; other sources of evidence are not available
	Establish chain of evidence	Data collection	Interview data both taped and transcribed in real time, notes from interviews are taken into account; researcher made an attempt to establish chain of evidence by justifying the assumptions made with theory and empirical data
	Have key informants review draft case study report	Composition	The case study report was reviewed by two informants in order to increase validity, eliminate possible errors in understanding the topic and clarify unclear aspects
<b>Internal validity</b>	Do pattern-matching	Data analysis	Matching of patterns from theory with empirical findings was identified wherever possible
	Do explanation-building	Data analysis	The case study data analyzed by building an explanation about the case; some causal links about the case were identified
	Address rival explanations	Data analysis	Rival explanations were defined and tested wherever possible
	Use logic models	Data analysis	This tactic was not used in the research because of requiring time series data
<b>External validity</b>	Use theory in single-case studies	Research design	The researcher attempted to create a sufficient theoretical basis for the findings by connecting the research topic to available academic literature
	Use replication logic in multiple-case studies	Research design	This tactic was not used, because the design of research is single-case
<b>Reliability</b>	Use case study protocol	Data collection	All steps of the research were clearly described; the researcher used consistent set of primary questions in each interview
	Develop case study database	Data collection	The case study database was developed; interview transcripts, notes, tables, links to online resources and other materials were entered into database

Interviews were conducted in English or Russian, because the researcher does not have the appropriate level of Finnish language. As English is not the native language of the researcher and several respondents, there is likelihood that some aspects may have been misunderstood or interpreted incorrectly. The researcher tried to overcome this issue using clarifying questions wherever it was necessary and by reading results of transcription and interview notes several times.

Informants' responses are presented in this work in edited form. After transcription of the interviews, the researcher carefully redacted the answers, translating some of them into English. This was done in order to achieve uniformity of the text for the following citation and make the answers of the respondents easier to read. This may also reduce the reliability of the study. The researcher attempted to overcome this problem by redacting the comments carefully. The aim of the researcher was to present the respondents' answers without losing their original meaning and context.

If a similar research study were conducted with the same processes, procedures and participants, the majority of answers would be the same. The answers of respondents might be different in cases when their organizations have undergone significant changes.

#### **5.4 Case description**

The empirical research objective is the group of ten people who work in SMEs in Finland. All participants have higher education. Their names, as well as the names of their companies are not published in accordance with the agreement about keeping this information in confidence. Some important data about the informants, including their age, gender, nationality, position in the company and duration of present employment, is presented in Table 4. The table also provides information about the specialisation of companies.

As mentioned earlier, all the respondents are friends of the investigator. At the same time, they have no relationship to each other. As it is possible to see from the table, the study participants represent different age groups and more than one culture, and they are employees of various companies operating in different fields. They also have different backgrounds and experiences. All these factors help to cover the research topic in a complete way, study it properly, and gain a clearer picture of the phenomenon under investigation.

Table 4 List of interviewees

<b>ID</b>	<b>Gender</b>	<b>Age</b>	<b>Nationality</b>	<b>Position in company</b>	<b>Company's specialization</b>	<b>Work experience in years</b>
1	Male	33	Finnish	Head of warehousing	Retailer	3
2	Male	45	Finnish	Logistic manager	Transport company	7
3	Male	36	Estonian	Sales manager	Wholesaler	2,5
4	Male	25	Finnish	Warehouse worker	Logistics	2
5	Male	30	Finnish	IT specialist	IT services	3
6	Female	33	Finnish	Accountant	Construction	<1
7	Female	42	Russian	Export assistant	Wholesaler	5
8	Female	35	Finnish	Recruitment manager	Recruitment agency	4
9	Female	26	Russian	Office worker	Travel agency	2
10	Female	44	Finnish	Lawyer	Consulting services	6

The interviewees were at different levels of engagement. The object of this research is the phenomenon of employee disengagement; therefore the level of engagement of each employee has not been measured and studied. Additionally, it is necessary to point out that this research does not include the



examination of the influence of cultural differences on the phenomenon of employee disengagement.

## **6 EMPIRICAL FINDINGS**

In this and the following chapter, the findings of the empirical part of the study will be presented and discussed. The employee disengagement phenomenon in the case group of ten people is examined in accordance with the theoretical framework. The report includes fragments from conducted interviews for exemplifying the discussion. The informants' answers are presented in edited form. In the process of editing, the researcher tried to maintain the sense of what was said and not to lose the context.

### **6.1 Employee disengagement phenomenon**

At the beginning of the interview each participant was invited to discuss the employee disengagement phenomenon. The interviewees were asked questions about how they understand this phenomenon, how they can personally define it, and how they can describe their own feelings during experiences of personal disengagement. The respondents agreed that the disengagement can be characterized as a negative, and, to some extent, destructive phenomenon:

*“For me, disengagement is associated with the feeling that the work is boring and tedious, that I spend time in vain, and all around is annoying me. The work is obtained, but the successes are not encouraging. I get the feeling that these successes are accidental, and in general, the whole life is a failure. It seems that all people around me are spiteful, stupid, and ignorant; everything annoys me: timing, requirements, colleagues, and superiors.”*

Opinions and comments on personal disengagement show that the studied phenomenon is associated with various emotions and experiences, which are mostly negative. Feelings that employees with low level of engagement may

experience include irritancy, grievance, discontent, resentment, frustration, alienation, exhaustion, boredom, and even unhappiness.

The respondents often accompanied their speech with expressive gestures. This fact probably indicates that they have already experienced the impact of personal disengagement and know how unpleasant these feelings are, so they cannot talk about it calmly. The definitions of the studied phenomenon were not theoretical; interviewees gave examples from their lives, so they knew very well what it is in practice.

Interestingly, some people accept the condition of being not-engaged; they may consider this situation as normal and even preferable for them:

*“Generally speaking, I am satisfied with my work, but I still have goals to strive. I share work and personal life. For me, work is not the most important thing in life. I do not tend to sink into the work completely. If I give my mind wholly to work, my family will suffer. I do not need the stress; I want to have strengths for other interests.”*

*“Speaking personally about myself, I am a not-engaged employee. This is a kind of protective mechanism. If I gave myself entirely to work, I would depend on this workplace. Therefore, if I lose this job, I will have a lot of stress, which I had in the past in similar situations.”*

The comments above show that the condition of non-engagement is sometimes the result of the employee's personal choice. This choice can be based on a desire to separate work and private life, as well as on fear of becoming attached to the company. Negative experiences associated with unpleasant emotions can cause this kind of fear, so the employee develops a defence mechanism that helps to keep a detached position.

## **6.2 Reasons of employee disengagement**

The question of possible reasons of employee disengagement sparked lively and informative discussions. The participants of the study agreed that personal disengagement can be caused by a host of reasons. It was also mentioned that in the majority of cases this phenomenon occurs not because of one

exceptional reason, but is the result of a number of factors which in combination create the conditions for reducing the level of employee engagement. Some of reasons were called critical while others were mentioned as secondary, but also requiring attention.

During the conversation the interviewees gave many examples from personal experiences, including examples from the current work place. From their answers it was clear that the issue was analysed earlier and probably some conclusions about the reasons of their personal disengagement were done.

All possible sources and causes of disengagement that respondents have listed were combined by the researcher into groups in accordance with the theoretical framework of the study. Five groups of possible disengagement reasons are presented next, including reasons connected to poor management and/or leadership, lack of meaningfulness, lack of safety, organizational issues, and lack of identification with the organization.

### **Poor management and/or leadership**

The informants agreed that poor management and/or leadership has a negative influence on the level of employee engagement. Additionally, it was pointed out that the management style and behaviour of the leader often create an environment where employee engagement is difficult to achieve.

Most often negative comments about leadership included complaints about lack of supervisor's respect for employees, unethical behaviours, lack of recognition, carelessness, and lack of support. According to the respondents, all these factors strongly influence the employee's trust in leadership, their motivation and interest in the work, as well as their level of engagement. The following comment illustrates the discussion:

*“The boss treats the employee as a”monkey”, does not explain his actions, does not answer questions, and just gives orders. His orders are peremptory. Attempts to argue with the boss and express personal opinions are fraught with grave consequences for an employee.”*

Other mentioned characteristics of management that may lead to employee disengagement include poor leadership skills, outdated attitudes, incompetence, unresponsiveness, inconsistency, and excessive control:

*“Our boss always tries to control everything, even too much. He always checks the work of each employee, supervises each step, and interferes in each affair. It seems that he does not trust us and doubts our competence.”*

Additionally, the interviewees mentioned that employee disengagement is related to a low level of leader and manager engagement. An exhausted and disengaged supervisor may help the spreading of the negative emotions between employees and decrease their level of engagement. One more factor which can lead to disengagement is a lack of clear articulation by the manager about how each employee’s role helps to support the strategy and plan of the company. For the workers it is important to understand what role they play in the process and how their contribution supports the business strategy.

### **Lack of meaningfulness at work**

The informants believe that the lack of psychological meaningfulness at work can be a significant cause of employee disengagement. The interviewees pointed out that it is important for them to feel that work matters, experience a sense of community, and have the opportunity to make a contribution to the common cause:

*“It is important that my work is meaningful, that it is worth it to do it. I want to see the results of my work. I want to be sure that I do useful things, that my contribution to the final product is solid. For me it is vital to feel that I am playing an important role in the process.”*

According to the respondents, lack of meaningfulness at work can be primarily expressed in poor opportunities for employee learning and development, insufficient recognition, and an inadequate reward system. These issues as the reasons of personal disengagement were mentioned by the research participants most often. The following comment illustrates the discussion:

*“When employing me, they promised that the company has opportunities for career development and wage growth. In fact, having worked for several months, I realized that it was not true. Opportunities for development in the company are very limited. I can count on the career movement only after someone's retirement or dismissal. Accordingly, the wait for wage increases can also be a very long time.”*

The next important issues that can negatively influence the employee engagement level are concerned with poor communication, bad relationships with workmates and/or supervisor, work role misfit, and poor job design.

According to the informants, a lack of adequate two-way communication inside the organization and limited opportunities to be listened to, participate in decision-making, and receive constructive feedback can make employees unmotivated, unsatisfied, and disengaged. The following remark is cited here to comment on these issues:

*“It is difficult to communicate inside the organization: departments work independently, people do not want to share information, to find the person responsible about the issue is not always easy. So it is difficult to have a clear picture about what is going on here.”*

The relationship with the employer and colleagues are also an important factor in the context of employee engagement. Conflicts at work and lack of collaboration were found to be significant reasons why people disengage:

*“In our company, the situation is "every man for himself". Everyone only cares about his own problems. If there is a mistake, all at once begins the “blame game”, instead of not to lose time and correct the existing situation.”*

The respondents also mentioned that the discrepancy between the employee's abilities and his work role, and also boring and unchallenging tasks can cause a reduction of the employee engagement level. If people do the job that they do not like, they feel uncomfortable, as if not in the right place. If workers do not have the opportunity to use their knowledge and skills, they may also become disengaged:

*“My job now is not quite the thing that I would like to do. I have previously been involved in projects, but then I was transferred to another job. I do not like my current tasks, because they do not require special analytical abilities. I am bogged down in a routine. Although I have a better salary now, I am not happy with the situation.”*

In addition to the above, problems associated with lack of meaningfulness at work were included in the list of causes of the disengagement phenomenon most frequently. This is possible to explain by the fact that the meaningfulness at work is an important element of overall job satisfaction, which gives the employee a purpose and clear vision about the future.

### **Lack of safety**

The interviewees agreed that the lack of psychological safety at work can become the reason of employee disengagement. It was noted that safety in the workplace has a significant impact on the psychological comfort of employees giving them a sense of security, trust, and predictability:

*“I think that safety at work is associated with the atmosphere of respect inside the organization, with the feeling of trust and security, and with the support from management and colleagues.”*

The respondents discussed situations, in which the lack of safety occurs, and identified several causes of this phenomenon, including unfair treatment and poor ethical norms in the organization, unequal opportunities, instability, inconsistency and unpredictability, and lack of trust. The following remark illustrates the discussion:

*“In our company we have already passed the period of layoffs and unpaid leaves. It was horrible. Every day brings alterations and new responsibilities. We live in such difficult times, during the period of changes. I am tired of fear about the future and expectation of the worst. The state of uncertainty is killing me.”*

The informants also noted that relationships with supervisors and colleagues have a very strong effect on the level of employee engagement. The relationship with the leader is influenced by many factors, most important of

which are his/her personal characteristics, competence and proficiency in use of leadership skills. Relationships with work mates, when they are hostile, unsupportive and problematic, can also have a negative effect on employees, making them less engaged. Lack of understanding, respect for each other, and mutual support destroy the sense of safety at work; as a result, employees have the sense of psychological discomfort.

### **Organizational issues**

A deficit of resources, as well as lack of equipment and tools required for work, poor working conditions, excessive workloads, and other organizational issues create difficulties for employees in execution of their tasks thereby reducing their productivity. Insufficient supply of means of production is often associated with acceptance of low performance. According to the respondents, all these organizational problems may lead to reduction of the employee engagement level. The probability of occurrence of the disengagement phenomenon is higher, if such problems are ignored or accepted by the leadership. The following comment illustrates the discussion about organizational issues in the context of engagement:

*“Once I had to work in a room without windows for a few months. Our management constantly promised to give me a normal work place, but the promises were not fulfilled. Only after the reduction of workers, my work seat was transferred to a normal room.”*

The informants also noted that the cause of the disengagement phenomenon may be in significant changes within the organization, which are connected to its reorganization, restructuring, downsizing, etc. Also, the interviewees added that the level of employee engagement can be affected by the economic health of the organization. If the company has problems related to debts, and its budget is limited, these factors may lead to a personal disengagement. The emergence of this phenomenon may exist, especially in cases where the current unfavourable situation for the company was preceded by a period of relative economic stability.

## **Lack of identification with the organization**

The question of identification with the organisation sparked interesting and controversial debates. The views of informants on this issue were divided. Some said that the lack of identification with the organisation is the cause of employee disengagement, while others argued that it is rather a consequence of this phenomenon.

Some interviewees stated that the lack of identification with the organisation may become the initiator of personal disengagement. If individuals do not have a sense of oneness with their organisation, it could affect the level of their personal engagement; as a result, motivation of employees to achieve organisational goals decreases, the level of job satisfaction declines, and people become less supportive and cooperative.

Other respondents argued that employee disengagement is related to negative organisational identification. According to them, there are a number of factors, which can reduce the level of employee engagement, and as a result, affect the level of organisational identification. Such factors may include, for example, organisational behaviours and actions that inadvertently or intentionally hurt the positive image of the company, its reputation and success.

### **6.3 Possible consequences of personal disengagement**

After determining the root causes of personal disengagement, the researcher invited the informants to answer some questions about the potential consequences of this phenomenon.

The interviewees agreed that reduction of the employee engagement level could cause harm to the employee, as well as damage to the company. They also added that the state of active disengagement is more dangerous for the employee and the organisation than the state of non-engagement. Some respondents argued that the state of non-engagement does not harm the company and the employee. They stated that a lot of employees are working in



such a state, and this is the norm for those people. Nevertheless, the state of active disengagement was recognised by the participants as dangerous for the worker and the firm.

Specifying the potential consequences of the investigated phenomenon, the respondents primarily mentioned the problems associated with deterioration of employee health and loss of interest in work. As a result, an organisation with a low level of employee engagement may face problems connected to lack of worker satisfaction, reduction of labour productivity, low customer focus, declining of innovation, more frequent absence of people due to illness, and a rise in employee intention to leave.

### **Impact on employee's health**

The most frequently mentioned health problems, which might be the result of a negative influence of personal disengagement on the employee include nervous disorders, lack of energy, gastrointestinal issues, and recurrence of chronic illnesses if any exist. All these mentioned issues are the reaction of the human organism to stress, which is associated with the studied phenomenon. The following comment illustrates the discussion:

*"I am feeling tired, almost exhausted, exhausted mentally and physically."*

Influencing the human body over a long period of time, these problems can injure the health of the employee and lead to lower labour productivity and more frequent absence of workers due to illnesses.

### **Impact on organisational performance**

As mentioned earlier, the drop in the level of employee engagement often leads to a decrease of their interest in the work and job satisfaction. According to the respondents, workers with a low level of engagement lose the enthusiasm and belief in the ultimate goal, as well as the sense of their own meaningfulness. In most cases, all these issues are related to negative changes in employee

morale. As a result, workers can turn out to be uninvolved in the job and may keep a detached position, doing the job automatically; they become less responsible toward their duties and less accurate in their work:

*“I do my tasks in accordance with the requirements. I do not like doing extra work. I do not want to perceive the company’s issues as my own problems.”*

It was also noted that low employee morale has a negative effect on productivity. An irresponsible attitude to work is associated with an increased likelihood of errors and delays; such employee behaviour can lead to disregard for rules and norms, and even accidents:

*“I became less passionate about my work. I do it without mistakes, but now I do not recheck my tasks. When I was engaged, I did it constantly.”*

According to the interviewees, the loss of interest in work may also be expressed in the reduction of employee contributions to the cause. Disinterest of the workers, who keep a detached position, can be expressed in the reluctance to invest their energy, knowledge and time to the welfare of the company. Because of human desire to be part of something big and important, the place of enthusiasm in the workplace is occupied by outside activities such as hobbies, family, social activities, etc. The detached position of disengaged employees may cause resentment among other team members. Reduced employee productivity leads to the fact that part of the work remains unfinished, or passed on to other workers:

*“They are indifferent to their work. Their poorly done work adds extra responsibilities to other employees and brings harm to the owner.”*

Additionally, the informants noted that low employee moral also affects the relations between people. First of all colleagues of disengaged employee suffer, since they have to work together in one team. An employee with a negative attitude can become a constant irritant in the team, reducing the enthusiasm and inspiration of other workers. The low level of employee engagement may also adversely affect relationships with partners, but the greatest harm it can cause is to relationships with customers. Insufficient attention to the needs of

the clients along with mistakes and misunderstandings can lead to loss of consumers. The following remark illustrates these issues:

*“If an employee with a low level of engagement works directly with customers, his behaviour can directly affect sales. Regular customers may leave, and new clients may not come a second time.”*

According to the respondents, a poor relationship inside the team, mistakes and misunderstandings with the partners, and low customer focus do not contribute to the development of the company, but lead to a decrease in its performance.

### **Declining innovation**

The interviewees stated that for people with a low level of engagement the job becomes a formality, and workers in such cases deal with their duties automatically, without extra effort. If the tasks of the employee can be reduced to mechanical work, the production process in such a case is not much affected. But if the work requires an innovative approach, creative solutions, and searching for new ideas, the employee without engagement becomes a hindrance to business development. In all innovations, such employees see a threat to their stable “style of life” in the organisation. Due to the rejection of novelty, they often become stressed and have conflicts with workmates. As a result, the organisation with a low level of employee engagement may have difficulties in implementation of innovations:

*“Disengaged workers may become an obstacle in the development of the company. Such people are often inert; their response to the need for additional training is often aggressive. It is difficult for them to accept new ideas, so they often silently sabotage innovation.”*

According to the respondents, disengaged workers hinder the exchange of information within an organization, when keeping the detached position. They are not inclined to share experience, knowledge, and new ideas. This happens because of their lack of interest in work or fear of being unheard. This problem also leads to the decline of innovation; as a result, the company may face

problems of technological depreciation, degradation of production processes, as well as loss of organizational core competence.

### **Intention to leave**

The informants' opinions on the relationship between the levels of employee engagement and leaving intention were divided. Some interviewees expressed the view that a decline in engagement leads to increased intentions to leave the organisation. According to them, not-engaged employees are not interested in their current workplace, so they are constantly thinking about changing it. Depending on the degree of leaving intent, the employee can make various attempts to change the situation. Most often this is expressed in their passive or active job search. Not-engaged employees leave the company without regret if the opportunity to change a job appears:

*“Being not-engaged I can work, but not for a long time. If I see a good job offer, then I retire from my company.”*

Other respondents argued that workers in the state of non-engagement will not necessarily do anything to change the situation. Having elaborated adaptation mechanism and taking a detached position, they will continue to work in the company. Being not-engaged, employees are not concerned with the organisation. They do not identify their own interests with the company's interests. Their personal career and well-being is more important for such workers than the company's success. Work for them is only the way to make money, and the more this way is energy-saving, the better. Not-engaged employees perform their work well enough that the employer cannot find fault with anything. The employment contract does not provide the mandatory presence of enthusiasm and inspiration. Therefore, in any situation for the company, the self-esteem and personal characteristics of such workers shall not be affected, and each new job is just another step in their career. In summary, not-engaged employees are not seeking to leave the organization; they change jobs only in the case of getting attractive offers from outside companies:

*“Why should I go? I am quite satisfied with everything. Well, except for small problems that can be ignored. After all, there is absolutely no guarantee that another company will be better.”*

According to the informants, actively disengaged employees may behave differently. Some have a greater deal of personality, so they gather strength and start the search for a new job. Others are more inert. Reasons of such behaviour can be reluctance to change anything, fear of being unemployed, different family circumstances or social problems of the employee. Very often, such workers remain employed by the company, poisoning the lives of themselves and others. They are unhappy at work, but understand that nothing can be done about it. Their behaviour and low productivity cannot remain unnoticed by the employer, so there comes a time when the latter will take action to get rid of these employees. The following comment illustrates the discussion about intention to leave in the context of employee disengagement:

*“The state of active disengagement is detrimental to small firms. Psychological absence or inadequate participation of the employee in the process is immediately noticeable and causes direct damage to the owner of the company. For the health of the company it is wise to get rid of such a worker.”*

There were also informants who found it difficult to answer whether or not there is a correlation between the levels of employee engagement and their intention to leave the organization:

*“I read somewhere that it is wise to change the work place every five years. In course of time interest in the work decreases and the routine jams. The desire for changes is inherent for human nature. There is a desire to try a new work place or another position. So I am not sure, whether the human decision to leave the company depends on the level of engagement or not.”*

To summarize, the interviewees agreed that there is a correlation between the levels of employee engagement and leaving intention. Thus, with a decrease in the level of employee engagement, the desire to leave the organisation increases. In most cases, this trend persists; however, there is also the likelihood that the employee’s intention to leave the organization diminishes with the achievement of a very low level of engagement.

## **6.4 Suggested solutions to improve employee engagement**

The respondents agreed that an organization, which wants to improve the level of employee engagement, should seriously address this issue. The use of any actions or practices should be based on a carefully developed plan, which includes a detailed description of each stage of the process and a sequence of events. When developing this plan the organization should be ready for certain costs associated with carrying out engagement activities. It is also important to be consistent for the long haul; when starting engagement initiatives it is necessary to carry them through to the end, instead of giving up in the middle. Inconsistency of actions can lead to dramatically opposite results creating employee estrangement.

The informants also stated that each organization is unique, so it is impossible to determine the winning list of measures which will be suitable for absolutely all companies. Therefore, each organization should choose their own directions for improvement and follow them.

The interviewees were invited to suggest the most important HR practices, in their view, to improve employee engagement. The most frequently mentioned practices included development of leadership skills, employee recognition, development opportunities, employee performance evaluation, career advancement, communication improvement, development of collaboration, and employee orientation. A more detailed discussion of the six HR practices selected in accordance with the theoretical frame is presented next.

### **Learning, development and training**

The informants stated that companies should take an active part in the development and training of their personnel. Additional education and training improve employee knowledge and skill which, in turn, affects the company's readiness to meet changes and ability to manage with challenges. By providing employees with opportunities for development and training the company shows

a willingness and readiness to invest in its workers. This attitude makes employees feel meaningful and valued; as the result, it may have an effect on the level of their engagement.

The respondents said that the company should pay due attention to new employees, offering them the help of mentors and putting them in the way of things. Mentors should assist newcomers, explain specific moments, using in other words, everything to make the life of new employees easier. Job training and coaching of new workers should become the responsibility of the supervisors, and this work should be paid. In this case the process of knowledge sharing will be most effective. The following comment illustrates the need to provide appropriate coaching for newcomers:

*“The newcomer can easily get lost in the new workplace. It is in the interests of the organization to help him to learn the routine. The sooner the employee gets into the swing of the work, the faster he can start working independently.”*

The interviewees also noted that the process of improving employee knowledge and skills should continue in the continuing work life. According to them, the company needs to identify a direction for employee development, which is a win-win situation for both the firm and the worker. In this case, both sides will benefit. The most effective way is to develop those abilities of workers, in which they are the most productive. To do this, the company should become familiar with the staff and their strengths and weaknesses. For this purpose the organization should examine the employees to reveal their potential. According to the respondents, by studying their employees, the company has the opportunity to choose the most appropriate ways for their development. In addition, by conducting these activities the organization expresses its own interest in this development. The company’s attention to this issue may have a positive impact on the level of employee engagement. The following remark illustrates the discussion:

*I want to learn new things, to develop at work. Then I will be more competent and useful for my company. I believe that it will help me be more effective in my work.”*

Additionally, the company's actions aimed at staff development should be consistent and systematic. Unfortunately, not all companies comply with this rule. According to the informants, items of the development plan should be implemented into practice and not remain on paper. It is important to bring to an end the initiated processes, because inconsistency in the company's actions can cause the disengagement of employees.

### **Assessment and recognition**

The interviewees stated that for an organization it is important to do an assessment of the employee's efforts, capabilities and performance. According to them, careful attention to these issues could positively influence the engagement of employees. Regular face to face meetings held by the superior can be used for these purposes. During the conversation, the superior should evaluate the employee's capabilities and assess the need for additional training; these opportunities should be considered in accordance with the career expectations of the worker. At the meeting the superior should also discuss with the employee the results of the previous period and plans for the next period. It helps employees to understand how effective their efforts are and how they match with the set goals. The following comment illustrates this issue:

*“Evaluation of my work, as well as tips for improving results would help me in further work. The opinion of a qualified supervisor would help me to understand my strong and weak sides. In my opinion, this feedback will reduce the errors in the future, accelerate the learning process, and save the nerves of my supervisor.”*

The informants also noted that employee progress should be monitored by an employer. The company should encourage the zeal of a worker for better results. Then the employees will see the organizational interest in their progress and exert even more effort. Evaluating the work of the team, it is also necessary to assess the progress of each member. Then the employee's contribution to the common cause would be fairly priced.



According to the respondents, recognition means that the organization perceives employee efforts and makes them feel valued and appreciated. Effective recognition is equally powerful for both the organization and the employee. The use of this HR practice leads to mutual benefit:

*“Fair recognition shows the employer’s respect to the worker and the contribution he makes. As the result, recognized employees will try to put more effort in their work.”*

As was noted, recognition may lead to improvement of employee engagement; it can become an essential tool that strengthens and rewards the most important outcomes employees generate for the business.

Recognition is most effective when the organization uses this practice on a regular basis and in a variety of different ways. The ways of recognition should be selected in accordance with the motivational interests of the employee. The organization must know exactly what is specifically important for each employee. Such knowledge will allow using this HR practice more effectively.

Comparing the value of verbal and monetary recognition, the interviewees agreed that for them the verbal recognition is more important and valuable. The monetary recognition is not always seen by the employees as an engaging factor. Thus, according to the respondents, fair and competitive salaries along with other cash payments can be a reference point for further steps to improve employee engagement; they form the basis for follow-up activities, which should also include non-monetary ways of rewarding.

### **Building confidence and trust in leadership**

The informants stated that in order to improve confidence and trust in leadership, the head of the organization and managers need to develop their professional skills, starting from elementary ethics of communication:

*“The leaders should develop primarily their ability to explain intelligibly and listen carefully to the interlocutor. Using these skills, they could reduce the*

*number of conflicts in the organization and teach employees to communicate effectively with each other.”*

According to the interviewees, development of consulting and communication skills will positively influence organizational communication and human relations. Then employees will feel more confident and make fewer errors. The credibility of the manager also contributes to team performance improving trust and collaboration between people.

The respondents also noted that strong leaders should act in visible and transparent ways accordingly with the organizational values. They should provide to personnel open and accessible information in order to help them work efficiently. They also need to be ready for open dialogues with the employees being interested in feedback and constructive criticism:

*“The leaders should be truthful and fair. If a company wants to succeed, these qualities of leadership should be in its demand.”*

These behaviours improve the trust between employer and workers. At the same time, the leaders should provide to people a clear vision of how the company's strategy is linked to various processes and procedures and how to achieve the objectives. Consistent, clear, and timely instructions to subordinates, together with the ability to efficiently allocate the available resources, make employees confident in their chief.

According to the informants, managers should take into account that all employees are different and that they may have different goals and values. Therefore, it is very important to know workers and have an individual approach for each of them. Separating employees from the crowd and getting to know them, the superior shows a real respect and appreciation for them and the contribution they make. In turn, employees feel themselves to be meaningful and valued, and hence their interest in work and engagement may grow.

Observance of employee rights, as well as solution of social problems in the organization is also in the list of leadership responsibilities. Fulfilling these

responsibilities effectively, the superior justifies the trust of employees, and also supports a decent image and culture of the organization.

It is also important to note that only engaged leaders can carry the workers with them, transfusing their own enthusiasm and energy into people. Therefore, to begin the improvement of employee engagement it is necessary to start at the managerial level.

### **Promotion of two-way communication**

The informants agreed that organizations should endeavour to establish two-way communication. This initiative will help management to provide guidance to the employees, answer their questions, and give feedback. At the same time, the employees have the opportunity to be heard, express their views, and propose new ideas. Open communication promotes trust inside the organization, improves the relationships between people and encourages innovations. All these matters may have a positive impact on engagement.

The respondents also stated that information sharing is essential for effective work. To be aware of up-to-date information concerning all spheres of business is very important for the company wanting to be successful. Access to information helps the employees to understand the situation, draw conclusions, and make correct decisions. The availability of necessary information also helps the workers to prioritize tasks and reduces the likelihood of errors.

Employees should know how their work affects the end results and how mistakes can have serious consequences. Therefore, it is important for management to have prompt and clear information about the situation at each area of activity, and for subordinates to get adequate and timely instructions.

The interviewees also added that access to information increases the psychological comfort of the employees. It allows them to feel confident in the current work situation and trusted by the employer. According to them, openly communicated information destroys the atmosphere of secrecy in the

organization, prevents the formation of rumours, and brings people together to solve the problems more efficiently. The following comments illustrate the discussion about improving communication issues:

*“I need to understand what is happening in the organization, at what stage is each process, and if all goes according to the plan. A complete picture of what is happening gives me the opportunity to avoid unnecessary mistakes.”*

*“The organization can benefit from new ideas of workers, which are often focused on optimizing of working procedures. Thus, open communication contributes to the development of the company. “*

Additionally, promotion of two-way communication helps employees to be aware of the company’s vision for future development and make their own contributions to that vision.

### **Building collaborative work teams**

In the cohesive team there is a free and peaceful atmosphere of understanding and friendliness. According to the informants, the creation of this atmosphere may improve the level of employee engagement. In such a work environment most people tend to be active and interested. Having an opportunity to participate in decision making, they feel involved and meaningful:

*“Teamwork makes me feeling that I belong to something big and important. Moreover, I know that in our overall success there is a part of my work too.”*

Teamwork is most effective in solving complex problems, when there is uncertainty and multiplicity of solutions. For making the most correct decisions in such cases, the use of diverse approaches is required. The interviewees stated that in a cohesive team everyone is actively involved in the decision making process and no one stands aside. New concepts and new methods of improvement are welcomed by the team. Group members listen attentively to each other's opinions. Different points of view are presented, and criticism is constructive, since it is aimed at overcoming the difficulties:

*“If we disagree, it is not the end of the world. The difference of opinion makes it possible to look at the problem wider. And as we all know, truth is born of arguments. Eventually we find a solution, which suits everyone.”*

It was also stated that the group members make an acceptable solution while maintaining a certain unanimity. The conflict of opinions is understood as a normal event and is seen as an opportunity to solve the problem.

The respondents also noted that teamwork is more efficient, because the tasks of an action plan are distributed fairly between all members, and there is no duplication of functions. Employee input is more significant because the team members understand what is expected of them and can independently control their activities:

*“Effective teamwork means that everyone knows his duties and takes responsibility for his work.”*

Team members and leaders understand the priorities of each other and tend to mutual support in order to make the teamwork successful and to cope with difficulties. According to the interviewees, members of a cohesive team know each other better and tend to mutual aid:

*“We have a very close-knit team. I can always rely on my colleagues knowing that they will help and support me. Maybe it sounds a bit pompous, but we trust each other.”*

Members of cohesive teams share experiences and knowledge with each other and with other representatives of the organization. Such a free exchange of information promotes innovation and encourages the establishment of friendly and supportive relationships within the organization.

### **Wellness initiatives**

According to the respondents, by implementing wellness initiatives the company may noticeably improve employee health and increase engagement. First of all, these activities show to workers that the company cares about their health and

is willing to invest in it. In turn, the employees being grateful for such care approach their duties more responsibly and make greater efforts in their work:

*“Our company cares about the health of workers. We can use the services of a specialized medical centre, receive lunch coupons, and participate in wellness outdoor activities. I believe that these measures are useful to everyone. Workers get sick less, and this positively affects the efficiency of the company.”*

Additionally, the health improvements will reduce the amount of sick leaves and increase employee productivity. Healthier workers tend to be more energetic, enthusiastic and creative, and are more likely to have increased morale and better relationships with colleagues and superiors.

The informants also noted that the organization should develop and implement wellness activities only after salvation of its basic problems concerning workers' health. These issues include providing appropriately equipped work places, personal protective equipment and clothing, enforcement of safety rules, compliance with balance between work and rest, and so on. Implementation of these requirements is the minimum, which is essential for the normal operation of the employee. Therefore, the provision of adequate working environment by itself is not a factor that can increase the engagement of the employee. However, poor working conditions can cause disengagement; therefore, the organization must pay careful attention to this issue.

According to the interviewees, wellness initiatives aimed at improving employee engagement may include adequate employee health care, stress management activities, corporate fitness, Health Days and other outdoor activities, arrangements for meals, flexible work schedules and so on.

## **7 DISCUSSION**

The purpose of this study was to examine the phenomenon of employee disengagement and to provide the explanation of *why employees disengage* and *why and how would an organization improve the employee engagement*

*level*. The researcher has identified roots and potential consequences of employee disengagement and also explored possible solutions to improve the level of engagement. A detailed description of these issues is presented in Chapters 3, 4 and 6.

Since employee disengagement is a complex phenomenon, managers need to understand its nature, as well as its root causes and potential consequences. Careful study of these issues will enable the organization to focus the necessary effort on the right track and cope with disengaging factors. The ability to manage the disengagement of employees is seen as an important characteristic of the organization that wants to be successful. Even a small improvement in the level of engagement can greatly influence the performance of the company and provide an additional impetus for further achievements. This research will be useful for those managers who want to be able to notice early warning signs of disengagement, influence its level, and control the process of improvement.

The study results showed that employee disengagement may be caused by many different reasons including poor management and/or leadership, lack of psychological meaningfulness at work, lack of psychological safety at work, and organizational issues. Each person is unique, so each employee can have personal reasons for becoming disengaged. Additionally, personal disengagement may be caused by one single disengaging factor, as well as by a group of factors that have a joint effect on the employee.

The research findings also provided the evidence that employee disengagement has significant influence on employee behaviour in the workplace. Workers with low levels of engagement can harm the business. The main consequences of employee disengagement include deterioration of employee health, lack of job satisfaction, low morale, poor performance, low customer focus, intention to leave, and declining innovation.

Some findings of this research were unexpected. In his works, Kahn (1990) has studied psychological conditions of personal engagement and disengagement

at work. The researcher investigated only the two states: personal engagement as keeping self within a role, and personal disengagement as uncoupling self from the role (Ibid, p. 700–701). Kahn did not take into account the fact that there is also a third state. This is the state of non-engagement, which can be determined as an intermediate level between engagement and disengagement.

The condition of personal non-engagement can be defined as limited psychological, cognitive and emotional presence at work. Interestingly, some workers reach this state under the influence of disengaging factors, while others hold that position consciously, on the basis of their personal choice. They accept the condition of being not-engaged considering it as normal and even preferable for them. This study showed that this kind of personal choice could be based on various reasons. For example, these reasons may include the desire of employees to maintain a balance between work and personal life in order to avoid a work-life conflict, as well as the fear of becoming attached to the organization. This unexpected result indicates that the phenomenon of non-engagement may also have other roots, which differ from the theoretical assumptions of the researcher.

The research results also showed that in some cases the consequences of this phenomenon differ from the theoretically expected ones. For example, the state of non-engagement as a personal choice of employees does not necessarily lead to a decrease in their performance, lack of satisfaction, and intention to leave the organization.

Summing up, the researcher has found that among not-engaged employees there is a separate group of people whose behaviour differs significantly from the behaviour of other employees without engagement. If the condition of non-engagement is their voluntary choice, then it is possible to assume that this group of people is not very receptive to organizational influence. In this case the organization's efforts to improve the level of engagement may fail. There is a likelihood that the improvement will be negligible, or there will be no improvement at all.



In connection with these findings, it is necessary to point out that the phenomenon of employee non-engagement as a personal choice requires further study. First of all, it is necessary to understand the nature and origin of this phenomenon. Researchers need to find out what is the basis of the employees' personal choice when they select the state of non-engagement as the most preferred for them. This study has identified several reasons for such behaviour, but according to the researcher, this list of reasons probably is not complete.

Researchers also should examine the consequences of this phenomenon. The results of this study showed that the state of non-engagement as a personal choice does not necessarily lead to negative consequences for the organization. It is necessary to understand whether this psychological state is dangerous for the business or not. If employees in this state are satisfied with their work, cope with the duties in accordance with the norms, and do not think about leaving the organization, it is possible to assume that the organization may find certain advantages in the situation. Probably, in this case, the company may see certain stability associated with non-engagement. As a result, organizational efforts can be focused on other workers, who are more receptive to the engagement initiatives.

It is also necessary to study the degree of susceptibility of employees who voluntarily choose the state of non-engagement at work, to engagement initiatives of the organization. Researchers should determine whether in this case the transition from the condition of non-engagement to the condition of engagement is possible or not. If such an improvement is possible, it is necessary to identify the specific organizational actions that can lead to positive changes in the behaviour of employees.

Additionally, the employee disengagement phenomenon is also a very rich area for further research. It would be interesting to identify how HR practices suggested by this work affect employee disengagement in concrete organizations. Also, the effects of economic recession on employee disengagement is an interesting topic for further studies. Causal relationships

between employee disengagement and organizational identification concepts, as well as the relationship between employee disengagement and leaving intention also require attention. Studying these issues will give managers the ability to understand the psychology of workers and to predict their behaviours in the state of personal disengagement.

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## **Appendix 1 List of the interview questions**

### *Phenomenon of employee disengagement:*

1. How would you define the phenomenon of employee disengagement?
2. What feelings and emotions are associated with this phenomenon?

### *Potential causes of the phenomenon:*

1. What could cause the employee disengagement?
2. What are the characteristics of leaders and managers that may cause a decrease in the level of employee engagement?
3. What an effect does the lack of psychological meaningfulness in the workplace have on the engagement of employee?
4. What could cause the lack of psychological meaningfulness in the workplace?
5. How does the lack of psychological safety at work affect employee engagement?
6. What could cause the lack of psychological safety at work?
7. What organizational issues may lead to a reduction in employee engagement?
8. How does the lack of identification with the organization influence employee engagement?

### *Potential consequences of employee disengagement:*

1. What are the potential consequences of personal disengagement for the employee?
2. What are the potential consequences of employee disengagement for the organization?
3. How does the reduction in the level of engagement affect the health of the worker?
4. How the drop in the level of employee engagement may influence the organizational performance?

5. How employee disengagement may affect innovation?
6. How the reduction in the level of engagement may influence the leaving intent of employee?

*Solutions to improve the level of engagement:*

1. How the organization could improve the level of employee engagement?
2. Is the development of employees an important factor for their engagement?
3. What an effect may the provision of opportunities for staff development and training have on employee engagement?
4. Should the organization pay an attention on evaluation and recognition of employees, if it wants to improve their engagement?
5. How these activities could affect the level of employee engagement?
6. How the organization may strengthen a confidence and trust in leadership?
7. How these activities may affect the level of employee engagement?
8. Is effective two-way communication an important factor for employee engagement?
9. What advantages does the two-way communication have in the context of employee engagement?
10. Can the work in a close-knit team with a strong team spirit have a positive impact on employee engagement?
11. What advantages does the teamwork have in the context of employee engagement?
12. Should the organization implement the wellness initiatives, if it wants to improve employee engagement?
13. How these activities may affect the level of employee engagement?