A STUDY OF EMPLOYEE ENGAGEMENT WITHIN A CHINESE CONTEXT

by

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ABSTRACT

The purpose of this study was to investigate the relationship between employee engagement and various job related factors within a Chinese context. Data was obtained from a foreign-invested company in Shanghai through an internet-based survey. Demerouti et al. (2001)’s Job Demand – Resource (JD-R) model was partially adopted as the framework of the impact of seven job resources on employee engagement and turnover intention.

Results of the analyses revealed that financial rewards and participation in decision-making in organizational resources; supervisor support in social resources; job autonomy and performance feedback in task-level resources are significant factors in shaping employees’ job engagement. Furthermore, engagement mediates the effect between job resources and turnover intention.

This is one of the first empirical studies that validate the engagement model within a Chinese context. It identifies a number of job related factors that predict employee engagement and provides recommendations to improve employees’ engagement levels.

Keywords: employee engagement; job resources; turnover intention
To my dear husband, who always have faith in me.

Thank you for your love and support.

To my dear parents, who provide me unconditional support, encouragement and altruistic love!

To my unborn baby, who inspires me everyday.
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1 INTRODUCTION

In recent years, there has been a great deal of interest in employee engagement. Along with enhanced technology and streamlined work processes, gaining employees' discretionary effort, so called engagement, may be one of the most effective ways to increase productivity and improve business results. In fact, many literatures have claimed that employee engagement predicts employee outcomes, organizational success, and financial performance (Bates, 2004; Baumruk, 2004; Harter et al., 2002; Richman, 2006).

As innovation, speed to market, and the need for ever-increasing efficiency define the competitive edge, organizations around the globe are counting on motivated workforces to help them succeed. However, it has been reported that employee engagement is on the decline and there is a deepening disengagement among employees worldwide today (Bates, 2004; Richman, 2006). It has even been argued that the majority of workers today, roughly half of all Americans in the workforce, are not fully engaged or are disengaged, costing US businesses $300 billion a year in lost productivity (Bates, 2004; Johnson, 2004). In United Kingdom, estimates of the cost of disengaged workers on the British economy range between $37.2 billion and 38.9 billion per year (Flade, 2003). In Japan, where only 9 percent of the workforce is engaged, lost productivity is estimated to be $232 billion each year (Wellins, 2004).

Unfortunately, much of what has been written about employee engagement comes from either the practitioner literature, consulting firms like Hewitt Associates, Gallup, and Towers Perrin or stress literature (e.g. burnout). There is limited research on employee engagement in the management literature (Robinson et al., 2004). Besides, the concept of employee engagement (also referred to as “work engagement”) and its drivers or antecedents out of empirical research
were conducted primarily within western countries. Whether it may be applied to other national contexts remains to be fully examined. This study focuses on China, using a Chinese sample to test the employee engagement and its relationship with job related factors and turnover intentions and to explore its business implications.

If there is ever a nation that has earned the description “economic miracle”, it is China. The country has achieved an average annual growth rate of 9% for the past 30 years, lifted millions out of poverty, and created a new middle class. By the end of 2004, China had attracted a cumulative $562 billion in foreign direct investment and it continues to attract a large number of businesses. China has also benefited from a relatively smooth political evolution, one that has seen the mergence and successful implementation of “socialism with Chinese characteristics.”

These economic and political changes have dramatically impacted China’s labour market. The idea of life-time employment, egalitarian pay system, and cradle-to-grave welfare benefits have been replaced by entirely new concepts like career paths, pay for performance, bonus programs, and learning and development opportunities. Employers and workers alike have had to adjust to the unprecedented level of labour mobility. The new generation of skilled workers in China is better educated; more motivated and has more job choices than ever before.

The continuous changing environment challenges the traditional Confucian values of loyalty, cohesion and altruism in Chinese organizations. Long-held traditions along with business and social structures are toppling, and employees are feeling a sense of dislocation and anxiety. Is it the fundamental pay and benefits for which Chinese employee cares the most? Are other elements like career opportunities and work relationships important when people make their decisions about whether to stay with or leave the company? Can western human resource management practices be applied to the unique Chinese environment to engage and retain employees?
Despite China's growing presence in the global economy, engagement studies specifically related to Chinese employees are scarce. Towers Perrin’s 2006 Chinese workforce study is one of the first such studies. This study, the single largest of its kind so far, included approximately 1,100 workers in China. It shows that only 8% of Chinese workers feel highly engaged at work probably due to China’s thriving economy and the stress it puts on people. Almost a quarter feel disengaged. And among this group, 60% intend to stay with their current employer. Among the highly engaged group, by contrast, 41% intend to stay at their current job, but an even greater percentage (49%) are open to other offers, or actively in the job market. Clearly, Chinese companies are facing a dual challenge: How best to ease out the disengaged, who may be a drain on productivity and performance, while increasing engagement among key talents to achieve growth or other objectives.

However, those worrisome findings might not be generalized to the entire Chinese workforce. It is inconclusive whether the relatively low level of employee engagement is due to the ever-changing environment or is merely a company-specific issue. To gain practical understanding, further studies on engagement characteristics and employee-employer relationships at individual company level are warranted. Only then can employers understand the relative importance of the engagement drivers (job resources) on a company-specific basis and execute effective engagement strategies. The current study is designed to find meaningful and practical guidance by looking into employee engagement at an individual Chinese company.

The purpose of the study is three-fold: a) to investigate the relationship between employee engagement and job resources within Chinese context. b) to test the relationship among these job resources and employee turnover intention and explore whether engagement mediates the relationship; c) to explore the implications that the findings may have for effective human resources management and practice in China.
The paper is organized as follows. Chapter 2 presents a review of the literature, which examines previous research on the relationship between job resources factors, employee engagement and turnover intention and proposes related model and hypotheses. The methodology of this study is then presented in Chapter 3 including sampling and study procedures. Chapter 4 presents the results of the data analyses including the results of descriptive statistics, correlations and regression analyses. Chapter 5 provides discussion of these results, as well as limitations and possibilities for future research and concludes the study with managerial implications.
2 LITERATURE REVIEW

2.1 Conceptualization of Engagement

Employee engagement has its roots in classic work done in employee motivation; in the form of intrinsic motivation (Maslow, 1943; White, 1959; Alderfer, 1969). It was introduced and studied as a concept in health psychology. The notion of engagement, like many psychological constructs, is simple to understand yet more difficult to define and measure. While no definitive consensus as to a formal definition of the term “engagement” appears in research literature (Finn & Rock, 1997), some common threads have emerged about its nature.

One point of agreement seems to be that employee engagement involves an expression of the self through work and other employee-role activities. This conceptualization can be seen by Kahn’s definition of engagement as “the ‘harnessing of organizational member’ selves to their work roles. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances” (1990, p 694). For Kahn, self and role “exist in some dynamic, negotiable relation in which a person both drives personal energies into role behaviours and displays the self within the role (p. 700).

The second related construct to engagement in organizational behaviour is the notion of “flow” advanced by Csikszentmihalyi (1990). Csikszentmihalyi defines flow as the “holistic sensation that people feel when they act with total involvement (p.36). It is the state where there is little distinction between the self and environment. They lose a sense of consciousness about their “selves” as they meld with the activity itself. For Csikszentmihalyi, individuals in a flow experience need no external rewards or goals to motivate them as the activity itself presents constant challenges. Studies of flow at work reveal that it generally tends to be associated with
successful experience with challenging tasks. In contrast to flow, which tends to be a peak experience, engagement is more stable and longer lasting.

The third thread running through research on engagement is that it is multidimensional. For instance, in addition to Kahn’s (1990) definition incorporating cognitive, emotional, and physical dimensions, Maslach and Leiter (1997) portrayed engagement as a polar opposite of burnout, with components consisting of energy, involvement, and efficacy. Schaufeli and Bakker’s (2004) representation including elements labelled vigour, dedication and absorption. 

*Vigour* refers to high levels of energy and mental resilience while working, the willingness to invest effort in one’s work, and persistence even in the face of difficulties. *Dedication* is characterized by a sense of significance, enthusiasm, inspiration, pride, and challenge at work. *Absorption* consists of being fully concentrated, happy, and deeply engrossed in one’s work whereby time passes quickly, and one has difficulty detaching oneself from work. In the current study, Schaufeli and Bakker’s (2004) three elements were adapted to define work engagement and their nine-item work engagement scale was used to measure overall engagement.

In all of these constructions, a point of cohesion is present, namely that engagement leads to internal benefits for the individual experiencing it. Examples of these benefits include an infusion of energy, self-significance, and mental resilience (Schaufeli & Bakker, 2004); a fulfillment of the human spirit through the work role, (May *et al.*, 2004); and the preservation of one’s self in the face of demands of the work role (Kahn, 1990).

### 2.2 Employee Engagement models and theory

In the limited research on the topic of employee engagement, there are three streams that provide engagement models.
In his study on the psychological conditions of personal engagement and disengagement at work, Kahn (1990) found that there were three psychological conditions associated with engagement or disengagement at work: meaningfulness, safety and availability. In the study to empirically test Kahn’s (1990) model, May et al. (2004) found that meaningfulness, safety and availability were significantly related to engagement. They also found that job enrichment and role fit were positive predictors of meaningfulness; rewarding co-worker and supportive supervisor relations were positive predictors of safety while adherence to co-worker norms and self-consciousness were negative predictors; and resources available was a positive predictor of psychological availability while participation in outside activities was a negative predictor.

The second model of engagement comes from the burnout literature which describes job engagement as the positive antithesis of burnout noting that burnout involves the erosion of engagement with one’s job (Maslach et al., 2001). In their so-called structural model, Maslach et al hypothesized that the presence of specific demands (i.e. work overload and personal conflicts) and the absence of specific resource (i.e. control coping, social support, autonomy, and decision involvement) predicts burnout, which in its turn is expected to lead to various negative outcomes such as physical illness, turnover, absenteeism, and diminished organizational commitment. Demerouti, Bakker, Nachreiner, and Schaufeli (2001) went one step beyond by successfully testing the so-called Job Demand-Resources (JD-R) model that posits that job demands (i.e. physical demands, time pressure, shift work) are associated with exhaustion, whereas job resources (i.e. performance feedback, job control, participation in decision-making, social support) are associated with engagement.

The last model of the antecedents and consequences of job and organization engagement was recently developed by Saks (2006). The results indicated that there is a meaningful difference between job and organization engagement, which perceived organizational support predicts both engagement while job characteristics only predicts job engagement and procedural justice.
predicts organization engagement. What is interesting to note is that Saks uses social exchange theory (SET) as the basis of his theoretical rationale, that is, employees will choose to engage themselves to varying degrees and in response to the resources they receive from their organization. Engaged employees are more likely to have a high-quality relationship with their employer leading them to also have more positive attitudes, intentions, and behaviours.

2.3 Job Resources and Engagement – the study model

In order to improve engagement, organizations must know what drives it – in other words, the leverage points with the greatest impact on employees’ engagement in their work. Management can then proactively leverage resources of influence for changes to build an engaging work environment.

The relationship between resources and engagement can be explained by theories about health promotion and maintenance (e.g., Antonovski, 1987). The basic question of such theories is what keeps people healthy, even after they encounter high degrees of workload (Richter & Hacker, 1998). The answer is health-protecting factors, called resources. Job resources refer to those physical, psychological, social, or organizational aspects of the job that (a) are functional in achieving work goals, (b) reduce job demands and the associated physiological and psychological costs; or (c) stimulate personal growth and development (Demerouti, et al., 2001).

As follows from the definition, job resources play either an intrinsic motivational role because they foster employees’ growth, learning and development, or an extrinsic motivational role because they are instrumental in achieving work goals. In either case, be it through the satisfaction of basic needs or through the achievement of work goals, the outcome is positive and engagement – a fulfilling, positive work-related state of mind – is likely to occur. In turn, it is plausible to assume that engaged workers have a low tendency to leave the organization.
Richter and Hacker (1998) distinguish resources in two categories, namely, external resources (organizational, social, task) and internal resources (cognitive features and action patterns). In this study, similar to the original JD-R model, I only focus on external resources because there is no general agreement regarding which internal resources can be considered stable or situation independent. Organizational resources include salary, career opportunities, job security, and participation in decision-making. Interpersonal and social resources include supervisor and co-worker support, team climate. Resources at task level include performance feedback, skill variety, task significance, task identity and autonomy. In fact, these latter working characteristics are the classical job characteristics in Hackman and Oldham's (1976) model.

At the heart of Demerouti et al.'s (2001) JD-R model lies the assumption that whereas every occupation may have its own specific risk factors associated with burnout and disengagement (the opposite of engagement), these factors can be classified into two general categories (i.e., job demands and job resources), thus constituting an overarching model that may be applied to various occupational settings. The JD-R model assumes two psychological processes – the energy-depleting process of gradually wearing out (burnout) and the motivational process of personal development and goal attainment (engagement), which is well used in burnout and work engagement study. Theoretically, one may argue that the interaction between job demands and job resources is most important for the development of burnout and disengagement; however, there is little empirical evidence for such an interaction effect (Hockey, 1993). Schaufeli & Bakker (2004) lend support to the motivation process by showing that engagement is only predicted by job resources and that engagement acts as a mediator between job resources and turnover intentions in four different occupational groups.

In this study, Demerouti et al. (2001)'s JD-R model was partially adopted as the framework of impact of various job resources on the employee engagement and turnover intentions. The model is used since it has been used and tested in various countries and
occupational groups recently and is proved to be a heuristic model that is applicable to various occupational settings, irrespective of the particular demands and resources involved. Burnout, originally considered to occur exclusively in the human services among those who do “people work” of some kind (Maslach & Schaufeli, 1993), mostly links with engagement in stress literatures, is not included in this study. Unlike engagement, there is a lack of empirical evidence that burnout has direct relationship with business performance and financial outcomes. It is a traditional issue in occupational health psychology rather than business management practice world and thus is kept out of the scope of this study.

Job resources are categorized under organizational resources, social resources and task level resources according to Richter and Hacker (1998). One additional job resource, Co-worker support is added to the original model as this particular job resource has been included and combined with supervisor support as social support in other expanded test of the JD-R model (Bakker et al., 2003; Schaufeli & Bakker, 2004; Bakker, Demerouti & Euwema, 2005). The proposed relationships in this paper are shown in Figure 1. The following sections review literature relevant to the framework.
2.3.1 Organizational Resources

Organizational resources refers to the organizational aspects of a job that are functional in achieving work goals, could reduce job demands and their associated physiological and psychological costs, and, finally, could stimulate personal growth, learning, and development (Demerouti, Bakker, Nachreiner, & Schaufeli, 2001). We explore here the theoretical and empirical foundations of the workforce dimensions to influence engagement, namely, financial rewards, participation in decision-making and job security.

2.3.1.1 Financial Rewards

Financial rewards refer to employee’s total compensation which, in most industrialized countries, is composed of base pay and a small performance or behaviour contingent part (Thierry, 2002). Worldwide, organizations are increasingly adapting pay for performance not only to
encourage their employees to be more productive and efficient, but also to attract and retain highly valued employees and generate favourable attitudes toward the organization.

Empirical studies have indicated that financial incentives are positively related with employee performance, organizational commitments, and job satisfaction under various academic theories of motivation (e.g., Buchko, 1992; Florkowski & Schuster, 1992). For instance, expectancy theory (Vroom, 1964) posits that individuals will engage in behaviours that are likely to lead to valued outcomes, as long as they perceive that they can successfully produce such behaviours. Thus provided that a financial incentive is perceived as valuable and that increased performance is expected to lead to outcomes that are believed to result in financial rewards, financial rewards should enhance performance through increased intrinsic motivation and effort.

According to a social exchange view, the more inducement that an organization provides to its employees, the more that employee will reciprocate by becoming more effectively committed to the organization (Lee & Bruvold, 2003) and by performing at higher levels through increased organization-based self-esteem (Gardner et al., 2004). Applied to the present study, these arguments suggest that there will be a positive relationship between financial rewards and work engagement.

### 2.3.1.2 Participation in Decision-Making

Knoop (1995) defines participation in decision-making (PDM) a sharing decision making with others to achieve organizational objectives. Over the past few decades, the increasing emphasis on employee participation in decision-making has most notably been seen in the implementation of total quality management and self-directed work teams. Organizations believe that they will gain more from an educated, technologically-oriented workforce (Connell, 1998). Although there is mixed support regarding its effects on productivity (Connell, 1998; Jones, 1997; Marks, et al., 1986), evidence does suggest participation increases employee motivation, job
satisfaction and organizational commitment (e.g. Pearson and Duffy, 1999; Witt et al., 2000). It could be attributed to empowerment (Kappelman & Prybutok, 1995), organizational citizenship (Van Yperen et al., 1999) or based on the premise that employees who can influence decisions are more likely to value the outcomes, which in turn reinforces satisfaction (Black & Gregersen, 1997). The highest satisfaction, in turn, comes with high-level involvement and engagement, as occurs when employees are engaged in generating alternatives, planning processes and evaluating results.

2.3.1.3 Job Security

Job security has been one of the most widely discussed issues in the past decade caused by fierce competition in the global economy. How to achieve a reasonable level of satisfaction with job security for their employees has become a great concern to most managers. Probst (2002) defines job security as “the perceived stability and continuance of one’s job as one knows it”. The important of job security stems from the fact that it is critical for influencing work-related outcomes. For instance, job security is an important determinant of employee turnover (Arnold & Feldman, 1982); for employee retention (Ashford et al., 1989; Burke, 1991; Iverson and Roy, 1994); for job satisfaction (Ashford et al., 1989; Burke, 1991; Davy et al., 1991; Lim, 1996) and for organizational commitment (Ashford et al., 1989; Iverson, 1996; Morris et al., 1993). In Probst (2002)’s conceptual model of the antecedents and consequences of job security, he found some unique consequences of job security such as psychological health, organizational withdrawal, organizational commitment and job stress. Because of its significance, job security has attracted a great deal of research interest in recent years, which is particularly timely because globalization and rapid changes in technology and job structure are associated with growing concern about job security in industrialized countries – both developed and those in the process of developing.
Here I propose the first set of hypothesis:

**Hypothesis 1a**: Financial rewards are positively related to work engagement.

**Hypothesis 1b**: Participation in decision-making is positively related to work engagement.

**Hypothesis 1c**: Job security is positively related to work engagement.

2.3.2 Social Resources

Family ties, friendships with co-workers and supervisors and involvement in social activities can offer a psychological buffer against stress, anxiety and depression. Social resources can also increase a sense of belonging, purpose and self-worth, promoting positive mental health. The determinants of social resources explored include social support from co-workers and supervisor support.

2.3.2.1 Co-worker Support

Co-worker support is a job resource that is functional in achieving work goals. This instrumental support from colleagues can help to get the work done in time and may alleviate the impact of workload on strain, including burnout (Van der Doef & Maes, 1999). Individuals who have rewarding interpersonal interactions with their co-workers should experience greater engagement in their work. Literature in organizational behaviour recognizes the relatedness needs individuals possess (Locke & Taylor, 1990). When individuals are treated with dignity, respect and value for their contributions, and not simply as the occupant of a role, they are likely to obtain a sense of meaningfulness and engagement from their interactions. Also, in related study, Edmondson (1996) found that quality of relations in work units had an impact on employees’ shared beliefs regarding whether mistakes would be held against them. Thus, we expected that co-workers who support each other during tough times at work, have mutual respect for one
another and value each others’ contribution engender trust and heightened perceptions of engagement.

2.3.2.2 Supervisor Support

In a similar vein, a high quality relationship with one’s supervisor can have a dramatic impact on an individual’s perceptions of engagement of a work environment because leaders’ appreciation and support motivate people and aid the employee coping with their job demands, facilitating performance (Vaananen et al., 2003). A supportive relation should foster perceptions of safety (Edmondson, 1999) and enhance employee creativity (Deci, Connell, & Ryan, 1989; Oldham & Cummings, 1996). Supervisors who foster a supportive work environment typically display concern for employees’ needs and feelings, provide positive feedback and encourage them to voice their concerns, develop new skills and solve work related problems (Deci & Ryan, 1987). Such supportive actions enhance employees’ interest and willingness to invest in work. These individuals are likely to feel safer to engage themselves more fully, try out novel ways of doing things, discuss mistakes and learn from these behaviours when they are in such a supportive environment (Edmondson, 1996, 1999).

Based on the above discussion, the second set of hypotheses is offered:

**Hypothesis 2a:** Co-worker support is positively related to work engagement.

**Hypothesis 2b:** Supervisor support is positively related to work engagement.

2.3.3 Task-level Resources

Not only does engagement exist in organizational and inter-personal level, it also applies to specific tasks. Factors that may influence such engagement include job autonomy or job control and performance feedback.
2.3.3.1 Job Autonomy

Job autonomy refers to the degree of discretion employees have over important decisions in their work, such as the timing and methods of their tasks (Parker, Axtell & Turner, 2001). According to Hackman and Oldham's job characteristics model (1976), the more autonomy a job allows – the more freedom the job grants jobholders to choose when, where and how to do the job – the more responsible jobholders will feel for their work outcomes. A significant amount of research has been developed to studying job autonomy and its relationship to important job outcomes such as job satisfaction and motivation (Hackman & Oldham, 1980; Parker & Wall, 1998). Parker (1998) found that enhanced autonomy increased ownership of problems and employees also recognized a wider range of skills and knowledge as important for their roles. Increased control over the work environment motivates employees to try out and master new tasks, which is consistent with work design research that has demonstrated the motivational benefits of work autonomy (Fried & Ferris, 1987; Morgeson & Campion, 2003). This suggests that when given autonomy, individuals are likely to integrate themselves more to the tasks and be engaged in their jobs.

2.3.3.2 Performance Feedback

Performance feedback represents information about the effectiveness of one’s work behaviour (Kinicki, et al., 2004). It has been described as one of the most important vehicles for enhancing employee development and improving individual performance (Ilgen, Fisher, & Taylor, 1979; Stone & Stone, 1985). When used appropriately, feedback can serve the organizational needs by directing employees’ efforts towards specific goals that are important for corporate success (Larson, 1984). Feedback also may serve as a useful motivational tool if it incorporates information that assists employees in attaining their own valued outcomes (Bannister, 1986). When a specific goal was provided, with feedback, job satisfaction and job attitudes improved significantly (Kim & Hamner, 1976; Das 1982b, Das & Shikdar, 1990).
Based on the above discussion of the proposed determinants of task level engagement, the third set of hypotheses is offered for this study.

**Hypothesis 3a:** Job autonomy is positively related to work engagement.

**Hypothesis 3b:** Performance feedback is positively related to work engagement.

### 2.4 Engagement and Retention

Of paramount importance when discussing employee retention and turnover is the coming talent and labour crisis. In the late 1990s and early 2000s, the slump in the global economy quickly took the spotlight off the anticipated talent shortage. On a global scale, "the major social crises of the twenty-first century will be the by-product of labour shortages" (Hewitt, 2001). China's baby boomers are producing children significantly below the rate necessary to maintain the country's population; the rate required is 2.1 children per family compared to the actual 1.3 to 1.8 children (Kahn, 2004). In just 10 years, the working population in China will begin to shrink (Jackson & Howe, 2004). Looking at the talent shortage in skilled workers and globalization of the workforce is leading to a greater need to compete effectively against competitors in the battle for talent (Grantham, 2003). Companies need to take heed of the enormous financial costs of turnover and increasingly view engagement as an imperative for keeping their key employees – and attracting new ones.

Theoretically, work engagement is proposed to develop as a function of the same job resources that fuel motivation (Hackman & Oldham, 1980) and inspire positive emotions toward the organization, thus, employees who feel engaged are more than willing to stay on the job. These assumptions have gained promising empirical support (Bakker, Demerouti, Schaufeli & Schreurs, 2003; Schaufeli & Bakker, 2004; Llorens, Schaufeli, Bakker, & Salanova, 2004).
In a recent study with a speciality retailer (Roberts & Devenport, 2002), a quantitative relationship between job engagement and turnover was identified: a 5 percent increase in job engagement was associated with a 4.7 percent reduction in turnover. Reduced turnover, improved store profitability through reduced turnover costs and reduced levels of missing merchandise (shrinkage) and other costs.

Therefore the following hypothesis is offered:

**Hypothesis 4A**: work engagement is negatively related to employee turnover intention.

Finally, given that the job resources are expected to predict engagement and engagement predicts the turnover intention, it is possible that engagement mediates the relationship between the job resources and turnover intention. This is consistent with the Maslach *et al.* (2001) model and several studies have found that engagement mediates the relationship between job resources and organizational outcomes (Schaufeli & Bakker, 2004; Sonnentag, 2003). As a result, hypothesis 4B is added:

**Hypothesis 4B**: work engagement mediates the relationship between job resources and employee turnover intention.

### 2.5 Demographic factors

The emerging workforce is by its very nature diverse. Different types of employees have different expectations about work, different social attitudes, and different needs and preferences. People expect different things from an organization at different stages of the employment lifecycle. The idea of a one-size-fits-all solution for all employees will not deliver higher engagement levels. This research is also trying to understand the demographic factors that impact different employees’ engagement and intention to leave so that HR can vary their focus on different group of people and design various program accordingly.
Lynn, Cao, and Horn (1996) used a sample of 718 men and women accountants to examine the effect of career stage on turnover intention. They reported that job involvement, organizational commitment, and reward satisfaction were positively related to professional tenure. Blau and Lunz (1998) examined the effect of professional commitment on 457 medical technologist’s intention to leave their profession and found that the technologists who were young, less satisfied and male showed greater intent to change profession.

Gender difference could also provide insight into organizational outcomes such as engagement. Given the unique aspects of women’s experiences including workplace discrimination, pay and promotion inequities, greater family demands and sexual harassment issues, many have questioned whether those issues would impact their involvement and engagement in the organization. Ornstein and Isabella (1990) in their study of age verses stage models of career attitudes of women found organizational commitment, turnover intention and desire for advancement differed for women of different ages. Powell and Mainiero (1992) outline two types of concerns that influence women’s lives (a) concerns for career and personal achievement, and (b) concerns about non-work personal and family relationships. Women place themselves somewhere on a continuum where at different times they emphasize their career, or their relationship, or balance both.

In the study, we use age, gender and work experience as demographic variables to investigate if it is possible to profile the engaged and disengaged employees.

2.6 Chinese Context

The Chinese economy has been steadily evolving towards the state-engineered “market economy with Chinese characteristics” during the past two decades (Warner, 1993). Labour productivity has been recognized as the most valuable resource from the top central government to the grassroots organizations. However, the HR practice of attracting, engaging and retaining
people in China is unique compared to the Western approaches. Its distinctive system is labelled as human resource management with “Chinese characteristics” (Warner, 1993). Labour management in China has undergone a number of major changes in the past 20 years, shifting from the socialism model to a market-driven one. The “iron rice bowl” (guaranteed lifetime job security) is being slowly replaced by more flexible labour contracts. The “cradle to grave” social welfare system is also being substituted by performance-based reward systems (Warner, 1995, 1996). Many of these changes reflect the influence from the economic reform and the need to compete in the global marketplace. Chinese HR policies and practices have incorporated some aspects of Western-style human resource management while still maintaining some elements consistent with Chinese socialist ideology (Ding, et al., 1997).

The job resources factors discussed in Section 2.3 such as participation in decision-making, group support (supervisor and co-worker support) and task interdependence (job autonomy) represent a participative work environment featured by high employee involvement. These practices were proven to be successful in Western world. However, one cannot assume the same practices will be effective in China. For instance, traditional Chinese culture may well have conflicting influences on the success of a participative work environment. On the one hand, the collectivist orientation of Chinese culture may promote certain aspects of participative decision making, task interdependence, and group orientation. The importance of relationships in this collectivist society would also suppress individual interests for the good of work group or teams. On the other hand, traditional Chinese culture and society feature strong vertical relationships of paternalism and hierarchy, along with strong pressures for conformity, maintenance of face and social control (Redding, 1990). Such vertical relationships promote a top down hierarchy featuring work situations wherein employees are told what to do. Thus, traditional Chinese culture could not only create and sustain group attachment and group conformity but also
maintain top-down control, which contravenes the principle and practice of a true participative work environment.

Despite the cultural and social difference, it seems that Chinese management has set on a course of “convergence” with Western human resource practice, especially in foreign-invested companies that have direct connections with foreign companies and can quickly adopt those practices. In a study to examine employee involvement in a foreign-invested enterprise in China, Scott et al., (2003) found support that Chinese workers react to Western organizational characteristics of peer support, participation in decision-making, and interdependent tasks in a similar manner as their western counterparties. The results also indicated that Chinese employees had higher level of job satisfaction and lower intention-to-quit in the participative environment. Given the findings of Chinese employees’ receptivity to the Western participative work model, we further explore the Western employee engagement framework within a Chinese context.
3 RESEARCH METHODOLOGY

3.1 Sample Selection

Participants in this study are employees of a Japanese-invested educational company ("the company") based in Shanghai, China, which provides after-school education programs. The education method is widespread in 44 different countries and regions throughout the world since it was first introduced 50 years ago in Japan by a teacher and parent who wanted to help his son do better in school. The unique instructional method he created was so successful that his son was able to do calculus by the time he was in the sixth grade. Nowadays, the parent company has more than 4 million students at about 26,000 centres in 43 countries.

The company, established in China in 1995, is a solo proprietorship invested by the Japanese parent company which takes charge of the development and management of the unique instructional method in China. Currently the company has 50 employees, mostly in two major sectors – business and logistics. The business sector includes field development, instructional information and centre set up while the logistics sector covers corporate support, finance and production/logistics/system. The company adopts goal management and provides performance evaluation to employees twice a year in order to capitalize their potentials.

3.2 Survey Administration

Study participants were directed to a web-based survey via an email invitation. The Survey Monkey web-based survey service was used [www.surveymonkey.com], and password-protected results were accessible only by the researcher to ensure confidentiality of the collected data. A web-based survey was deemed the most efficient and effective method of data collection.
for this research due to the need for responses within a short timeframe (Simsek and Veiga, 2000) and the remote distance between the researcher and the participants. Potential respondents can easily complete the survey without the need to leave their desk, thus are more likely to fill out the survey promptly. As a result, a total of 46 employees (response rate = 92%) participated in the survey.

For the purpose of this study, a convenience sample was used. The data collection process was strictly confidential. No names or codes were attached to responses to prevent identification of any respondent. Also, the web-based survey was password-protected to ensure that only authorized users were able to view the information.

3.3 Questionnaire

The questionnaire consisted of three main parts (see Appendix A). Part A aimed to test participants’ engagement level. Part B, containing 17 items, measured job resources and turnover intention. Part C of the questionnaire asked demographic questions including gender, age, work experience and position. There was an open-ended question at the end of the questionnaire asking the employees to list the three biggest factors that influence their engagement level. The purpose of this open-ended question is to seek any additional factors to the proposed study model that might exist under the Chinese context.

The original questionnaire was developed in English and then translated into Chinese by the author. A qualified bilingual associate then back-translated the Chinese version into English as a check for any misinterpretation. As a result of the process, two translation problems in the first Chinese draft questionnaire were identified and corrected.
3.4 Measurement

3.4.1 Dependent variable

Engagement was assessed with Schaufeli et al. (2006)’s shortened version of Utrecht Work Engagement Scale (UWES-9). The items of the UWES-9 were grouped into three subscales that reflect the underlying dimensions of engagement: Vigour (VI) (three-items e.g., “At my work, I feel bursting with energy”); Dedication (DE) (three items; e.g., “I am enthusiastic about my job”), and Absorption (AB) (three items; e.g., “When I get up in the morning, I feel like going to work”). All items were scored on a 7-point frequency rating scale from 0 (never) to 6 (always). Cronbach’s Alpha reliability was .93 for overall nine-item engagement measure and for Vigour, Dedication and Absorption were .78, .81 and .85 respectively.

Turnover intention was measured by three items using the scale from Chiu & Francesco (2003): “In the last few months, I have seriously thought about looking for a new job”, “Presently, I am actively searching for other job” (originally from the work of Jenkins, 1993), and “I intend to leave the organisation in the near future” (originally from the work of Kransz et al., 1995). The respondents were asked to indicate their responses on a five-point Likert scale with end points of 1, totally disagree, and 5, totally agree. Reliability was .88.

3.4.2 Independent Variables

Financial rewards were assessed using two items of scale developed by Van Veldhoven and Meijman (1994). The questions include “My performance is rewarded properly” and “I received sufficient pay for the work that I do”. Reliability was .82.

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1 The original 17-item Utrecht Work Engagement Scale (UWES) was introduced (Schaufeli et al., 2002) as an empirical gauge of the latent construct “work engagement”. In a cross national study conducted in 10 different countries, results indicated that the construct can be shortened to 9 items. A test manual of UWES-9, as well as several language versions (including Chinese), can be downloaded from www.schaufeli.com.
Job security was assessed using one question “the threat of losing this job is very low” from Semmer, 1984.

Participation in decision-making was measured by one question (“only the management decides what everybody has to do”) developed by Demerouti et al. (2001).

Co-worker support and Supervisor support were measured with a 4-item scale taken from Karasek’s (1985) Job Content Instrument. The sample questions include “People I work with are competent in doing their jobs” and “My supervisor is helpful in getting the job done”. Reliability was .61 and .82 respectively.

Job autonomy was measured with a short scale developed by Bakker et al. (2004). It includes three items particularly referring to decision authority (i.e., freedom of action in accomplishing the formal work task) based on Karasek’s (1985) Job Content Instrument. Reliability was .82.

Performance feedback was measured with a 3-item scale taken from Podsakoff and MacKenzie (1994). Sample question includes “My job provides me with feedback on how well I am doing”. Reliability was .71.

Participants were asked to indicate the extent to which they agreed with each statement using the same 5-point scale (1=totally disagree, 5=totally agree). Responses were coded such that higher scores referred to more job resources.

3.4.3 Demographics

The demographic variables include gender, age and work experience. Gender is a dummy coded with 0 representing female. Age was measured in groups with a respondent range from 21 to 45. Experience was measured by a 5-point scale with less than 2 years the lowest value and more than 10 years the highest value.
3.5 Data Analysis

SPSS 15.0 was used to calculate descriptive statistics, and to compare means using t-test analysis. SPSS 15.0 was also used to conduct both regression analysis (to determine whether the job resources factors predict employee engagement and turnover intention) and correlation analysis (to identify the inter-relationship between the job resources factors, employee engagement and turnover intention). The next chapter presents the statistical results.
4 DATA ANALYSIS

4.1 Descriptive analysis

The summary of survey is presented in Table 1. From the 46 questionnaires received (representing a 92% response rate), 52% of the participants are females and the remaining 48% are males. In terms of position, 63% of the participants are staff employees and 22% are either part-time employees or interns, the rest 15% are management. In terms of age, participants range from 20 to 40 years old with a mean of 26 years (s.d. = .75). And the work experience varies from one to ten years with an average of 4 years working experience (s.d. = 3.32).

Table 1  Summary of Survey Respondents

<table>
<thead>
<tr>
<th>Category</th>
<th>Total</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender of Respondents</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>24</td>
<td>52%</td>
</tr>
<tr>
<td><strong>Position</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internship/part-time</td>
<td>10</td>
<td>22%</td>
</tr>
<tr>
<td>staff</td>
<td>29</td>
<td>63%</td>
</tr>
<tr>
<td>Supervisor and above</td>
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<td>15%</td>
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<td><strong>Age:</strong></td>
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<td></td>
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<tr>
<td>20-24</td>
<td>14</td>
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</tr>
<tr>
<td>25-29</td>
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<td>57%</td>
</tr>
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<td>30 years and above</td>
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<td>13%</td>
</tr>
<tr>
<td><strong>Work Experience</strong></td>
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<tr>
<td>0-3 years</td>
<td>16</td>
<td>35%</td>
</tr>
<tr>
<td>4-7 years</td>
<td>24</td>
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</tr>
<tr>
<td>8 years and above</td>
<td>6</td>
<td>13%</td>
</tr>
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</table>
Table 2 summarizes the means, standard deviations, correlation and reliability coefficients, where applicable, for all study variables. The reliabilities for the multi-items scales were generally very good with most alphas greater than .70 except for co-worker support at .61. Values of Cronbach's alpha exceed .70 is traditionally used as a rule of thumb to measure reliability (Nunnally & Bernstein, 1994). These results demonstrate that the questions used to measure each variable are being answered in a consistent matter.

The lowest reported level of satisfaction among job resource factors was participation in decision-making (mean=2.96), which is the only factor scored less than neutral. The highest was co-worker support (mean=3.73) and supervisor support (mean =3.59), the two social resources factors, implying that social support was in good order in the company.

The engagement score (mean=3.42) demonstrated that on average participants were positively engaged to their work. Out of the 46 respondents, 16 people, representing 35% of the sample, had the engagement score higher than 4, which can be interpreted as “highly engaged”. On the other end, only 4 people (less than 9%) scored less than 2, which is an indication of “disengaged”. The rest 56% or 26 respondents with scores ranging from 2 to 4 were categorized as “moderately engaged”. The results imply that the company has a relatively highly engaged workforce and a positive working environment. However, it is also important to note that none of the job factors scored at or above a mean of 4.00, which indicates that there is still room to improve engagement levels by increasing various job resources.

4.2 Correlation Analysis

An examination of the correlations between the independent variables (job resources factors) and the dependent variables (engagement and turnover intention) provides useful information in determining which variables are likely to impact the employee engagement and the organizational outcome - turnover intention.
As shown in Table 2, financial rewards, supervisor support and job autonomy had the strongest relationship with employee engagement among the job resources variables. Out of the remaining four variables, constructive feedback and participation in decision-making also reported significant relationship with employee engagement. At \( p \leq 0.05 \) level, five out of seven job resources factors were positively related to employee engagement.

According to the correlation statistics between employee engagement and the individual job resources variables, financial rewards, supervisor support, job autonomy and constructive feedback factors seemed to be more relevant than participation in decision-making, co-worker support and job security. However, since the co-worker support factor had a relatively high surveyed mean (3.73) and was mentioned a few times in the open-ended question, it is surprising to see the less than average correlation coefficient between co-worker support and engagement in light of prior findings. One explanation could be attributed to the measure scales. Co-worker support was the only variable that shows Cronbach’s Alpha less than .70 (\( r = .61 \)). This less satisfying internal reliability indicates that the questions to measure the variable do not fully capture what they are supposed to measure. Besides, the overall high score of co-worker support may indicate that the sample has a restricted range which reduces the correlation.
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<td>Age</td>
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<td>.96**</td>
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<td>.06</td>
<td>.14</td>
<td>.82</td>
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<td>Participation</td>
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<td>.05</td>
<td>.16</td>
<td>.49**</td>
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<td>.06</td>
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<td>.45**</td>
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<td>-.24</td>
<td>.30*</td>
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<td>.73**</td>
<td>.32*</td>
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<td>Performance Feedback</td>
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<td>.54**</td>
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<tbody>
<tr>
<td>Engagement</td>
<td>3.42</td>
<td>0.93</td>
<td>-.10</td>
<td>.06</td>
<td>.13</td>
<td>.88**</td>
<td>.37*</td>
<td>.02</td>
<td>.85**</td>
<td>.25</td>
<td>.83**</td>
<td>.49**</td>
<td></td>
<td></td>
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<tr>
<td>Vigor</td>
<td>3.19</td>
<td>0.89</td>
<td>-.06</td>
<td>.13</td>
<td>.17</td>
<td>.83**</td>
<td>.31*</td>
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<td>.92**</td>
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<td>Dedication</td>
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<td>1.03</td>
<td>-.09</td>
<td>-.07</td>
<td>.01</td>
<td>.82**</td>
<td>.39**</td>
<td>-.06</td>
<td>.85**</td>
<td>.31*</td>
<td>.74**</td>
<td>.51**</td>
<td>.92**</td>
<td>.73**</td>
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<td>Absorption</td>
<td>3.33</td>
<td>1.07</td>
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<td>.11</td>
<td>.18</td>
<td>.81**</td>
<td>.34*</td>
<td>.10</td>
<td>.77**</td>
<td>.26</td>
<td>.79**</td>
<td>.40**</td>
<td>.96**</td>
<td>.85**</td>
<td>.82**</td>
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<tr>
<td>Turnover Intention</td>
<td>2.49</td>
<td>0.73</td>
<td>.05</td>
<td>-.02</td>
<td>-.12</td>
<td>.80**</td>
<td>-.53**</td>
<td>-.04</td>
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<td>-.64**</td>
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<td>-.77**</td>
<td>-.68**</td>
<td>-.72**</td>
<td>-.74**</td>
<td></td>
</tr>
</tbody>
</table>

*p < 0.05, **p < 0.01

reliabilities are in parentheses
With respect to the second dependent variable, turnover intention, the results of the correlation analysis showed that turnover intention was significantly and negatively related to employee engagement, financial rewards, supervisor support, job autonomy, participation in decision-making and co-worker support. On the other hand, job security was the only job resource variable that was not significantly related to turnover intention. It was also the only variable that was not significantly related to either dependent variable. This phenomenon could be interpreted that job security was not a big concern for the individuals who participated in the survey since the employees were relatively young and well-posed in Shanghai’s robust job market, job security did not concern the participants as a top criteria.

From the correlation analyses, it appeared that the two independent variables – employee engagement and turnover intention were significantly related to a shared majority of job resources variables, including financial rewards, supervisor support, job autonomy, constructive feedback and participation in decision-making.

4.3 Regression Analysis

Table 3 shows the results of the regression analysis between job resources and employee engagement.

At the beginning, the three control variables, age, gender and working experience, were entered into the regression equation for preliminary testing. Similar to the correlation analysis, none of the control variables were statistically significant in explaining the variation in employee engagement. Thus those variables were removed from any further analysis to preserve power.

The total nine-item engagement score was used as an overall measure of engagement instead of the three-factor model because of the following reasons. First, the correlations between the latent Vigour, Dedication, and Absorption factors were very high (average $r = .80$). Second,
the internal consistency of the scores of the total nine-item version also appeared to be high (table 2). Finally, it can also avoid problems with multicollinearity when Vigour, Dedication and Absorption are entered simultaneously as independent predictors of turnover intention.

Table 3 Results of Regression Analysis for Engagement

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Employee Engagement Standardized Beta</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organizational Resources</strong></td>
<td></td>
</tr>
<tr>
<td>1. Financial Rewards</td>
<td>.92***</td>
</tr>
<tr>
<td>2. Participation in Decision-Making</td>
<td>.09</td>
</tr>
<tr>
<td>3. Job Security</td>
<td>.05</td>
</tr>
<tr>
<td>F</td>
<td>49.14***</td>
</tr>
<tr>
<td>R²</td>
<td>.78</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>.76</td>
</tr>
<tr>
<td><strong>Social Resources</strong></td>
<td></td>
</tr>
<tr>
<td>1. Supervisor Support</td>
<td>.85***</td>
</tr>
<tr>
<td>2. Co-worker Support</td>
<td>.01</td>
</tr>
<tr>
<td>F</td>
<td>55.82***</td>
</tr>
<tr>
<td>R²</td>
<td>.72</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>.71</td>
</tr>
<tr>
<td><strong>Task-level Resources</strong></td>
<td></td>
</tr>
<tr>
<td>1. Job Autonomy</td>
<td>.79***</td>
</tr>
<tr>
<td>2. Performance Feedback</td>
<td>.07</td>
</tr>
<tr>
<td>F</td>
<td>46.54***</td>
</tr>
<tr>
<td>R²</td>
<td>.68</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>.67</td>
</tr>
</tbody>
</table>

* p<.05  
** p<.01  
*** p<.001

In order to test the hypotheses of relationship between various job resources and employee engagement, engagement was regressed on seven job resources variables. However, the preliminary equation showed high multicollinearity statistics (four out of seven resources had a
tolerance score less than .20). By examining the correlation analyses (see Table 2), it was identified that some of the job resources variables were significantly related with each other. In some instances, the correlations were above \( r = .50 \) which indicated that multicollinearity may be a concern. As a consequence, instead of one regression, multiple regressions were conducted in which engagement was regressed separately on variables of organizational resources, social resources and task-level resources.

The results of the equations are shown in Table 3. In terms of measuring the usefulness of the equation, the adjusted \( R^2 \) which is the proportion of variation explained by the variables included in the regression equation were .76, .71 and .67. These measures indicated that a reasonable level of explanatory power was achieved. As Table 3 indicates, only financial rewards, supervisor support and job autonomy were statistically significant (at the 99.9% level) in explaining employee engagement. However, according to the study model (see Figure 1), it was expected that all the job resources variables have an impact on employee engagement. In response to this expectation, it should be noted that the reason some of the job resources variables were not significant might be explained by their correlation with the variables that were significant and the multicollinearity issue that was raised earlier. As a result, the findings of regression analysis must be interpreted with caution and the conclusion should be drawn in a combination of correlation and regression analysis.

In summary, although three out of the seven job resources variables demonstrated statistically significant relationships with employee engagement, the correlation analysis did suggest additional significant variables (e.g. participation in decision-making and performance feedback). Therefore, the reasonable conclusion from the regression analysis is that most of the variability in employee engagement was “explained” by financial rewards, supervisor support and job autonomy. And since these variables are related to other job resources dimensions, there was not much variability left to be explained by the remaining four variables.
Based on these results, the following conclusions relate to hypothesis 1, 2 and 3:

With Regards to organizational resources:

**Hypothesis 1a:** Financial rewards are positively related to work engagement – both correlation and regression results support this hypothesis.

**Hypothesis 1b:** Participation in decision-making is positively related to work engagement – correlation analysis supports this hypothesis while regression results do not support this hypothesis.

**Hypothesis 1c:** Job security is positively related to work engagement – this hypothesis is rejected by both correlation and regression analysis.

In relation to social resources:

**Hypothesis 2a:** Co-worker support is positively related to work engagement – this hypothesis is rejected by both correlation and regression analysis.

**Hypothesis 2b:** Supervisor support is positively related to work engagement – both correlation and regression results support this hypothesis.

Pertaining to task-level resources:

**Hypothesis 3a:** Job autonomy is positively related to work engagement – both correlation and regression results support this hypothesis.

**Hypothesis 3b:** Performance feedback is positively related to work engagement – correlation analysis supports this hypothesis while regression results do not support this hypothesis.
4.4 Mediating effects of Employee Engagement

According to Baron and Kenny (1986), the following three conditions must be met to establish mediation effect. First, the independent variables (job resources factors) must be related to the mediator (employee engagement). Second, the mediator (employee engagement) must be shown to affect the dependent variable (turnover intention). Third, a significant relationship between the independent variables (job resources) and the dependent variable (turnover intention) will be reduced when controlling for the mediator (employee engagement). If the partial regression coefficients of the job resources' affects on the turnover intention remain significant when engagement is controlled, support for the partial mediation exists. In comparison, if the partial regression coefficients are not significant when engagement is controlled, support for a complete mediator is provided.

The first condition was met in the above regression analysis. With respect to the second condition, the correlation between engagement and turnover intention in table 2 showed that they were significantly related. As for the third condition, similar to testing the relationship between various job resources and employee engagement, multiple regressions were conducted in which turnover intention was regressed separately against variables of organizational resources, social resources and task-level resources (step 1).

The regression results illustrated that employee engagement and financial rewards, supervisor support and job autonomy were statistically significant factors in predicting turnover intention (see column 1 of Table 4). In conjunction with correlation analysis, the five job resources variables - financial rewards, participation in decision-making, supervisor support, job autonomy and performance feedback were considered significant job resources factors that affect turnover intention.
In order to test for a mediation model in which engagement mediates the relationship between the job resources and turnover intention, additional regression analyses were conducted. The turnover intention was regressed again on three types of resources with the engagement measure controlled using the hierarchical regression (step 2). The results are shown in the second column of Table 4.

![Table 4 Results of Regression Analysis for Turnover Intention](image)

* *p<.05  
** *p<.01  
*** *p<.001
For organizational resources, the coefficients reduced from -.71 to -.40 for financial rewards and from -.19 to -.12 for participation in decision-making with the engagement measures controlled. Although the engagement variable only showed marginal significance (p<.1) in this regression, the coefficients did drop for which indicate the influence of mediation in the expected direction. This suggests partial mediation for financial rewards and full mediation for participation in decision-making. For social resources, the coefficient for supervisor support was significantly reduced to -.25 from -.69 when the engagement measure is controlled. For task-level resources, the coefficients for both job autonomy and performance feedback dropped to .04 and .03 respectively with engagement controlled. It should be noted that in the regression of organizational resources, the engagement variable only showed marginal significance (p<.1). These results support full medication effect for both social and task level resources.

In summary, the results of the three regression analyses meet all three conditions for mediation suggested by Baron and Kenny. Thus the following conclusions were made with regards to hypothesis 4:

**Hypothesis 4A:** Work engagement is negatively related to employee turnover intention – both correlation and regression results support this hypothesis.

**Hypothesis 4B:** Work engagement mediates the relationship between job resources and employee turnover intention – Regression results support full mediation between job resources and employee turnover intention except for financial rewards in organizational resources where the mediation effect is partial.

### 4.5 Simplified Engagement Model

A simplified causal model is presented in Figure 2. This model retained only those variables that were significant predictors of the two dependent variables, work engagement and
turnover intention. Overall, the model was supported as five out of seven job resources were significantly related to employee engagement and thus the validity of the JD-R model within Chinese context was proven.

With respect to the job resources variables, all were positively related to work engagement and negatively related with turnover intention. However, some of the regression coefficients in the multiple regression models for both work engagement and turnover intention were not significant. As previously mentioned, it is probably due to their relationships with the variables that were significant.

Based on the simplified model, the implications of these findings and managerial recommendations are addressed further in the next chapter.

Figure 2. Simplified Causal Model of Engagement and Turnover Intention
4.6 Summary of open-ended question

There were several comments in response to the open-ended question at the end of the survey when the participants were asked to provide the biggest three factors that influence their engagement level. The responses were very interesting and covered a broad range of job-related factors; some were not included in the study model. The results of the content analysis of these responses are provided in Table 5.

As shown the Table 5, Pay and Benefits, social relationship and opportunities to learn and develop new skills made the top three factors to be engaged in the company. More than 75% of the respondents rated Pay and Benefits in their list, which means the fundamental financial reward is still a critical factor in employees' engagement level. This finding is also consistent with the results of correlation and regression analysis. As a matter of fact, most of the job-related factors that were significantly related to employee engagement in the statistical analyses were also reflected in the answers of the open-ended question, such as supervisor and co-worker relationships, participation in decision-making and job autonomy. This gave us further assurance of the validity of the model.
Table 5  Summary of Responses to open-ended question

<table>
<thead>
<tr>
<th>Comments</th>
<th>Numbers of response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay and Benefits</td>
<td>35</td>
<td>76%</td>
</tr>
<tr>
<td>Social relationship (e.g. supervisor support, good collaboration across units)</td>
<td>18</td>
<td>39%</td>
</tr>
<tr>
<td>Opportunities to learn and develop new skills</td>
<td>15</td>
<td>33%</td>
</tr>
<tr>
<td>Positive work environment (e.g. work-life balance)</td>
<td>8</td>
<td>17%</td>
</tr>
<tr>
<td>No response</td>
<td>5</td>
<td>11%</td>
</tr>
<tr>
<td>Participation in decision-making</td>
<td>5</td>
<td>11%</td>
</tr>
<tr>
<td>Job content (job autonomy)</td>
<td>5</td>
<td>11%</td>
</tr>
<tr>
<td>Positive work environment (e.g. work-life balance, corporate culture)</td>
<td>3</td>
<td>7%</td>
</tr>
<tr>
<td>Management’s recognition</td>
<td>2</td>
<td>4%</td>
</tr>
<tr>
<td>Challenging work</td>
<td>1</td>
<td>2%</td>
</tr>
</tbody>
</table>

Not surprisingly, social relationship is another major factor for employees to feel connected and respected, which in turn enable them to be fully engaged in their job. In order to be promoted in China, maintaining a good relationship, or “guanxi” with supervisor, colleagues and subordinates is as important as, if not more important than, keeping a good track record.

It is worth noting that over one-third of the participants ranked career development and learning new skills in their top three lists. This particular factor, however, was not included in the proposed study model. It can be attributed to the ever-changing environment that Chinese employees are facing everyday. Under the particular circumstances, skill and career development represents a welcomed lifeline – something they can control and count on amid the many changes taking place throughout the country. Transferable skills establish an endogenous economic stability and job security for employees in a business world marked by constant and, sometime, rather dramatic changes.
The rest of the factors in the list, including work-life balance, prevailing workplace culture and management's recognition, along with job content, participation in decision-making, and challenging work, can be summarized as the employees' overall work environment. Again, most of these elements were covered under the study model. Ultimately, all of these elements come down to the work environment and culture a company creates and nourishes over time. These are elements that generally can not be quantified from a monetary perspective - or delivered through a clear defined program. However, they also play an important role in driving engagement. It is impossible to build such environment overnight. It takes commitment, consistency, trust in employees' judgment, strong leadership, even stronger day-to-day management, and practices and programs that align with and support the desired culture.
5 DISCUSSION AND CONCLUSION

This final chapter provides an overview of study results pertaining to the simplified engagement model. Limitations of the research are also addressed. In addition, this chapter describes the contribution of this study to the existing engagement literature and proposes some suggestions for future research. Finally, several managerial recommendations are made to the management of the study company based on the results.

5.1 Overview of Results

This study aimed to investigate the relationship between employee engagement and various job resources within a Chinese context and to verify the proposed mediating role between job resources and turnover intention. The seven job resources tested in the study, which were categorized under organizational resources, social resources, and task level resources, were partially adopted from Demerouti et al. (2001)'s Job Demand – Resource (JD-R) model. This model has been used and tested in various countries and occupational settings and is proven to be a heuristic model, thus the test directly addressed the validity of the model by examining the performance of the framework within a Chinese context. Results of the analysis revealed that financial rewards, participation in decision-making in organizational resources, supervisor support in social resources, job autonomy, and performance feedback in task-level resources were significant factors in shaping employees’ job engagement.

The study also tested the relationship among those job resources and employee turnover intention and explored whether engagement mediates the relationship between job resources and employee turnover. The results showed that the job-related factors affecting engagement also impact turnover intention. Moreover, consistent with recent literature, we found that engagement
mediated the effect between various job resources and turnover intention. Finally, the results indicated that demographics, such as gender, age and working experience, are not directly related to engagement.

In general, this is one of the first empirical studies that validates the engagement model within a Chinese context for the supported hypotheses and explained variance. The study validates the JD-R model to be a heuristic model and suggests that certain job resources are consistent attributes of the work experience that matter to people around the world, transcending cultural, geographic and economic differences.

The only two hypotheses that were rejected are related to co-worker support and job security. As discussed in the data analysis section, it might be attributed to the measure scales. Co-worker support variable got a relatively lower reliability ($r=0.61$) and job security factor was measured by a single-item scale. Therefore the questions might not fully capture the essence of the two variables. Another explanation could be related to the particular characteristics of the sample in the study. For example, job security was not a big concern to the participants partially because the average age of the employees was only 26 years and they were highly educated.

Additionally, the study identified a number of job related factors such as career development, learning new skills, and work-life balance which could also predict employee engagement. Application of the job resources model may further increase the understanding of employee engagement for individual companies.

5.2 Limitations and Areas for Future Study

The most obvious limitation of this study is its cross-sectional design, which implies that the observed relationships need to be interpreted with caution and no causal inferences should be
made. Therefore, future research should test the model longitudinally in order to make strong causal statements about the results.

Another important limitation that should be acknowledged is the generalizability. China contains such a large and diverse economy that it is very difficult to generalize findings from one business unit to another based on the sample of employees conducted in this study. China also has a hybrid economic system with various forms of corporate governance and economic control (ownership): state-owned, collectives, township and village enterprises, foreign-invested enterprises, and private and individual enterprises. The company in the study is a foreign-invested company. While still affected by traditional Chinese practices and constraints, this form of organization was not bound by the same rules as public-owned enterprises. They have direct connections with foreign companies and have more opportunities for quick adoption of Western HR practices (Zhu and Dowling, 2002). We should be very cautious in applying any conclusions drawn from one type of organization to other forms such as state-owned companies. Therefore, the generalizability of the findings of this study to other Chinese organizations may be limited. It would be useful to obtain data from various forms of enterprises to get a comparison of the results.

The measure of certain job resource variables such as job security and participation in decision-making also had some limitations. The study uses a few single-item scales with the initial purpose of keeping the survey as simple as possible so that the participants are more willing to complete the questionnaire within a short period of time. However, this poses the risk of affecting reliability for certain variables.

Multicollinearity is another limitation. During the correlation analysis, it was identified that a few variables were significantly related with other job resource variables which impacts the accuracy of the regression model. Thus, the conclusion was not totally based on regression analysis, but in a combination of correlation and regression analyses.
Finally, a couple of other limitations are more generally related to factors concerning the topic and the method of data collection. For instance, due to the sensitivity of the topic and the fact that the responses are self-reported, respondents may be reluctant to express strong negative feelings. As a result, much higher levels of engagement may be reported by respondents in order to protect themselves against a perceived notion that the data will not be kept confidential. In an attempt to reduce this bias, participants were not required to provide any personal information that would allow the researcher to link the results back to the respondent.

Despite the limitations of this study, the present findings add some useful insights to the engagement literature and may have important implications for future research and study.

First of all, this is one of the first empirical studies that validate the engagement model within a Chinese context. Although this study has a small sample size (n=46) which restricted the possible analysis spectrum and virtually defined this research as an exploratory study, it has a high response rate of 92% which indicates a good representation of the studied population. Therefore, the information obtained from this research will be important to the company as this study has uncovered sources of engagement and turnover intention, which may identify issues that the organization is currently unaware of. It would be helpful if a larger sample size is obtained across different sectors and regions to explore any common and sector-specific or region-specific job resources. Future research could also include a broader range of job resource variables such as training programs, career development opportunities and flexible work arrangements that might also be important for engagement.

The study also establishes items and scales for job resource variables to predict employee engagement that can be used in other studies of Chinese organizations. As discussed in Chapter 1, the literature on Chinese employee engagement is scarce and it was necessary to examine Chinese companies to determine whether any major differences exist with variables that impacts
engagement. Another recommendation for future study is to add more performance outcome variables in the model. One of the main purposes to increase employee engagement is to enhance employee performance and thus increase the company’s overall value (e.g. financial indicators, employee satisfaction and organizational commitment, etc.). However, in this study, performance could not be measured as the performance data were not available. It is recommended that performance variables are included in future studies.

5.3 Managerial Implications

Our results in general showed positive engagement scores for employees in the company. More than 35% of the employees were highly engaged and only 4% were categorized as disengaged. More than half of the employees left as “moderately engaged”. However, due to the sensitivity of the topic and the fact that the responses were self-reported, respondents may be reluctant to express strong negative feelings.

In order to move ahead of the competitive pack, management should still try to push for higher levels of engagement. The obvious questions for management are: what is required to enhance employee engagement? How do we make employees feel more comfortable amid the economic and social changes taking place in China? What will it take to move some of the moderately engaged employees into the highly engaged category? Conversely, what is required to keep the moderately engaged employees from slipping into disengagement and adversely affecting company performance and morale? The study allows the company to pinpoint what matters to its employees and in turn, customize its HR practices to exploit employees’ potential. The following recommendations have been made to the management of the company. They can also be adopted by other foreign-invested companies in China to improve employee engagement levels,
Financial rewards exhibited strong influence on employee engagement and turnover intention in this study and were rated the top factor in the open-ended question. It seems that the fundamental pay and benefits still weigh heavily in job engagement amongst Chinese workforce. Although material incentives and performance-based bonus have been used by Chinese management for decades, traditionally, there has been a tendency towards a low differentiation of pay in an egalitarian reward system, reflecting a need to minimise competition and foster harmony in the work place – a reflection of a strong collectivist culture. In some cases where pay differentials exist, they are often based on length of service. The management needs to device a well-thought-out reward strategy that not only recognizes the individual performance but also retains a strong element of reward through loyalty and seniority.

Having a voice in decision making, along with job autonomy, is another big driver of engagement. This is just the opposite of the conventional practice that employees only follow what they are told. It is inappropriate to underestimate the importance of this element, especially when companies nowadays are increasingly asking employees to shoulder greater responsibility and risks. For Chinese employees, there might be reluctance to take on additional duties because of deep-seated fear of punishment. It is recommended that the company provides sufficient information, adequate tools and supervision for the employees to make good decisions. To the extent that a company consistently keeps employees fully informed, it provides necessary foundation for employees to behave responsibility and accept accountability for the results of their own actions. In addition, responsibility and autonomy have to be seen as a core and consistent part of the environment.

Supervisors’ interest in employees’ well being and their support on day-to-day operations play a critical role in driving employee engagement. In fact, the strengths or weaknesses of the work environment are heavily influenced by the personality, skills and beliefs of the frontline supervisors and managers. They generally set the tone and feeling for a business unit or a
department, taking cues from leadership. Many work-environment practices that are most important to employees—such as access to skill-building or possessing a clear understanding of pay system, promotion and other policies—come through interactions with the immediate supervisors. Since most of our respondents (87%) rated their managers favourably in terms of overall quality of supervision, the following suggestions are made to the management team to further enhance supervision quality. First, effective employee communication is essential. During the study, we found that employees want to know management’s thoughts and beliefs and how they plan to act. Employees also want a communication system in place through which they can provide input. Second, managers need to deliver a more inspiring and challenging work experience in their units by empowering subordinates to take initiative, coaching and developing employees’ skills, acting with honesty and integrity, and making thoughtful decisions. This might not be easy to implement as the hierarchical pyramid in Chinese companies tend to maintain a top-down control. Therefore, managers and supervisors should act as role models in developing and changing work-related behaviour. Last but not least, managers should consult employees before making decisions that affect them, providing a forum for opinions as a part of involving people to enhance engagement.

Employees need and expect feedback as a way to support their work and recognize their progress. Ongoing feedback serves as a motivator for action by creating focus and shaping action. Unfortunately, some leaders and employees treat the opportunity to provide feedback as an open invitation for criticism. This is particularly true in some Chinese companies where management feels uncomfortable giving face-to-face praise or criticism that is specific and timely. There is also a general lack of rigorous performance appraisal systems in place. The company in this study has an effective performance management. They adopt target management and provide performance evaluation to employees twice a year in order to capitalize their potentials. It drives accountability, serves as the basis for individual development, and shows everyone that the
organization has a clear focus and direction. It also enables leaders to address poor performance timely. This could be one of the reasons why the company has a relatively higher engagement score.

Although training and development was not included as a job resource variable in the proposed study model, this is another highly-rated factor to influence employees’ engagement level according to the feedback in open-ended question. Constant training and career development might be of unique importance for Chinese employees nowadays, since it constitutes an insurance policy on their career success in an ever-changing economy. While Life time employment has been gradually phased out, employees have become more mobile, leaving their jobs for better growth and development opportunities offered by other companies. Organizations can create engagement in their workforce by building a work environment that promotes constant learning and creating development plans for each individual. Leaders need to work with employees to understand their strengths and development needs, and create opportunities to leverage and fully utilized their skills and knowledge. Organizations also need to provide meaningful development plans and facilitate opportunities that include programs such as training, succession management, special projects and assignments, and mentoring. The key to a successful development program is to ensure that all employees have a plan for development and clear accountabilities for making progress on their plans. Training and development are important investments in human capital. However, some Chinese companies might find it difficult to make such a commitment and limit their training on technical knowledge. As a matter of fact, the value of investing in a strong and diverse development program is clear. For example, studies have found (Bemthal & Wellins, 2003) that investment in development programs are significantly related to financial success in the organization.

Finally, managers should understand that improving employee engagement is a long-term and on-going process that requires frequent interactions in order to generate and sustain positive
results. In addition, engagement strategy needs to be viewed as a broad organizational and cultural strategy that involves all levels of the organization (Frank, et al., 2004), a series of actions and steps that require the input and involvement of organizational members (Robinson et al., 2004) and consistent, continuous, and clear communication (Kress, 2005).

5.4 Conclusions

There has been a great deal of interest in employee engagement in recent years especially among practitioners and consultants. Although much has made about the importance of employee engagement for organizational performance and business outcomes, there is little empirical evidence in business literature to back up these claims, especially in a non-western context. This study provides one of the first empirical tests of the engagement model within a Chinese context and makes meaningful contributions to this emerging area.

First, this study provides that a number of job related factors, including job autonomy, supervisor support and financial rewards explain the variation in employee engagement within the Chinese context. Secondly, the results of this study indicated that engagement is related to employee turnover intention – the more engaged employees feel with the job and the company, the less likely employees intend to leave the company. In addition, employee engagement mediates the relationship between job resources and turnover intention. Thirdly, the findings revealed that overall, demographics, such as gender or age, are not directly related with engagement. The management should concentrate on increasing job resources to create a positive work environment to engage employees and hence control turnover rate. Support for the hypothesized model suggests that Chinese workers react to Western engagement model in a similar manner despite the economic, cultural, and social difference. Finally, the study provides some recommendations on HR practices to the study company which can also be adopted by management of foreign-invested companies in China.
In summary, the underlying focus of this study is to identify job related factors that affect employee engagement in order to boost employees' morale, enhance performance and reduce the turnover to some extent. Winning employees' engagement gives companies competitive advantage to outperform the industry and their competitors. Progressive employers should leverage engagement enhancing practices as a way to foster employee performance and, in turn, the overall performance of the company.
APPENDICES

Appendix A – Survey Instrument

Dear Participant,

I am a graduate student of Simon Fraser University. As part of the academic requirements for the Master of Business Administration (MBA) degree, students need to complete an MBA project. The purpose of my project is to investigate the relationship between employee engagement and job resources within Chinese context and to explore the implications that the findings may have for effective human resources management and practice. I would appreciate your help in completing my MBA project of filling out the following questionnaire.

Please note that the permission of Shanghai Kumon Educational Software Co. regarding your participation of this questionnaire has been sought and received. Participation in this survey is voluntary and you may withdraw at any time. This study does not have any risk to the participant, third parties or society. The benefits of this study are to provide one of the first empirical studies of the engagement models within a Chinese context and to identify a number of factors that predict employee engagement and turnover intention.

Participation in this survey is totally voluntary and you can withdraw at any time. By filling out this questionnaire, you are agreeing to participate. Answering this questionnaire will be taken as your consent to participate in this study. Responding to the questions should only take 10 minutes of your time.
If you have any questions regarding this questionnaire, or would like to obtain a copy of the results of this study, please email me at jchenn@sfu.ca. Please contact Dr. Hal Weinberg at hal_weinberg@sfu.ca or 778-782-6593 as the person to whom concerns or complaints are addressed.

Thank you very much for your assistance.

Sincerely,

Ji Chen

MBA Candidate, Simon Fraser University
Part I: Work Engagement

The following 9 statements are about how you feel at work. Please read each statement carefully and decide if you ever feel this way about your job. If you have never had this feeling, cross the "0" (zero) in the space after the statement. If you have had this feeling, indicate how often you feel it by crossing the number (from 1 to 6) that best describes how frequently you feel that way.

<table>
<thead>
<tr>
<th>Never</th>
<th>Almost never</th>
<th>Rarely</th>
<th>Sometimes</th>
<th>Often</th>
<th>Very often</th>
<th>Always</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>A few times</td>
<td>Once a month or less</td>
<td>A few times a month</td>
<td>Once a week</td>
<td>A few times a week</td>
<td>Every day</td>
<td></td>
</tr>
</tbody>
</table>

1. ________ At my work, I feel bursting with energy
2. ________ At my job, I feel strong and vigorous
3. ________ I am enthusiastic about my job
4. ________ My job inspires me
5. ________ When I get up in the morning, I feel like going to work
6. ________ I feel happy when I am working intensely
7. ________ I am proud on the work that I do
8. ________ I am immersed in my work
9. ________ I get carried away when I’m working
Part II: About your job

The following statements are about your job. Please indicate how much you agree or disagree with each statement by crossing ONE NUMBER for each statement.

<table>
<thead>
<tr>
<th>Totally Disagree</th>
<th>Somewhat Disagree</th>
<th>Neutral</th>
<th>Somewhat Agree</th>
<th>Totally Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

1. I agree My job allows me to make a lot of decisions on my own.
2. I agree My supervisor is helpful in getting the job done.
3. I agree My performance is rewarded properly.
4. I agree People I work with are competent in doing their jobs.
5. I agree In the last few months, I have seriously thought about looking for a new job.
6. I agree My supervisor is successful in getting people to work together.
7. I agree People I work with are helpful in getting the job done.
8. I agree I received sufficient pay for the work that I do.
9. I agree On my job, I have freedom to decide how I do my work.
10. I agree People I work with are friendly.
11. I agree I have a lot of say about what happens on my job.
12. I agree My job provides me with the opportunity to find out how well I am performing.
13. I agree My supervisor pays attention to what I am saying.
14. I agree My job provides me with feedback on how well I am doing.
15. I agree I intend to leave the organization in the near future.
16. I agree Only the management decides what everybody has to do.
17. I agree Presently, I am actively searching for other job.
18. I agree People I work with take a personal interest in me.
19. I agree My supervisor is concerned about the welfare of those under him.
20. I agree The threat of losing this job is very low.
21. I agree My job provides me with the feeling that I know whether I am performing well or poorly.
Part III: About yourself

Please fill in the space for the following questions:

1. What is your gender? □ Male □ Female

2. What is your age? □ 20-24 □ 25-29 □ 30-34 □ 35-39 □ 40 and above

3. How many years do you have for full time work experience?
   □ 0-3 □ 4-7 □ 8-11 □ 12 and above

4. What is your current position?
   □ Intern □ part-time □ staff □ Supervisor and above

In your opinion, what are the top three factors that are most important for you to be engaged in your company?

1. □
2. □
3. □

Once again, thank you for taking the time to participate in this survey.
Appendix B – Job Resources and Turnover Intention Scale Items

Job Resources

Financial Rewards

1. My performance is rewarded properly.
2. I received sufficient pay for the work that I do.

Participation in decision making

1. Only the management decides what everybody has to do.

Job Security

1. The threat of losing this job is very low.

Co-worker Support

1. People I work with are competent in doing their jobs.
2. People I work with take a personal interest in me.
3. People I work with are friendly.
4. People I work with are helpful in getting the job done.

Supervisor Support

1. My supervisor is concerned about the welfare of those under him.
2. My supervisor pays attention to what I am saying.
3. My supervisor is helpful in getting the job done.
4. My supervisor is successful in getting people to work together.

Job Autonomy

1. My job allows me to make a lot of decisions on my own.
2. On my job, I have freedom to decide how I do my work.
3. I have a lot of say about what happens on my job.

Performance Feedback

1. My job provides me with feedback on how well I am doing.
2. My job provides me with the feeling that I know whether I am performing well or poorly.
3. My job provides me with the opportunity to find out how well I am performing.

**Turnover Intention**

1. In the last few months, I have seriously thought about looking for a new job.
2. Presently, I am actively searching for other job.
3. I intend to leave the organization in the near future.
REFERENCE LIST


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Van Veldhoven, M. And Meijman, T.F. (1994). The measurement of psychosolical strain at work: the questionnaire experience and evaluation of work. Amsterdam: NIA.


