

Employee Engagement, Antecedents and Turnover Intent in Selected Firms in Uganda

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ABSTRACT

Purpose of the study was to find the relationship between employee engagement, its antecedents and turnover intent in selected firms in Uganda. Cross-sectional survey design was employed to examine the relationship between nine HR practices (antecedents), employee engagement and turnover intent using self-administered questionnaires on 1,773 employees from four purposively sampled firms in Kampala, Mukono, and Buikwe districts. Hypotheses were tested using correlation and hierarchical regression analysis. All the nine antecedent variables studied were significantly positively correlated with employee engagement and employee engagement was significantly negatively correlated with turnover intent. The hierarchical regression results shows that only five of the nine antecedents were significant predictors of turnover intent - *employee development, compensation fairness, perceived social support, reward/recognition* and *collaboration*. The study found that employee engagement is not a partial mediator between the antecedents and turnover intent because the hierarchical regression analysis shows that after controlling for the antecedents, employee engagement did not contribute unique variance to turnover intent ($\Delta R^2 = .003$, $p = .17$). This study is unique in that studies in other contexts found employee engagement to mediate the relationship between the antecedents and turnover intent. It is recommended that even if engagement was not found to be a significant predictor of turnover intent, collaboration, reward & recognition, perceived organizational support, compensation fairness, and development are significant predictors and should be deliberately promoted.

Key words: employee engagement, antecedents, HR practices, employee development, perceived social support, reward/recognition and collaboration, Uganda.

1. Background to the Study

Researchers within Human Resource Management (HRM) field have been concerned with how HRM can lead to improved organizational performance (Huselid, 1995; Delbridge and Keenoy, 2010). While early HRM studies tended to propose a direct link between HR practices and firm performance, recent evidence suggests that the relationship is most likely mediated by a range of attitudinal and behavioral variables at the individual level – employee engagement, task performance, and OCB (Guest, Conway, & Dewe, 2004; Kuvaas, 2008; Snape & Redman, 2010). Prior HRM-performance-studies tended to focus on the macro level and proposed a direct relationship between the two, but lacked convincing theoretical explanations (Guest 2011). Recent research has adopted a social exchange framework and quantitative methodologies at the micro level to suggest that the relationship is most likely mediated by attitudinal variables, especially employee engagement which has ushered in a very recent interest in the parallel stream of research linking employee engagement and employee outcomes. Bringing the two streams together suggests that engagement may constitute the mechanism through which HR practices impact individual and organizational outcomes within the framework of social exchange theory.

Despite Uganda government's efforts to provide conducive macroeconomic environment to make Uganda's private sector more competitive since the 1990s, very little appears to be happening in comparison to other East African countries (Nyanzi, 2012). The Global Competitiveness Report 2014/15 ranked Uganda 122 out of 144 economies. Uganda lags behind Rwanda (62) and Kenya (90) (World Economic Forum, 2014). This leads us to propose that the macro-economic policy environment is a necessary but not sufficient condition for firm performance. The solution to the performance problem should lie more at how the HR practices (selected antecedents) are handled at the firm level (Paauwe, 2004; Purcell & Kinnie, 2007; Wright & Haggerty, 2005).

This study was to contribute to this debate by studying the soft drink sub-sector in Uganda which has grown very rapidly in the recent past by attracting a number of players including

Riham, Fizzy and Azam soda resulting into stiff competition for the two giant franchises – Coca-Cola and Pepsi. This competition has been made worse by a very fast growing bottled water sub-sector (Focus on Manufacturing, June 2). We study the antecedents-engagement-outcome relationships in such firms at the microeconomic level to establish the relationship between employee engagement, its antecedents and turnover intent in these soft drink-firms in Uganda with the hope of finding direct determinants of competitiveness at firm level.

In order to understand employee engagement, the antecedents have to be understood. In this study the antecedents are conceptualized as the characteristics of the job - those physical, psychological, social, or organizational aspects of the job that precede the development of employee engagement and can be manipulated to increase engagement and performance. In this study context they are also conceptualized as the positive characteristics of the HRM practices that make them conducive for employee engagement to develop. Employee engagement is narrowly defined as “a positive, fulfilling, work-related state of mind that is characterized by vigour, dedication and absorption” (Schaufeli, et al. 2002, p.74). Employee engagement is predicted to have links with several outcomes, including turnover intent.

2. Literature Review

Human resource practices-performance relationships. The classical approaches to strategic human resource management imply that the role of good HR practices is to maximize the contribution of human assets in order to achieve corporate goals (Huselid, 1995). Discussion of HR outcomes suggests that good HR practices act to improve the self confidence and flexibility of the workforce and contribute to increased motivation, morale and commitment, which in turn are related to individual and business performance (Becker & Huselid, 1998, 2006; Appelbaum, 2002; Tamkin, 2004). Because no exact number of practices in the good HR practices ‘bundle’ are agreed upon (Boxall, & Macky, 2007, Delery, 1998; Becker & Huselid, 1997; MacDuffie, 1996; Thompson, 2000; Batt, 2002), this study looks at nine very common set of good HR practices (antecedents) – Job design characteristics, role clarity, material supplies, collaboration/teamwork, reward & recognition, perceived social support, compensation

fairness, job security, employee development, which have been found to have impact on HR outcomes (Rich et al, 2010; Hackman & Oldham, 1980; Xanthopoulou, et al, 2009; Seigts & Crim, 2006; Harter et al, 2002; Demerouti & Bakker, 2011; Kahn 1990; Rhoades & Eisenberger, 2002; Ryan & Deci, 2000) and hence to test the model in the context soft drink industry in Uganda .

Human resource practices-social exchange-performance relationships. Good HR practices represent the conceptual dimensions of social exchange that manifest not only the norms of exchange from an employer's point of view, but also specify the resources of exchange between employers and employees. Certain HR practices (e.g., proper job design, training, pay level, benefits level, and job security) reflect higher levels of *rewards* offered to employees (Shaw et al., 2009; Tsui et al., 1997). On the other hand, certain HR practices, for example, Individual pay-for-performance systems, employee monitoring, and formal performance appraisals reciprocate employer expectations about employee performance levels (Shaw et al., 2009). This presents a fair exchange relationship. Thus, from an exchange theory view, higher levels of HRM inducements and investments will likely increase employees' perceived obligation to the employer, elicit engagement, as well as perceptions of employee retention or reduced turnover (Shaw et al 2009).

HR practices-engagement-turnover intent relationships. Employee engagement has been found to be negatively related to turnover Intent (Shuck, Reio, & Rocco, 2011; Berry & Morris, 2008; Harter et al., 2002; Wagner & Harter, 2006). In a study using four independent samples Schaufeli and Bakker (2004) found only moderate and negative relationship to turnover. This finding is attested by the meta-analysis of Halbesleben (2010) that showed that work engagement mediated the relationship between job resources and turnover intention. This indicates that highly engaged employees are more likely to stay with their organisation, while those with low engagement are more likely to consider leaving.

Halbesleben and Wheeler (2008) also found that engagement explained unique variance in intention to leave. Since engagement is a motivating, fulfilling, and positive work-related state of mind, a reduction in this state would be followed by interest in seeking other avenues that

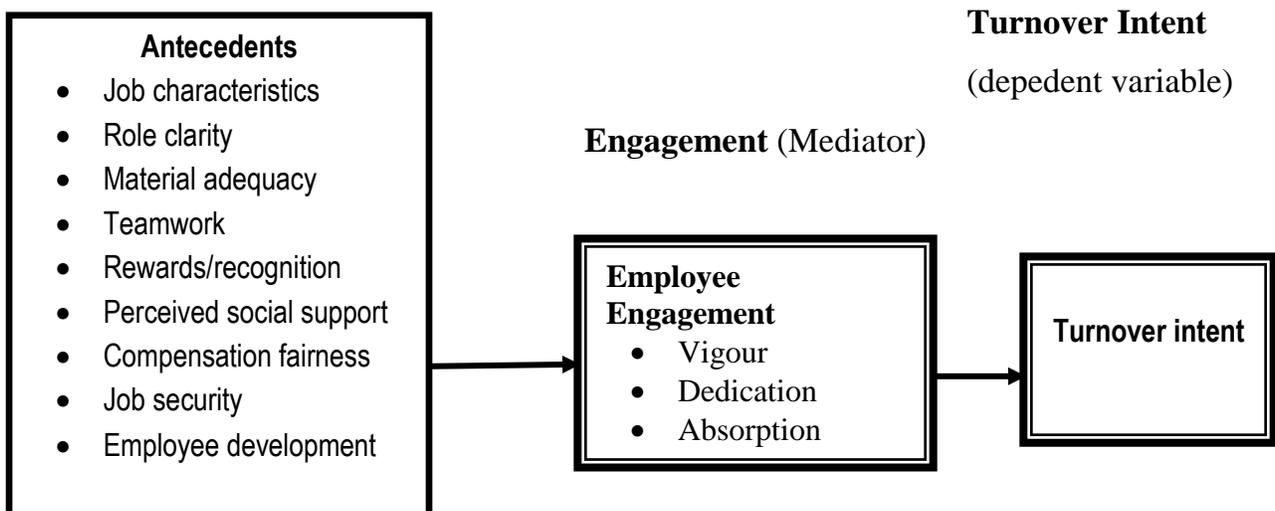
better fulfil this optimal state of being. As Halbesleben and Wheeler (2008; de Lange, Witte & Notelaers, 2008) noted, engaged employees have significant amounts of energy invested in their work and are therefore less likely to turnover as they risk losing the resources they have accumulated.

Conceptual Framework

Basing on the various theories, models and concepts reviewed in the literature, a conceptual framework linking employee engagement, antecedents and turnover intent has been developed and tested in this study (figure 1). Empirical studies in this research are discussed in line with the reciprocity framework of the social exchange theory (SET), which proposes that good HR practices (antecedents) influence employee engagement through the reciprocal exchange of engagement for motivational HR practices which then influences attitudinal outcomes. The nine engagement antecedents studied in this research are job characteristics, role clarity, material adequacy, teamwork, rewards & recognition, perceived social support, compensation fairness, job security and employee development. These antecedents are assumed to separately but also collectively drive employee engagement and engagement influences turnover intent (see figure 2 below).

Figure 1: Conceptual Framework: antecedents, employee engagement and turnover intent

Antecedents (independent Variables)



Source: Conceptualised by Author

Hypothesis

H1: The identified human resource practices (antecedents) are positively correlated with employee engagement;

H2: Employee engagement is significantly negatively correlated with turnover intent;

H3: After controlling for the identified human resource practices (antecedents), employee engagement will predict unique variance in turnover intent (employee engagement will be a significant predictor of turnover intent).

3. Methodology

Cross-sectional survey design was employed to examine the relationship between nine HR practices (antecedents), employee engagement and turnover intent using self-administered questionnaires on 1,773 employees from four purposively sampled firms in Kampala, Mukono, and Buikwe districts. Hypotheses were tested using correlation and hierarchical regression analysis. Because of the three-step nature of the study variables (as shown in the conceptual framework, Fig. 2), hierarchical regression analysis was used. This was the most suitable analysis technique given the nature of the data. It was suitable for comparing betas when needed to assess the unique variance contributed by independent variables (Aiken & West, 1991). This technique was used because of its ability to detect unique variance in the outcome variables (Hinkle et al., 2006), from the pooled variance of independents (job characteristics, role clarity, material resources, collaboration, reward, perceived social support, compensation fairness, job security and development). The target population was 1,773 employees from four purposively sampled soft drink firms in Kampala, Mukono, and Buikwe districts and a sample of 317 different categories of employees were drawn using Krejcie and Morgan's (1970) table. Out of the 317 questionnaires distributed, 210 usable ones were collected, giving a response rate of 66%.

The instruments used to measure the three variables were standardized instruments used in several empirical studies elsewhere. The antecedents were determined using 58 short questions measuring 9 different antecedents. All antecedents had computed (overall scale) reliability

coefficient alpha of 0.91. Employee engagement was determined using the 9-scale University of Utrecht Work engagement scales (UWES-9, - Cronbach alpha, 0.84). The turnover intent level was determined using the modified *Intention to Turnover Scale* developed by Colarelli (1984) – (four items, Cronbach alpha, 0.70). The responses to the questions were elicited on a 4 point Likert type scales of - Strongly Disagree (1), - Disagree (2) - Agree (3), - Strongly Agree (4). We assumed the relationships between the variables are linear and used a regression equation with the antecedents as independent variables, employee engagement as mediator and turnover intent as dependent variable: $TOI = \alpha + \beta_1 JobCh + \beta_2 RoleC + \beta_3 Mat + \beta_4 Coll + \beta_5 Rew + \beta_6 PSS + \beta_7 CompF + \beta_8 JobSe + \beta_9 Dev + \beta_{10} EE (ABS, DED, VIG) + \varepsilon$ (Key: TOI – turnover intent, ABS – Absorption, DED = Dedication, VIG = Vigour, EE – Employee engagement). The self-administered survey instrument can be availed on request.

4. Results

Hypothesis 1: Pearson's correlation analysis showed that employee engagement is significantly positively related to each of the nine antecedents – the coefficients ranging from .48 to .67 (table 1). The three dimensions of engagement (vigor, absorption and dedication) are also found to be significantly positively related to the antecedents with the correlation coefficient ranging from $r = .34$ to $r = .65$. Eight of the nine antecedents showed large effects correlation coefficients (Cohen, 1988), providing empirical support for H1. Employees who scored highly on employee engagement also reported high levels of all the tested antecedents.

Table 1: Correlation – Employee engagement (V, A, D) and the nine engagement antecedents

	EE	Vigor	ABS	DED	JobCh	Role	Mat	Coll	Rew	PSS	CompF	JobS	Dev
1.Engag't	1.00												
2.Vigor	0.85*	1.00											
3.Absorpt	0.84*	0.646	1.00										
4.Dedicat	0.86*	0.57*	0.59*	1.00									
5.Job Char	0.52*	0.46*	0.45*	0.42*	1.00								
6.Role Clar	0.55*	0.51*	0.47*	0.42*	0.57*	1.00							
7.Mater'l	0.62*	0.56*	0.54*	0.50*	0.53*	0.52*	1.00						
8.Collab	0.67*	0.63*	0.53*	0.55*	0.49*	0.63*	0.59*	1.00					
9. Reward	0.53*	0.54*	0.48*	0.36*	0.50*	0.54*	0.50*	0.55*	1.00				
10.Support	0.59*	0.57*	0.50*	0.44*	0.55*	0.60*	0.61*	0.65*	0.70*	1.00			
11.Compen	0.51*	0.52*	0.44*	0.35*	0.41*	0.43*	0.55*	0.57*	0.65*	0.68*	1.00		
12.Job Sec	0.48*	0.48*	0.34*	0.40*	0.23*	0.32*	0.36*	0.47*	0.42*	0.48*	0.54*	1.00	
13.Dev	0.63*	0.60*	0.54*	0.48*	0.45*	0.48*	0.54*	0.66*	0.64*	0.72*	0.69*	0.55*	1.00

* Significant at 1% Level of significance. Primary Data

Hypothesis 2: Employee engagement and turnover intent

As in table 2 the study found the correlation coefficient of engagement and turnover intent to be moderate ($r = -.305, p=0.00$). The three dimensions of engagement – vigour ($r = -.302, p=0.00$), absorption ($r = -.198, p=0.00$) and dedication ($r = -.275, p=0.00$) are also found to be significantly negatively correlated with turnover intent, hence providing empirical support for H2. This means the higher the engagement scores the lower the turnover intent.

Table 2: Correlation - Engagement (Vigour, Absorption & Dedication) and turnover intent

	EE	vigour	absorption	dedication	TOI
EE	1				
vigour	.860**	1			
absorption	.849**	.624**	1		
dedication	.843**	.570**	.561**	1	
TOI	-.305**	-.302**	-.198**	-.275**	1

** $p < .01$ (significant at 1% level of significance)

Key: EE – Employee engagement, TOI – turnover intent

Hypothesis 3: Engagement antecedents, engagement and turnover intent

From table 3, five of the antecedents, collaboration ($\beta = -.19, p = .03$), reward/recognition ($\beta = .31, p = .00$), perceived organizational support ($\beta = -.31, p = .00$), compensation fairness, ($\beta = -.19, p = .03$) and development ($\beta = -.29, p = .00$) contributed unique variance to the prediction of turnover intent (adj. $R^2 = .32, p = .00$) in the regression equation. Together these antecedents predict 32% of the variations in the turnover intent. In the second block, after controlling for antecedents - employee engagement did not contribute unique variance to turnover intent ($\Delta R^2 = .003, p = .17$); thus, *H3* was not supported in this model.

Table 3: Antecedents, employee engagement (Vigour, Absorption, & Dedication) predicting turnover intent

Variable	β	R^2	Adj. R^2	p
Step 1				
Job Characteristics	.10			
Role Clarity	.08			
Material resources	.14			
Collaboration	-.19*			.03
Reward & recognition	.31**			.00
Perceived Organiz. Support	-.31**			.00
Compensation fairness	-.19			.03
Job security	-.04			
Development	-.29*			.00
BLOCK 1		.348	.318	.00
Step 2				
Engagement	-.11			
Vigour	-.02			
Absorption	.03			
Dedication	-.12			
BLOCK 2		.354	.321	.00
R^2 Change		.006	.003	.17

Note ** $p < .01$, * $p < .05$

5. Discussion of Results

Hypothesis 1 was supported by the Pearson's correlation analysis which showed that employee engagement is significantly positively related to each of the nine engagement antecedents – the coefficients ranging from $r = .50$ to $r = .67$ at 1% level of significance. The three dimensions of

engagement (vigor, absorption and dedication) are also found to be significantly positively related to engagement with the correlation coefficient ranging from $r = .34$ to $r=.65$. All the engagement antecedents showed large effects correlation coefficients (Cohen, 1988). Discuss of the results of each antecedent variable and its relation to employee engagement now follows.

Job characteristics: Employees who experienced high degree *job characteristics* in their jobs were more likely to be engaged ($r=0.52$, $p=0.00$). Xanthopoulou *et al* (2009) found that job resources, including job autonomy, have a positive effect on daily rates of engagement among fast-food employees ($n=42$). A study by de Lange, et al (2008), found job *autonomy*, *decision making* and *job design* among the job characteristics with potential engagement effects and indeed related to levels of engagement over time. Appraising and giving constructive feedback to employees for good performance helps maintain their motivation (Hackman & Oldham, 1980) and consequently engagement as this signals to them that the employer recognizes and has interest in them and the principle of reciprocity in social exchange theory is invoked (Cropanzano and Mitchel, 2005).

Role Clarity: Employees who experienced high degree of role clarity in their jobs were more likely to be engaged ($r=0.55$, $p=0.00$). Role clarity has been studied by Seigts and Crim (2006) under the idea of “convey” (communicate) where leaders clarify work-related expectations for employees. Similar research appears in Spector’s (1997) Job Satisfaction Survey and House et al. (1983) measure of Role Conflict and Ambiguity. Previous studies found role clarity to be positively related to engagement (Buckingham & Coffman, 1999; Harter et al., (2002). When employees receive particular services from their organization like clear role profiles they feel obliged to respond in kind and “repay” the organization in terms of engagement, hence validating the social exchange theory.

Materials adequacy: Employees who experienced high degree of material adequacy in their jobs were more likely to be engaged ($r= 0.62$, $p=0.00$). The findings of this study are consistent with Seigts and Crim (2006) that inadequate resources are likely to lead to stress, frustration, and, ultimately, lack of engagement. *Materials* have been found to be positively related to engagement by both Buckingham and Coffman (1999) and Harter et al. (2002). When

employees receive adequate resources to work with from their organization they feel obliged to respond in kind and “repay” the organization in form of higher engagement – hence validating the SET theory.

Collaboration/Team Work: Employees who experienced high degree collaboration in their jobs were more likely to be engaged ($r=0.67$, $p=0.00$). Collaborative work environments are often characterized by trust and cooperation and may outperform groups which were lacking in positive relationships (Seigts & Crim, 2003). *Employee Opinions* as cited by Buckingham and Coffman (1999) and Harter et al. (2002) are positively related to engagement. If an employee’s opinion is considered, the employee will feel valued and important and will therefore be willing to emotionally, cognitively and physically engage the self. This finding is in line with the Schaufeli (2002) and Kahn (1990) model and in the spirit of reciprocity expounded by the social exchange theory.

Recognition and Rewards: Employees who experienced high degree of recognition/rewards in their jobs were more likely to be engaged ($r=0.53$, $p=0.00$). The findings of this study are consistent with Seigts and Crim (2006) who emphasize that good leaders frequently recognize their employees by congratulating and by coaching them. *Recognition* has been found to have a weaker but positive relationship to engagement by Harter et al. (2002). This study found a strong positive relation ($r=0.53$, $p=0.00$) - (large effect size; Cohen, 1988). Recognition/reward given by the employer is interpreted as a gesture that has to be reciprocated in terms of higher engagement (Cropanzano and Mitchel, 2005).

Perceived Social Support: Employees who experienced high degree of perceived social support (PSS) in their jobs were more likely to be engaged ($r=0.59$, $p=0.00$). An important aspect of psychological safety (Kahn, 1992) stems from the amount of care and support employees’ perceive to be provided by their organization as well as their direct supervisor. Supportive work environments allow members to experiment and to try new things and even fail without fear of the consequences (Kahn, 1990; May et al. (2004). Basing on the Social exchange theory, Rhoades et al., (2001) and Saks (2006) posit that PSS creates a reciprocal obligation on the part

of employees to care about the organization's welfare and to help the organization reach its objectives. This is in line with the Schaufeli/Kahn model and the social exchange theory.

Compensation Fairness: Employees who experienced high degree of compensation fairness in their jobs were more likely to be engaged ($r=0.51$, $p=0.00$). Compensation fairness refers to the perceptions that employees have regarding equity in company practices concerning internal and external compensation and benefits. Researchers have found that when pay is fair in comparison with other's pay, a worker is more likely to be engaged (Milkovich & Newman, 2005; Vandenberghe & Tremblay, 2008). The perceived fairness will compel them to seek to pay back their employer by engagement. This is consistent with and validates the social exchange theory.

Job security: Employees who experienced high degree of job security in their jobs were more likely to be engaged ($r=0.48$, $p=0.00$). Once security is assured employees are more likely to be engaged. This study shows that the relation between job security and engagement is relatively low compared to all the other variables considered here - showing medium effect size (Cohen, 1988). This is not surprising as job security is a major concern of many employees in Uganda. Assurance of job security given by the employer is interpreted as a goodwill that has to be reciprocated in terms of higher engagement (Cropanzano and Mitchel, 2005).

Employee Development: Employees who experienced high degree of employee development in their jobs were more likely to be engaged ($r=0.63$, $p=0.00$). Work settings in which employees have opportunities for development provide opportunities for growth and employee motivation and engagement (Hackman & Oldham, 1976; Ryan & Deci, 2000). This study found the *development - engagement* relation ($r=0.63$, $p=0.00$) to be one of large effect size (Cohen, 1988). Opportunities for employee development given by the employer are interpreted as a benevolence that has to be reciprocated in terms of higher engagement (Cropanzano and Mitchel, 2005). The study findings validate social exchange theory.

Hypothesis 2: Hypothesis 2 stated that there would be a negative correlation between employee engagement and turnover intent. This study found that employee engagement was significantly negatively correlated with turnover intent ($r = -.305$, $p=.000$). Of this vigour contributes the

highest ($r = -.302, p = .000$), followed by dedication ($r = -.275, p = .000$) and absorption ($r = -.198, p = .000$). These findings provide empirical support for *H2*. The more engaged the employees are the less willing they are to quit. Extensive research (Allen, 2008; Gubman, 2004; Harter et al., 2002; Lockwood, 2007; Macey & Schneider, 2008; Halbesleben and Wheeler, 2008; Maslach et al., 2001; Saks, 2006) links an employee's intention to turnover with performance constructs such as employee engagement.

Predictors of turnover intent

The hierarchical regression analysis showed that five of the antecedents (figure 2), collaboration ($\beta = -.19, p = .03$), reward & recognition ($\beta = .31, p = .00$), perceived organizational support ($\beta = -.31, p = .00$), compensation fairness, ($\beta = -.19, p = .03$) and development ($\beta = -.29, p = .00$) contributed unique variance to the prediction of turnover intent (adj. $R^2 = .32, p = .00$) in the regression equation.

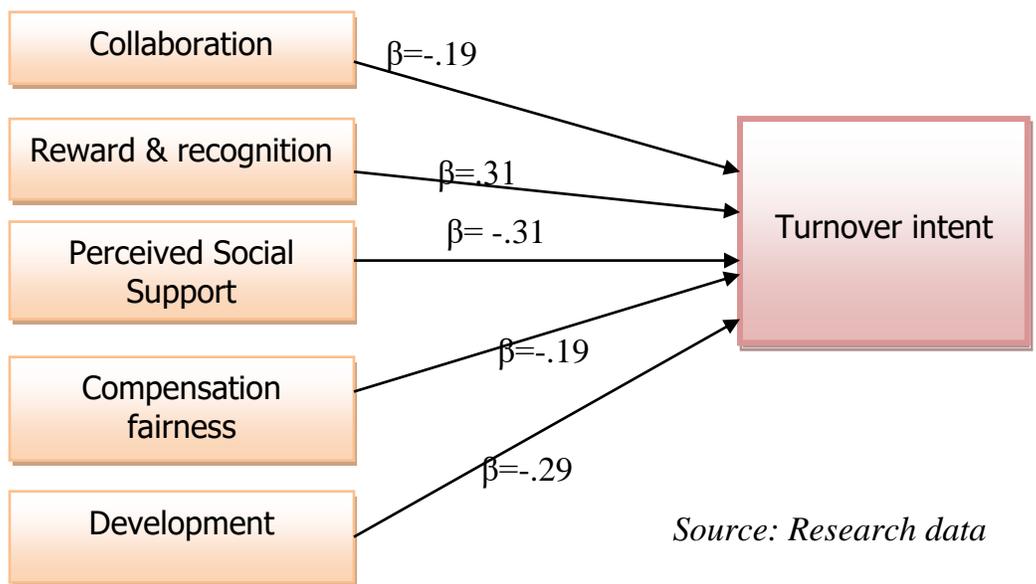


Figure 2: Predictors of turnover intent

These findings show that turnover intent can be predicted by employee collaboration, reward & recognition, perceived organizational support, compensation fairness, and development together predicting 32% of the variations in the turnover intent model. This is a little low,

meaning 68% of variation in turnover intent is explained by other factors outside this model. It is expected in the Uganda context where widespread unemployment factor makes turnover intent irresponsive to what should have been predictors in the western context, as shown by the scales used.

The most perplexing finding is *reward and recognition* which was found to be positively related to turnover intent against prediction of theory which predicts a negative relationship. This is expected in a situation of unemployment where alternative jobs with better rewards and recognition are very scarce. Indeed interviews with the managers tended in this direction. After controlling for antecedents of engagement in the regression model, employee engagement did not contribute unique variance to turnover intent ($\Delta R^2 = .003$, $p = .17$) against expectations. Employee engagement was surprisingly not found to be a significant predictor of turnover intent, and in this model not a mediator between the antecedents of turnover intent. This is a surprising finding because research in other contexts found engagement to mediate the relationship between the antecedents and turnover intent (Saks, 2006; Schaufeli & Bakker., 2004; Macey & Schneider, 2008; Schaufeli, et al., 2008; Halbesleben and Wheeler; 2008). This is probably due to type of statistical analysis used or due to differences in the context. Follow up studies should try to capture other factors not captured by this model.

6. Conclusions

Even if engagement was not found to be a significant predictor of turnover intent, this research has validated and extended the engagement and social exchange theory by establishing that collaboration ($\beta = -.19$, $p = .03$), reward & recognition ($\beta = .31$, $p = .00$), perceived organizational support ($\beta = -.31$, $p = .00$), compensation fairness, ($\beta = -.19$, $p = .03$) and development ($\beta = -.29$, $p = .00$) are significant predictors of turnover intent. The positive coefficient of reward/recognition predictor is perplexing but possible in a situation of unemployment where alternative jobs with better rewards and recognition are very scarce. Indeed interviews with the managers also place *rewards and recognition* lower in the ranking and are therefore irresponsive to turnover intent.

The study contributed to prevailing debate about whether there was a direct link between HR practices (antecedents) and firm performance, or that the relationship is mediated by a range of attitudinal and behavioral variables at the individual level. This study filled that gap by proposing that in the Uganda context the antecedents-engagement-turnover intent relationship is not mediated by attitudinal variable - employee engagement. This is surprising because research in other contexts found engagement to mediate the relationship between the antecedents and turnover intent (Saks, 2006; Schaufeli & Bakker, 2004; Macey & Schneider, 2008; Halbesleben and Wheeler; 2008)

This study also contributed to the debate that aggregate outcome variables used in the existing management literature, such as competitiveness, firm financial performance and organizational effectiveness, are too distal from the micro-level HRM interventions, by proposing a more proximal outcome indicator such as turnover intent to measure individual HRM outcomes (Wright & Haggerty, 2005; Purcell & Kinnie, 2007; Paauwe, 2004).

Besides, most of the studies that have been conducted on the predictors of employee engagement and their outcomes in recent years were mostly centered on the Western world such as the United States (Britt, 2003; May, Gilson, & Harter, 2004), Netherlands (Schaufeli & Bakker, 2004; Xanthopoulou, Bakker, Demerouti, & Schaufeli, 2007), Spain (Salanova, et al., 2005), Finland (Hakanen, Bakker, & Schaufeli, 2006; Mauno, Kinnunen, & Ruokolainen, 2007), Greece (Xanthopoulou, et al., 2009), Norway (Martinussen, Richardsen, & Burke, 2007). This study filled that research gap in the Ugandan context among soft drink firm employees.

Recommendations

Arising from the findings of this research, the following recommendations are made, hypothesis by hypothesis: *Hypothesis 1*: To enhance employee engagement, practitioners should ensure that each of the nine antecedents in their businesses are nurtured - job characteristics, role clarity, material resources, collaboration, reward & recognition, perceived social support, compensation fairness, job security and development. *Hypothesis 2*: To reap the benefits of employee engagement and reduce turnover intent it is recommended that business

should use the finding of this study to develop interventions and strategies for improvement of employee engagement and reduction of turnover intent among employees. *Hypothesis 3*: The recommendation is that even if engagement was not found to be a significant predictor of turnover intent, this research has validated and extended the engagement and social exchange theory by establishing that collaboration, reward & recognition, perceived organizational support, compensation fairness, and development are significant predictors of turnover intent. It is also recommended that managers need to understand the importance of social exchange as a liking factor between the antecedents – collaboration, reward & recognition, perceived organizational support, compensation fairness, and development and the outcome – turnover intent.

Limitations of the study

This study used a cross-sectional research design as opposed to a longitudinal research design. Longitudinal and experimental studies are required to provide more definitive conclusions about the causal effects of employee engagement and the extent to which social exchange explains these relationships. In addition, much of the data came from a self-reported questionnaire. This could affect the reliability and validity of the data because respondents may have answered the questions to reflect more socially acceptable responses rather than ones that reflect their real opinions. Although the results of this study might have been affected by method bias, statistical results give us confidence in the results.

Recommendations for future Research

Future research on turnover intent, engagement and antecedents should not be limited to a quantitative paradigm. Qualitative studies might assist in better understanding the phenomenon under study. To replicate this study, structural equation modelling (SEM) as well as longitudinal studies could be used to capture changes in the variables over periods of time. Future research should examine distant antecedents such as personality variables as well as demographic and culture variables that might influence the development of employee engagement, as well as outcomes like productivity, profitability, and competitiveness. As

organizations become increasingly diverse (Reio & Ghosh, 2009), exploring how demographic and cultural variables influence the development of employee engagement could be of benefit to organizations in the globalized world.

Future researchers should expand the sample to include the entire food and beverage industry. A comparative study could also be done with the service industry. A study could also concentrate of the five antecedents which emerged significant – collaboration, reward & recognition, perceived organizational support, compensation fairness, and development. Instead of the intermediate outcome – turnover intent, future research should consider final outcomes like productivity, profitability, customer satisfaction, competitiveness.

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