The Antecedents of Employee Engagement: A Comparative Analysis between Finland and Asia

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Abstract

Earlier research on employee engagement has discovered quite a few factors that might impact the levels of employee engagement. However, these academic studies have lacked a structured framework to have a holistic look at the antecedents of employee engagement. To bridge this gap, this research transforms the Aon Hewitt Employee Engagement (AHEE) model, a useful model in the practical world, into an academically rigorous framework. In practice, the author adopted a mixed methodology of both focus group interviews and questionnaires. Specifically, six focus group interviews in three countries were conducted and 93 survey responses in three countries were collected. Based on the findings, the author further refined the AHEE model into a more robust model of eight engagement predictors in five dimensions, including financial compensation, work-life balance, team member exchange, perceived managerial support, job security, respect, learning and development, and performance evaluation.

Furthermore, this study answers the call in employee engagement research to explore the research question: how might engagement predictors have different influences in different cultural settings? To address this, comparative analyses of engagement predictors between Finland and Asia were performed in this study. The results show that the impacts of respect, perceived managerial support, learning and development and work-life balance on employee engagement are different in Asia compared to Finland. To be more specific, respect and perceived managerial support have a more positive influence on employee engagement in Finland than in Asia. Interestingly, both learning and development and work-life balance have a negative relationship with employee engagement in Finland while the relationship is positive in Asia.

Keywords: Employee Engagement, Antecedents, Brand Image, Work-Life Balance, Person-Job Fit, Performance Evaluation, Physical Environment, Financial Compensations, Job Security, Recognition, Team member exchange, Respect, Perceived Managerial Support, Career Opportunities, Learning and Development, Finland, Asia, Korea, Japan, China
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This research has been quite time- and energy-consuming, especially when there were quite a few unexpected changes during the process of data collection. But at the same time, it has been a great source of fun and excitement, especially when finally getting to all the interesting findings. There have been many ups and downs and work iterations, yet, I have learnt a lot during my journey and it has enriched my deeper understanding of how to improve employee engagement in different cultural contexts. I am pleased that the whole work has been completed and I can sit back and enjoy the fruits of my efforts.

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<td>Organizational Commitment</td>
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<td>OCB</td>
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1. INTRODUCTION
1.1 Research background

The challenge of keeping employees engaged is mounting (Fleming, Coffman, & Harter, 2005; May, Gilson, & Harter, 2004; Pech & Slade, 2006). Based on a survey of 656 chief executives hailing from countries around the world, the most important management challenges are building customer loyalty, managing mergers and acquisitions, and cutting costs, followed by engaging employees as the fourth most important one (Wah, 1999). Further illustrating the magnitude of this challenge, the cost of disengaged employees amounts to hundreds of billions every year and the cost of a disengaged employee per year could be around $2,246 (Openforum, 2015). According to the Gallup (2013)’s Q12 survey, which is a 12-question engagement questionnaire conducted in 192 organizations across 49 industries from 34 countries, the report demonstrated that the organizations in the top quartile in employee engagement outperformed the bottom-quartile ones by 10% on customer ratings, 21% in productivity, and 22% in profitability. In addition, compared with the organizations in the bottom quartile, those in the top quartile had 40% lower turnover, 37% lower absenteeism, and 28% lower shrinkage, along with 41% fewer quality defects, 41% fewer patient safety incidents and 48% lower safety incidents.

Nowadays, among organizations’ management, there has been widespread interest in how to keep employees engaged (Crawford, LePine, & Rich, 2010). Managerial interest in employee engagement is obvious given that there has been quite much research claiming the benefits of employee engagement on individual-level and business-level outcomes (Rich, LePine, & Crawford, 2010), such as lower churn rate, more positive attitude (e.g., Saks, 2006), more productivity (Kompaso & Sridevi, 2010), higher financial returns (Xanthopoulou, Bakker, Demerouti, & Schaufeli, 2007; Bakker & Schaufeli, 2008), more customer satisfaction and loyalty (Harter, et al., 2002), fewer safety accidents (Nahrgang, Morgeson, & Hofmann, 2011), and less employee burnout (Schaufeli & Bakker, 2004).
In the academic world, there has been a big controversy over the definition of the construct employee engagement (Macey & Schneider, 2008; Markos & Sridevi, 2010). Some studies defined employee engagement as a state of mind, an example of which was that Schaufeli and Bakker (2001, p.235) considered engagement as “a positive fulfilling work-related state of mind”. In some other research, employee engagement was defined as a type of behavior. For example, Kim and Mauborgne (2005) noted employee engagement as one’s involving participation in the strategy process of work. To address the conflicts in the conceptualization of employee engagement, the author systematically reviewed the employee engagement literature and proposed a more synthesized definition of employee engagement. The author supported the opinion of considering employee engagement as a behavior and defined employee engagement as feeling fulfilled, involved, and affective in an organization along with work performance with dedication going beyond the call of duty. In this regard, this study advances the employee engagement literature by exploring and clarifying the definition of employee engagement.

Given the high importance of keeping employees engaged, it is certainly valuable to understand the antecedent variables that can result in high levels of engagement among employees. This brings us to the first underlying research question: what are the key factors driving employee engagement? Quite a few academic papers have focused on this important topic. For example, Kahn (1990)’s research posited that an individual’s engagement is determined by one’s psychological conditions including availability, meaningfulness, and safety, which are strongly influenced by one’s characteristics and work environment. Maslach and Leiter (1997) suggested that fairness, value fit between job demands and personal principles, rewards and recognition, and job control are among key engagement drivers. Harter, et al. (2002) proposed that the main engagement predictors are 12 work features and management practices, e.g., development opportunities, transparency of work expectations, and the
support from colleagues. Macey and Schneider (2008) suggested that personal characteristics, leadership, and work attributes have a huge impact on levels of engagement.

Despite the progress in academia, surprisingly, there is no available framework that incorporates all dimensions of engagement predictors into a comprehensive and structured way. Most of the academic researchers either examined a few selected factors or went through a long shopping list of potential predictors in a way that lacked a structure. Although the existing meta-analytical reviews took a good look at almost all the possible engagement drivers, a systematic classification of the factors was still missing. For example, Wollard and Shuck (2011) divided the engagement predictors reviewed into two groups: individual antecedents and organizational antecedents, without any other further classification. In the practical world, Aon Hewitt (formerly known as Hewitt Associates), a human resource consulting company, established the Aon Hewitt Employee Engagement (AHEE) model. This framework includes six dimensions of engagement drivers, e.g., performance, brand, and the work, and consists of 23 engagement predictors, e.g., learning and development, corporate responsibility, work tasks, and collaboration. This model had been tested and developed by surveying over seven million employees from 155 countries across 68 industries for 15 years (Aon Hewitt, 2014). It provides a holistic look at determinants of employee engagement and helps to understand engagement drivers from a sweeping perspective.

As the AHEE model has been designed for companies to understand better their employees’ engagement drivers, it is hardly accessible for academic research (Baumruk & Gorman, 2006). Some drawbacks of this framework mainly existed in the lexical choices and taxonomy. Instead of using precise disciplinary words or phrases, the AHEE model includes a few fuzzier colloquial expressions such as, “brand”, “work tasks”, and “work environment”. The classification of engagement factors also needs further modifications in order to make the association between factors stronger within each
dimension. For example, it does not make too much sense for the factors such as people management as well as career opportunities to be placed in the dimension of performance. To address these issues, the author transformed the practical AHEE model into a more academically applicable model by using rigorous academic language and a meaningful classification. Moreover, an additional important engagement predictor (Pinel & Paulin, 2005; Ramarajan, Barsade, & Burack, 2006), respect, was suggested to be added into this framework. Based on the questionnaires and the interviews conducted in the case company, the author further refined the model and proposed the final AHEE model.

While some engagement determinants are universal, other engagement drivers might vary from country to country due to different cultural backgrounds. According to the survey conducted by Society for Human Resource Management (2007), the most important factor driving employee engagement is work-life balance in Canada, team members’ work relationship in Japan, and autonomy in Germany. This intrigued the author to investigate further on the second research question: how do engagement drivers differ in different geographical regions (cultural settings)? By addressing this question, this study answers the call in the employee engagement research to explore how predictors might influence employee engagement differently in different cultural settings (Shuck, Reio, & Rocco, 2011). The findings could offer useful managerial insights on how to engage foreign employees to companies that operate internationally. As no or few academic research studied how engagement predictors might be different among different countries, this study makes a major contribution to the employee engagement literature by comparing the engagement predictors between Finnish employees and Asian employees.
1.2 Thesis structure

This research consists of four key chapters. In Chapter One, the research background is introduced. The author presents the two main research questions and discusses how this research will contribute to the employee engagement research by filling up the existing research gaps. In Chapter Two, the author reviews through the employee engagement literature in terms of the evolution, definition, classification, measurement, antecedents and consequences of the construct. Chapter Three articulates the methodology and the research findings. It starts with explaining the rationale behind the chosen research methods – focus group interviews and questionnaires. The process of data collection and the answers to the underlying research questions are demonstrated. In Chapter Four, the theoretical contributions, managerial implications, limitations and future research are discussed.

2. LITERATURE REVIEW

2.1 Conceptualization and operationalization of employee engagement

2.1.1 Evolution of employee engagement

Employee engagement, a construct that has appeared for around 20 years, has received rising popularity in the academic field of Human Resources Management (HRM). This concept has been more frequently used by HR practitioners and management level, especially in consulting and survey houses, than by academic researchers. Employee engagement is evolved from two academically well-recognized concepts: Organizational Commitment (OC) and Organizational Citizenship Behavior (OCB). (Rafferty, Maben, West & Robinson, 2005; Melcrum Publishing, 2005; Ellis & Sorensen, 2007; Markos & Sridevi, 2010)

Generally, OC is regarded as a three-component construct composing of affective commitment, continuance commitment, and normative commitment (Boehman, 2006; Canipe, 2006; Turner & Chelladurai, 2005; Greenberg, 2005; Allen & Meyer, 1996; Karrasch, 2003; Malik, et al., 2010).
Affective commitment refers to an emotional or affective attachment to an organization, in which one identifies with and enjoys being part of an organization; continuance commitment denotes costs associated with leaving one’s organization; and normative commitment is defined as feeling obligated to stay in an organization (Allen & Meyer, 1990).

OCB is regarded as a voluntary behavior that is beyond part of minimum job requirements, regardless of the corresponding results such as effectiveness or financial returns (Organ, 1988; Robbins, 2001, p. 25; Athanasou & King, 2002). The five key components of OCB are conscientiousness, altruism, civic virtue, sportsmanship, and courtesy. Conscientiousness refers to working beyond the minimum requirements; altruism indicates helping others; civic virtue denotes being interested in the political life of the organization; sportsmanship indicates having a positive attitude rather than complaints; and courtesy refers to respecting others (Organ, 1990; Nadiri & Tanova, 2010).

Some aspects of employee engagement overlap with OCB and OC. However, Robinson, Perryman and Hayday (2004) pointed out that neither OC nor OCB fully delivers the two-way nature of employee engagement. These two constructs only look from the perspective of the employees rather than both the employer and the employees (Executive, 2007). The engaged employees are expected to have a sense of business awareness (Perryman & Hayday, 2004). Kahn (1990, p. ix)’s earlier engagement research stated “the organization must work to develop and nurture engagement”, in which the two-way nature of employee engagement was brought up in the first time (Welch, 2011). Rafferty, et al. (2005) emphasized that the two-way mutual process between the employees and the employer differentiates the construct employee engagement from the two other constructs.
2.1.2 Defining employee engagement

In the early work, Kahn (1990, p.694) defined personal engagement as “the harnessing of organizational members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances”. In the later stage, Kahn (1990, p.700) further developed the definition of personal engagement as “the simultaneous employment and expression of a person's ‘preferred self’ in task behaviors that promote connections to work and to others, personal presence (physical, cognitive, and emotional), and active, full role performances.”

However, there has not been a universal agreement on the definition of the construct employee engagement in academia (Markos & Sridevi, 2010). Macey and Schneider (2008) explained that the confusion about defining employee engagement mainly lies in whether engagement is defined attitudinally or behaviorally. Some studies regarded employee engagement as a state of mind. Schaufeli, et al. (2001, p.235) noted engagement as “a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption”. Development Dimensions International, Inc. referred engagement to be the extent to which people feel enjoyable and meaningful about what they do (Bernthal, 2004). Wellins and Concelman (2005, p.1) stated that engagement is a “passion, commitment, extra effort … the illusive force that motivates employees to higher (or lower) levels of performance”. Harter, et al. (2002, p.270) defined employee engagement as “the individual’s involvement and satisfaction as well as enthusiasm for work”. An engaged employee possesses a high level of identification and energy at work (Gonzalez-Roma, Schaufeli, Bakker, & Lloret, 2006).

Other researchers considered employee engagement as a behavior. Leiter and Maslach (1998, p.351) considered engagement as “an energetic experience of involvement with personally fulfilling activities that enhance a staff member’s sense of professional efficacy”. Perrin (2003, p2) defined engagement
as “[…] extent to which employees put discretionary effort into their work over and above the required minimum, in the form of time, brainpower or energy; believe in what they do, find meaning, enjoyment and feel valued for the work they do”. Kim and Mauborgne (2005) depicted employee engagement as an involving action taken by employees in the strategic process of work. Saks (2006) noted that engagement is closely associated with the existing construct of job flow and work involvement.

Macey and Schneider (2008) regarded employee engagement as “a desirable condition” where psychological state engagement (e.g., feelings of energy, absorption and satisfaction.), trait engagement (e.g., positive views of work and trait positive effect), and behavioral engagement (e.g., extra role behavior and personal initiative) coexist. Macey, Schneider, Barbera, & Young (2009) further explained the three components’ relationships using a value-chain model, which showed how trait engagement and psychological state engagement lead to behavioral engagement, eventually improving job performance. Thomas (2009) found that engaged employees are self-managed, committed to what is meaningful in their work, and actively involved in the development of their organization. According to Schaufeli and Bakker (2010, p.13), work engagement is defined as “the psychological state that accompanies the behavioral investment of personal energy”.

Additionally, there was an interesting point of view which sees only from the employer’s perspective. Fleming and Asplund (2007, p.1) defined employee engagement as “the ability to capture the heads, hearts, and souls of your employees to instill and intrinsic desire and passion for excellence”.

Based on all the discussions above, the author supported the opinion of regarding employee engagement as a behavior and proposed to define employee engagement as *feeling fulfilled, involved, and affective in an organization along with work performance with dedication going beyond the call of duty*. 
2.1.3 Employee engagement types

Surveying over 35,000 employees, Meere (2005) concluded that an employee can have one of three types of engagement, including engaged, not engaged, and actively disengaged (Meere, 2005; Muthuveloo, Basbous, Ping, & Long, 2013; Dash, 2013; Popli & Rizvi, 2015). These three types of employee engagement are shown in Table 2.1.

Table 2.1 Types of employee engagement

<table>
<thead>
<tr>
<th>Levels of engagement</th>
<th>Characteristics</th>
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<tr>
<td>Engaged</td>
<td>• One is passionate about his work.</td>
</tr>
<tr>
<td></td>
<td>• One feels profoundly connected to the organization.</td>
</tr>
<tr>
<td></td>
<td>• One dedicates oneself to innovating and developing the organization.</td>
</tr>
<tr>
<td>Not engaged</td>
<td>• One attends one’s work but only serves time.</td>
</tr>
<tr>
<td></td>
<td>• One has no enthusiasm or energy at work.</td>
</tr>
<tr>
<td>Actively disengaged</td>
<td>• One does not feel happy but express complaints at work</td>
</tr>
<tr>
<td></td>
<td>• One brings negative feelings to colleagues every day.</td>
</tr>
</tbody>
</table>

2.1.4 Measurement of employee engagement

In order to measure the construct employee engagement accurately, it is important for the operationalization of employee engagement to be in line with the definition. However, many existing measures of employee engagement fail to fully capture the essence of employee engagement, especially in the world of practice (Macey & Schneider, 2008).

Some studies used the scale of satisfaction to measure engagement. For example, Burke (2005) measured engagement by assessing one’s satisfaction of the company, the work environment, the job, group members, and the manager. Though engagement is similar to satisfaction to some extent (Macey & Schneider, 2008), engagement is more than simply being satisfied with the employment or being
loyal to the organization (Erickson, 2005). Engagement also includes being passionate and making one’s discretionary effort to the success of the organization (Erickson, 2005).

A more popular point of view is to assess employee engagement above and beyond job satisfaction. Fine, Horowitz, and Weigler (2010) captured employee engagement in three aspects, which are satisfaction, commitment, and discretionary effort, with seven question items. The construct’s unidimensionality was examined through a sample of 429 employees in a large international retail company’s Israeli division. The factor explained 54.2% of variance in the principal component factor analysis (Fine, Horowitz, & Weigler, 2010). Sample items were “I am proud of my place of work”, “I am happy to come to work in the morning”, and “I would like to keep working here for a long time to come”. However, one of the most important aspects of employee engagement, making discretionary effort or going beyond the call of duty, is not fully assessed in this measure.

The Utrecht Work Engagement Scale (UWES) assesses work engagement in three dimensions, including vigor, dedication, and absorption (Schaufeli & Bakker, 2003; Salanova, Augt & Peiro, 2005). Vigor is characterized by being energetic and resilient at work, investing one’s effort, and being persistent during the difficulties. Dedication refers to feeling valued, inspiration, pride, and passion at work. Absorption is regarded as having high levels of concentration and focus at work. The 17 question items are shown in Table 2.2. The validity of the UWES scale was tested in many countries, such as Finland (Hakanen, 2002), Spain (Schaufeli, et al., 2002), and the Netherlands (Schaufeli & Bakker, 2003). However, there are no question items measuring whether an employee goes beyond the basic work requirements. The target of this measure is an employee’s work instead of the organization, which is not in line with the definition of employee engagement.
### Table 2.2 Utrecht Work Engagement Scale

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Question items</th>
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</table>
| Vigor      | a. At work, I feel full of energy.  
b. In my job, I feel strong and vigorous.  
c. When I get up in the morning, I feel like going to work.  
d. I can continue working for very long periods at a time.  
e. In my job, I am mentally very resilient.  
f. At work, I always persevere, even when things do not go well. |
| Dedication | a. I find the work that I do full of meaning and purpose.  
b. I am enthusiastic about my job.  
c. My job inspires me.  
d. I am proud of the work I do.  
e. I find my job challenging. |
| Absorption | a. Time flies when I’m working.  
b. When I am working, I forget everything else around me.  
c. I feel happy when I am working intensely.  
d. I am immersed in my work.  
e. I get carried away when I am working.  
f. It is difficult to detach myself from my job |

Aon Hewitt (formerly known as Hewitt Associates), a human resource consulting company, created the Aon Hewitt Employee Engagement Scale (AHEES) measure. The measure has been widely used by HR professionals in a number of organizations, such as Accenture, a multinational consulting service company (Baumruk & Gorman, 2006). Based on the surveys of over 20 thousand employees from various industries in Asia, the reliability of scale was 0.86 (Aon Hewitt, 2014). The measure consists of three key components, *say*, *stay* and *strive* included. *Say* refers to recommending the organization to friends and speaking highly of the organization to others. *Stay* is characterized by a strong desire to be a member of the organization and no intention to work somewhere else. *Strive* refers to investing extra effort in the company and striving for the company’s goals. (Aon Hewitt, 2014; Baumruk & Gorman, 2006; Markos & Sridevi, 2010; Dash, 2013). The six question items are shown in Table 2.3.
Table 2.3 Aon Hewitt Employee Engagement Scale (2014)

<table>
<thead>
<tr>
<th>Aspects</th>
<th>Question items</th>
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</thead>
</table>
| Say     | a. I would not hesitate to recommend this organization to a friend who is seeking employment  
         | b. I would tell others great things about working here given the opportunity |
| Stay    | a. I rarely think about leaving this organization to work somewhere else  
         | b. It would take a lot to get me to leave this organization |
| Strive  | a. This organization inspires me to do my best work every day  
         | b. This organization motivates me to contribute more than being normally required to complete my work in order to advance the organization |

In line with the definition of employee engagement “feeling fulfilled, involved, and affective in an organization along with work performance with dedication going beyond the call of duty”, the AHEES measure captures the essence of employee engagement via say, stay and strive. Specifically, strive measures if an employee goes beyond the call of duty and gets involved in the organization’s developmental process; stay measures if an employee has affective attachment and loyalty to the organization; say measures if an employee feels happy and fulfilled in the workplace. Nevertheless, some might argue that the behavior of recommending the organization (say) is not necessarily part of employee engagement. But given the AHEES scale’s advantages compared to other measures, this measure was chosen in this study to assess employee engagement. This also indicates the need for future research to develop a better scale in order to fully capture employee engagement.

2.2 Antecedents and consequences of employee engagement
2.2.1 Antecedents of employee engagement

In spite of the great importance of employee engagement on organizational performance, there is limited empirical research studying the antecedent factors of employee engagement (May, et al., 2002; Saks, 2006; Shuck & Rocco, 2011). Shuck and Rocco (2011) reviewed through previous employee engagement literature and raised two underpinning questions: (a) what is the relation between the
antecedent variables of job fit, affective commitment, and psychological climate with employee engagement? and (b) what is the relation between employee engagement and the outcome variables discretionary effort and intention to turnover?

Shuck and Rocco (2011) empirically examined a portfolio of variables, including job fit, affective commitment, and psychological climate, in order to figure out how these factors might influence employee engagement and how each variable might influence each other. Good job fit can motivate employees to be engaged to their organization cognitively and behaviorally, improving the organizational performance (Hoffman & Woehr, 2006). They are more likely to receive a sense of psychological meaningfulness (Kahn, 1990; Resick, et al., 2007) and have more passions to accomplish their tasks (Hater, et al., 2003).

Affective commitment refers to an emotional connection between an employee himself and his work (Saks, 2006; CLC, 2006; Towers Perrin, 2003; 2007; Macey & Schneider 2008). It has been suggested to have a close correlation with employee engagement (Robinson, Perryman, & Hayday, 2004). Surveying 132 employees who studied in business schools, Allen and Meyer (1990) found that affective commitment has a strong influence on productivity, satisfaction, turnover, and work-related attitudes and behaviors.

O’Neil and Arendt (2008, p. 355) defined psychological climate as “capturing the meaningful psychological representations made by individuals relative to [the] structures, processes and events that occur [within] organization[s]”. Brown and Leigh (1996) established a model of psychological climate, performance, effort, and involvement, and stated that positive psychological climate is significantly related to high levels of employee engagement. D’Amato and Zijlstra (2007) further
developed Brown and Leigh’s (1996) model and found that psychological climate also has a significant relationship with an employee’s capability at work and willingness to come to work.

High levels of employee communication refer to in which organizational objectives and goals are clearly communicated to all employees (Andrew & Sofian, 2012). Andrew and Sofian (2012) conducted a research on 104 Human Resources (HR) officers who worked at the Inland Revenue Board of Malaysia in order to investigate individual factors and work outcomes of employee engagement. The result suggested that employee communication, employee development, and co-employee support have a significant impact on employee engagement. A survey by the Chartered Institute of Personnel and Development (2006) reported that the two most important factors driving employee engagement are an employee having his voice heard and being well-informed about the happenings inside the organization.

Employee development is featured by getting training, skills development, and learning in an organization (Andrew & Sofian, 2012). Wellins and Concelman (2005) noted that creating a learning-oriented culture along with a personal development plan is an effective way to improve employee engagement in an organization. Most employees are interested in learning new skills, knowledge, and approaches in their work, because this keeps their work interesting and fresh (Andrew & Sofian, 2012). Job resources, such as, job control, development opportunities, and task variety, can activate the motivation process and allow an employee to throw himself into work (Crawford, et al., 2010).

Co-employee support is regarded as perceived support from co-workers. Cooperative colleagues and efficient work processes are highly important for keeping employees engaged to an organization. Employees are more likely to be productive in a workplace where co-workers are willing to help each other and explore better ways of doing things together. (Andrew & Sofian, 2012)
In addition to employee communication and employee development, AbuKhalifeh and Som (2013) illustrated the importance of two other factors on employee engagement, which are reward & recognition and extended employee care. Acknowledgement is expected when people contribute their effort and ideas (AbuKhalifeh & Som, 2013). Informal recognition is important in order for employees to make extra effort (Hofmans, et al., 2012). If an employee perceive that his opinions and contributions are valued by management, he will become more engaged (Pavlinac, 2009). The U.S. Department of Labor noted that insufficient recognition and appreciation play a big role in an employee’s decision to leave an organization (Holbeche, 1998).

Extended employee care involves three psychological conditions, including meaningfulness, safety, and availability, which have a significant relationship with employee engagement (Edwards, et al., 2012; Ineson & Berechet, 2011). Psychological safety and meaningfulness at work can lead to psychological availability which has a positive impact on employee engagement (Glied, 2000).

Saks (2006) surveyed 102 employees who worked in job functions from various organizations. The result indicated that job characteristics are positively correlated with job engagement and that procedural justice has a positive impact on organizational engagement. Oldham’s (1980) framework of job characteristics consists of five key job characteristics, including skill variety, feedback, task identity, autonomy, and task significance. High levels of these five job characteristics can incentivize employees to invest more of themselves into work and to be more engaged to their organization (Kahn, 1992). Job enrichment is positively correlated with one’s engagement, which is mediated by job meaningfulness (May, et al., 2004).
Distributive justice refers to perceived fairness of decision outcomes (Colquitt, 2001; Rhoades, et al., 2001). Colquitt, et al. (2001) found that justice perception is closely correlated with organizational outcomes, such as organizational commitment, job satisfaction, and performance. Maslach, et al.’s (2001) engagement model posited that fairness and justice is an important work condition to keep an employee engaged and to improve levels of engagement. By contrast, a feeling of unfairness can lead to an employee’s burnout.

Saks (2006) reported that perceived organizational support is strongly related to job engagement and organization engagement. Perceived organizational support is regarded as perceiving one’s contributions to be valued and one’s well-being to be cared about by the organization (Rhoades & Eisenberger, 2002). In line with Social Exchange Theory, individuals who believe that their organization cares about their well-being are more likely to feel obligated to help their organization succeed (Rhoades & Eisenberger, 2002).

Wollard and Shuck (2011) conducted a structured literature review of 265 articles in order to have a better understanding of the antecedents of employee engagement. The factors reviewed can be divided into two groups: (a) individual antecedents, which are defined as “constructs, strategies, and conditions that were applied directly to or by individual employees” and (b) organizational antecedents, which are regarded as constructs, conditions and strategies applied among employees in an organization. In the research, 21 individual factors were reviewed, 11 out of which were supported by empirical evidence, such as, emotionally, culturally and physically safe environment, work-life balance, and meaningful work; and 21 organizational variables were reviewed, 13 out of which were examined statistically, such as, supportive manager, organizational initiatives, and work climate.
Despite the progress of the employee engagement research with regard to its predictors, the existing academic studies either focus on a couple of selected predictors or lay out a loose catalogue of potential factors. Focusing on a few specific factors can prevent researchers from getting a complete view of all potential engagement predictors. Some most important engagement drivers might be missing in the research. The sloppy cataloguing approach does not create a good structure of categorizing the key factors, which prevents researchers from viewing all the engagement drivers from a sweeping perspective. The existing meta-analyses of engagement predictors simply went through all the potential factors without presenting a well-designed classification. Thus, there is a need for academic research to develop a robust framework that incorporates all core engagement predictors in a well-structured way.

Aon Hewitt (2014) established a different employee engagement model – the Aon Hewitt Employee Engagement (AHEE) model, which has been tested and developed surveying over seven million employees from 155 countries across 68 industries for over 15 years. This model has been carefully examined and supported by organizational psychology research for many years (Aon Hewitt, 2014). The AHEE model is a framework that covers six engagement driver dimensions, e.g., performance, brand, and the work, and consist of 23 engagement factors, e.g., career opportunities, learning and development, corporate responsibility, and collaboration. The six engagement predictor dimensions and the 23 engagement drivers together with business outcomes are shown in Figure 2.1.
The Aon Hewitt Employee Engagement Model

The AHEE model provides a holistic look at the key predictors of employee engagement in a more structured way by aggregating the factors into higher-level dimensions. Unfortunately, as the AHEE model has been designed for commercial companies to understand their employees’ engagement drivers and how those factors influence levels of engagement, it has been hardly accessible by academic research (Baumruk & Gorman, 2006).

Most of the factors in the AHEE model are consistent with the findings of high-quality employee engagement research. These factors include safety (Edwards, et al., 2012; Ineson & Berechet, 2011), work-life balance, senior leadership (Wollard & Shuck, 2011), work tasks, backup leadership (Saks, 2006),
autonomy (Oldham, 1980), communication, collaboration (Wellins & Concelman, 2005), performance management, people management, career opportunities, learning and development (Andrew & Sofian, 2012), benefits, rewards and recognition in (AbuKhalifeh & Som, 2013), enabling infrastructure, work environment (Brown & Leigh, 1996), and talent and staffing (Hoffman & Woehr, 2006). In addition, the AHEE model includes five other engagement factors that have not been investigated in the existing employee engagement studies, including brand, reputation, diversity and inclusion, customer focus, and corporate responsibility. However, many academic research has reported these five factors are closely related to a variety of organizational outcomes, such as, job satisfaction, employee loyalty, organizational trust, and organizational commitment.

Brand refers to brand alignment, brand pride, and brand differentiation; and reputation refers to public awareness, popularity, and public image (Aon Hewitt, 2014). In the exploratory research on top executives from 27 companies in the United Kingdom, Ambler and Barrow (1996) reported that strong marketing of a good brand image can bring beneficial organizational performance, such as, organizational commitment and organizational trust, and that strong company brand equity can improve the return on HR. Most employees exchange their loyalty with the company for job security (Hendry and Jenkins, 1997). When an employee has a precise perception of his company image, it alleviates the risk of violating his psychological contract (Robinson & Rousseau, 1994). On the contrary, the breach of the psychological contract can lead to high turnover, low job satisfaction, low organizational trust, and high intention to leave (Robinson, et al., 1994; Robinson & Rousseau, 1994; Robinson and Morrison, 1995). Berthon, et al. (2005) found that an organization with a better employer brand is more likely to attract talented employees, strengthen employer-employee relations, and reduce employee turnover.
Diversity and inclusion is characterized by valuing employees and being open to individual differences with respect to, such as, age, gender, ethnicity, and perspectives (Aon, Hewitt, 2014). The employee who perceives a strong sense of inclusion in an organization is more likely to have a better psychological well-being (Greenhaus, Parasuraman, & Wormley, 1990). Shore, Randel, Chung, Dean, Ehrhart and Singh (2010) further articulated the positive impacts of inclusion on job satisfaction, organizational citizenship behavior, and job performance. Harrison, Price and Bell (1998) noted that deep-level diversity (difference in members’ attitudes, beliefs or values) has a stronger positive influence on company results, such as, organizational attachments and employee turnover, compared to surface-level diversity (difference in individuals’ physical features, such as, age, sex, or race).

Customer focus refers to being customer-oriented, thinking from the market’s point of view and trying to meet the needs of the customers (Aon Hewitt, 2014). Jaworski and Kohli ’s (1993) organizational market orientation research showed that the employee who considers his company to be market-oriented is more likely to be committed. Based on Donavan, Brown, and Mowen’s (2004) research findings, the service worker who has a customer-oriented mindset tends to have more positive attitude at work and have higher satisfaction and higher commitment.

Corporate responsibility is regarded as being socially and environmentally responsible (Aon Hewitt, 2014). Some studies suggested that good corporate social responsibility can attract motivated job applicants and strengthen current employees’ commitment (Moskowitz, 1972; Turban & Greening, 1996). Stawiski, Deal and Gentry (2010) stated that an organization’s good acts can bring a stronger sense of belongingness to employees and encourage employees to promote their organization actively. Ali, Rehman, Ali, Yousaf and Zia (2010) collected and analyzed the data on 371 professionals from Pakistan in various sectors and concluded that it is very important for a company to participate in social activities, e.g., fulfilling the community’s needs, being environmentally-friendly, and producing
quality products that meet legal rules and regulations. These activities can have a positive impact on employees’ commitment and organizational performance.

Nevertheless, an additional important engagement predictor, respect, was suggested to be added into this framework. Respect is characterized by “being treated with dignity and care for their positive self-regard through approval and positive valuation” (Ramarajan, et al., 2008). It has been considered to be an important engagement predictor in much academic research. For example, Kahn (1990) stated the respect an employee receives in a work group has a big influence on his personal engagement. Surveying 23 neonatal intensive care units, Nembhard and Edmondson (2006) found that team members are more likely to be devoted to their work and pay extra effort when there are high levels of interpersonal trust and respect. Markos and Sridevi (2010) suggested that a culture of mutual respect can not only keep existing workers engaged, but also impact newcomers with the same work culture. Ramarajan, et al.’s (2006) longitudinal study reported the respect an employee receives from the organization has a negative effect on burnout and the relationship is moderated by work autonomy.

Some other drawbacks of the AHEE framework mainly exist in the lexical choices and taxonomy. Instead of using precise disciplinary words or phrases, the AHEE model includes a few fuzzier colloquial expressions such as, “brand”, “work tasks”, and “work environment”. The classification of engagement factors also needs further modifications in order to make the association between factors stronger within each dimension. For example, it does not make too much sense for the factors such as people management as well as career opportunities to be placed in the dimension of performance. Collaboration, which refers to how well the colleagues collaborate with each other (Aon Hewitt, 2014), does not fit in the dimension of the work (work characteristics). To address these issues, the author refined the AHEE model by replacing ambiguous colloquial wording with academically rigorous language, such as, substituting “work tasks” with “person-job fit”, and replacing “communication”
with “team member exchange”. The author also re-organized the grouping and designed a more meaningful classification with six dimensions, including company image, work design, benefits, work climate, leadership, and employee development. This research transformed the original AHEE model into a more academically applicable model. Table 2.4 shows the 19 adjusted employee engagement factors in six dimensions.

Table 2.4 Adjusted Aon Hewitt employee engagement drivers

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Engagement predictors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work climate</td>
<td>1. Team member exchange&lt;br&gt;2. Diversity and inclusion&lt;br&gt;3. Respect</td>
</tr>
<tr>
<td>Leadership</td>
<td>1. Senior leadership&lt;br&gt;2. Perceived managerial support</td>
</tr>
<tr>
<td>Employee development</td>
<td>1. Career opportunities&lt;br&gt;2. Learning and development</td>
</tr>
</tbody>
</table>

2.2.2 Impacts of employee engagement

Given the positive individual-level outcomes and beneficial business results, the interest in improving employee engagement has gained increasing popularity among organizations (Saks, 2006). Based on the research on 102 employees in various job roles and organizations, Saks (2006) found that engaged
employees are more likely to have a good relationship with their organization, possess positive attitudes and behaviors, and have low intention to quit. Kompaso and Sridevi (2010) stressed the importance of employee engagement in promoting a stronger two-way employer-employee relationship, which eventually can result in employees’ deep emotional attachments to an organization, high productivity, and high intention to stay.

Surveying 1698 participants in four independent occupational samples, Schaufeli and Bakker (2004) found that employee engagement is negatively related to burnout which is regarded as a state of mental weariness. The findings showed that burnout is positively correlated with work-related health problems, e.g., stomach aches, headaches, and cardiovascular problems, and turnover intention, and engagement is highly related to intention to quit. Nahrgang, Morgeson, Hofmann (2011) conducted a meta-analysis of 203 independent samples and found that engagement has a negative correlation with safety outcomes, e.g., adverse events, unsafe behavior, and accidents and injuries. An engaged employee has a better control over the situation and is more likely to avoid potential accidents, adverse events, and injuries.

Various studies have demonstrated that employee engagement is highly associated with organizational consequences, such as, financial returns (Xanthopoulou, Bakker, Demerouti, & Schaufeli, 2007; Bakker & Schaufeli, 2008) and customer satisfaction (Salanova, Agut, & Piero’, 2005). In a meta-analysis research on 7,939 business units in 36 companies, Harter, et al. (2002) suggested that both employee satisfaction and employee engagement are correlated with positive organizational performances. The relations happen in a large number of organizations and generalize across different organizations. The top quartile companies on employee engagement score achieve much better outcomes in terms of customer satisfaction-loyalty, profitability, productivity, and employee turnover, compared to the bottom quartile ones.
Based on the discussions above, the advantages of keeping employees engaged are obvious. Employee engagement can benefit each individual employee and an organization as a whole (Saks, 2006). It can develop an employee’s right attitudes, increase productivity, avoid safety accidents, and improve an organization’s performance, such as company growth, profitability, employee turnover, and customer satisfaction.

3. METHODOLOGY & RESULTS
3.1 Research design

Two overarching research questions guided this study: (a) what are the key factors driving employee engagement? (b) how do engagement drivers differ in different geographical regions (cultural settings)? To explore these two questions, a single-case study was applied in this research. The case company was a leading global consumer products company with a well-established track record. The company had a strong portfolio of well-known international brands. It had around 9,000 employees in 2015 and had a geographical presence in over 100 countries, including Europe, Asia, and the Americas. Its operations in Asia and Finland were the research targets in this study. The international presence of the case company can eliminate the potential undesired influence of company context, such as, industry, company policy, or company size.

Both qualitative and quantitative methodology were used. Much research has increasingly recognized the benefits of the methodological mixes in terms of increasing the validity and reliability of findings (Krueger & Casey, 2014). In the first research phase, the author conducted focus group interviews in order to understand the key predicting factors of employee engagement. The findings offered the preliminary answers to the two research questions. A focus group is defined as “a technique involving the use of in-depth group interviews in which participants are selected because they are a purposive,
although not necessarily representative, sampling of a specific population, this group being ‘focused’ on a given topic” (Thomas, et al.1995; Rabiee, 2004). Compared with a one-to-one interview, a focus group interview is a more economical way to collect information from a group of people (Krueger, 2014). Compared with a questionnaire, a focus group interview offers participants a better chance to interact with each other and share their opinions dynamically (Morgan, 1988). Given a sense of group membership and cohesiveness, interviewees are more likely to feel supported and empowered to express their views (Goldman, 1962; Peters, 1993).

In the second research phase, online questionnaires were carried out to examine the interview findings and to compare the determinant factors of employee engagement between geographical areas. The author examined the statistical relationships between the selected factors and employee engagement and compared these relationships between Finnish and Asian employees. The findings offered the final answers to the two underlying research questions. According to Gable (1994), the survey approach can explore relationships that are shared across entities and lead to generalizable results. Jick (1983) further stated "without the survey data, the observer could only make reasonable guesses about his area of ignorance in the effort to reduce bias”. Compared to a traditional survey, an online survey is not only more time- and cost-effective, but also provides flexibility for respondents to respond when convenient (Wright, 2005).

3.2 Data collection – focus group interviews

Focus group interviews can offer interviewees a better chance to interpret interview questions and clarify their opinions. This method is very helpful in exploring interviewees’ knowledge and experiences with regard to how they think. Based on group members’ consensus and dissent, the interviewer can identify the knowledge shared within a group. It is a very useful research method for cross-cultural research. (Kitzinger, 1995)
Three locations were chosen for the interviews, including Finland, Japan, and Korea. There were a total of six two-hour interviews, with two interview groups per country and four to six members per group. A focus group’s size range recommended by Kitzinger (1995) was from four to eight people. All of the interviews were conducted face-to-face and voice-recorded. For the interviews in Asia, interpreters helped to translate between English and Korean/Japanese to overcome the language barrier. An interpreter was not needed in Finland since the interviewees spoke English. A description of the interviewees is described in Table 3.1.

Table 3.1 Description of interviewees

<table>
<thead>
<tr>
<th>Number of respondents</th>
<th>Japan</th>
<th>Korea</th>
<th>Finland</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>8</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td>Male</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;=20</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>21-30</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>31-40</td>
<td>1</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>41-50</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>&gt;50</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Function</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance &amp; accounting</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Retail stores</td>
<td>4</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Sales office</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>HR &amp; administration</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Logistics</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Marketing</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Organizational tenure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 6 years</td>
<td>1</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>6-10 years</td>
<td>1</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>&gt;10 years</td>
<td>7</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>
The semi-structured interviews were designed based on the adjusted AHEE model. In the beginning of the interviews, the purpose, instructions, and guidelines of the interviews were introduced. In addition, all of the participants were required to fill out a participation form (see Appendix 1) with their basic background information, and a consent form (see Appendix 2) for their voluntary participations and confidentiality.

The interview questions (see Appendix 3) were divided into three key parts. The first part investigated what a company in general can do in order to enhance an employee’s willingness to say, stay, and strive for the company. Sample questions were 1) what are the most important factors that make you want to recommend a company or tell the great things about your job? 2) how do these factors increase your intention to recommend a company or tell great things about it? 3) are those factors different from what make you want to stay in a company?

In the second and third parts, the questions were specific to the case company. Participants can come up more easily with concrete examples and elaborate on them in more detail. The second part focused on what the case company can do in order to improve the existing levels of engagement. Sample questions were 1) if you could make some changes in your company, what would you do to make talents stay longer? 2) in order to motivate employees to do their best job, which areas would you improve? 3) what would you change in order to motivate employees to recommend your company to others? As the case company had been using the original AHEE model for years, the findings in the past years could be helpful for a preliminary analysis. In the interviews, the interviewer also included additional questions concerning the factors that the employees were least satisfied with. For example, in Japan, career opportunities were reported as one of the least satisfying factors in 2014. The interviewer added questions such as “what do you think about the existing career opportunities? do they affect your willingness to go the extra mile?”
The third part investigated what the case company should keep doing in order to avoid a big plunge in employee engagement. Sample questions were 1) what should your company keep doing since those things highly motivate you to perform better? 2) has your company done something that decreases your intention to consider job opportunities outside the company? 3) what good things would you talk about when others ask about your work? Similar to the second part, the third part also included some extra questions concerning the factors that the employees were most satisfied with in the past year. For example, in Japan, work-life balance was one of the factors that the Japanese employees were most satisfied with in 2014. The interviewer added questions such as “what do you think about the existing levels of work-life balance?” and “does it affect your intention to stay?”

3.3 Data findings – focus group interviews

Based on the six focus group interviews in three countries, Finland, Japan, and Korea respectively, 12 important factors were identified to exert an important influence on employee engagement, which were brand image, financial compensations, work-life balance, team member exchange, perceived managerial support, career opportunities, respect, learning and development, job security, person-job fit, physical environment, and performance evaluation. According to what the interviewees said, these factors can affect how they think of their company, how they talk about their company to others, how they position their relationship with their company, and how they care about the future of their company.

3.3.1 Brand image

The interviewees in Finland had deep affection for their products because they perceived their products to be multi-functional, distinctive and long-lasting, and to make people’s daily lives better. They felt proud of their company due to the fact that the company had a strong track record, a long history, and
a portfolio of diverse brands. One of the interviewees mentioned that he did not want to work for a tobacco company (stay) because this type of company does not create any meaningful things. Instead, it produces products harmful to people’s health. They mentioned that given the great reputation of their products, they received so many compliments and recognition that they were keen on talking about their company to others (say).

“The company [that I want to work in] should have some sort of stories, something behind the products itself. I think our company is really great to be in that point because it has so many years’ history. And I think a good thing in this company is that they have different brands, very functional brands, very versatile brands or fields to say so.” – sales function manager A, female

“When you tell where you are working, the people’s reaction is like, oh, really, that is very good. So you feel part of that. But if you get the reactions from different people, it’s very nice. It’s like you said, we lived behind these beautiful products.” – sales function manager E, female

“You get inspired and you see how you influence the life of the people… it’s interesting to see how they (the products) evolve into one big lifestyle.” – sales function manager A, female

The interviewees in Japan considered their product brand to be a critical reason for them to work for this company (stay). They were proud to recommend their company to their friends (say) because of the aesthetic value and functionality of their products. They explained in the interviews that their company stood out due to its historical and timeless design, which gave them a lot of pride and pleasure. Almost all of the participants were big fans of their products and were attracted to the high quality and graceful design of the products. The employees in retail said they had a sense of personal fulfillment when selling the items to their customers. One salesperson emphasized that she cared more about what products she was selling than what her work tasks were or who the employer was.
“For me, it is not about the work itself or the type of work I am performing. What’s important for me is what I am working for. In this case, I am working for [our company]’s products.” – retails function No.7, female

“Actually I am quite a fan of very good, high quality dishes. From Europe, you might know there are many famous brands other than [our brand]. But among them, [our brand] is the one I love best.” – retails function No.6, female

“I like the brand and the products. If there is capital change, and they keep my job as a shop master, but I have to sell products other than [our products], I wouldn’t like to do that. That’s not my motivation, [because] my motivation is to sell [our brand]’s. – retails function No.8, female

The Korean interviewees had been inspired by their product brands, which decreased their intention to quit (stay). Most of the participants had been fascinated by their products for quite a few years. Many of the interviewees mentioned that they really appreciated the timeless design and great brand awareness of their products. They felt a strong sense of accomplishment when working for the hundreds-of-year-old premium brands. Thus, they would be excited to recommend their company to others when there were any chances (say).

“In my case, the only thing [that I consider when I select a company] is brand. I [started to] like [our brand]10 years ago. The brand was very new [at that time].” – finance function manager j, female

“Due to the potential of [our] company and [high] brand awareness, I would definitely recommend our company.” – sales function b, female

“The biggest reason [for me] to stay in or work for this company is the affection and pride of the product itself. Most of us are very interested in our old products.” – retails function manager d, female
3.3.2 Financial compensations

The competitive salary was considered to be one of the key factors to make the Finnish employees stay longer (stay) and work harder in their company (strive). The interviewees suggested the salary system should be designed in a way that is proportional to the amount of workload and responsibilities. If they received less than what they should receive, they would have higher intention to leave (stay) and less motivation to do their best work (strive). They would not feel being valued sufficiently. Some of the interviewees mentioned that they would possibly leave for another employer if there were a job offer with a higher salary. But they added that it would not make sense to quit their work if there were only a small amount of pay increase, such as 100-200 euros per month.

“[If there were] bigger responsibilities [with] the same salary, and you noticed that there might be some options outside the company with a better salary, that would be something good to consider.” – sales function manager A, female

“More salary [is something I would like to improve in this company]. I think it’s quite important. In the scenario where someone called you [and said] ‘hey, we have a job that you can have 1000 euros more a month’. Can you say no to that kind of offer?” – finance function B, male

“Competitive salary [is important for me to join a company] ...of course the payment should be comparable to the time.” – sales function manager E, female

The Japanese interviewees considered competitive salary and additional benefits to be among the most primary engagement factors. These factors would affect their intention to stay in the company (stay). They explained that money is a means to live a satisfactory private life. The opinions were divided over the satisfaction of their wages. The office workers had no major issues with their salary levels, though they said there could have been more bonuses and pensions. On the contrary, the interviewees
in retail had big complaints on their pay levels, paid holidays, and bonuses. They did not have a chance to either take sufficient days off or get extra monetary compensations. This highly prevented them from working their best or going the extra mile (strive). They did not think that their workload and efforts were well compensated by the bonuses. The salary level had been decided by the logistic department. The assessment criteria were not transparent and might involve some personal factors. Some of them considered this to be the root cause of the unfair salary system.

“Obviously, one needs a certain level of salary because one needs to support kids and family, so it’s quite necessary. Of course, work-life balance also connects to rewards. Without adequate rewards, you cannot have a satisfactory private life.” – sales function manager No.1, male

“We can always ask for more. But I don’t have any complaints about salary at this moment.” – sales function manager No.1, male

“If they reviewed this recognition and evaluation system, it [would make] me want to make [more] efforts and feel better. With those together, we can set a goal of what we can create and do, so we can together create the future image and objectives. So the transparency is very important [since] they create confidence and trust [which] lead to motivation.” – retails function No.9, female

According to the Korean interviewees, pay can influence heavily their willingness to take one step further to develop their company (strive) and their desire to be a member of their company (stay). The discussions showed that pay was one of the biggest concerns. Taking their workloads into consideration, they were not satisfied with the current pay levels. They did not think their company valued their employees. This had a negative influence on their undivided attention at work (stay) and their desire to recommend their company to others as an attractive employer (say).
“In Korea, all the staffs need special cares, mainly in [the aspect of] financial compensations, especially for office staffs. We focus on 2 brands, so we work harder, double or triple [as before]. We don’t have recognitions or special cares from the company. We were exhausted. Some employees left the company. Totally the company doesn’t concern about our Korean office staffs I guess... Even if [it were] a small portion, [it would make] the conditions better, and we would [be] very, very motivated.” – finance function manager j, female

“Oh actually the person who mentioned the company to me told me ‘everything is good except pay’.”
– retails function manager e, female

3.3.3 Work-life balance

Overheavy workloads would burn the Finnish employees out and increase their intention to quit (stay). One interviewee took her old company as a counterexample of a good company. She had to spend at least 10% more than normal working hours every day. Eventually she could not bear it and left the company. Instead of putting their work in first place, the interviewees appreciated a good balance between life and work more. Good work-life balance could allow them to spend sufficient hours resting mentally and physically. It could encourage them to stay in a company (stay) and make more effort at work (strive). They thought highly of “home working day” which is the time when they can work remotely such as at home. Occasional remote working could give them more flexibility on their non-work issues, such as receiving delivery of a big piece of furniture at home.

“When they combined 2 or 3 person’s jobs on one person, if that happened to me, I would just go somewhere else. You want to be a good worker, so there should be a good amount of workload.”
– sales function manager A, female

“Work-life balance is very important. I can’t imagine my work would take the first place.” – sales function manager E, female
“My first choice (the most important factor for choosing a company) is the work-life balance because I have a big family and life is very important to me.” - retails function manager F, female

According to the focus groups in Japan, a pleasant private life and joyful non-work activities could bring positive energy and attitudes to their work. A good balance between work and life could encourage them to have right attitudes at work and to support their company emotionally. One salesperson pointed out that, as one key aspect of her life was people interaction, a successful personal life could sharpen her communication skill, which was one of her key job skills. Most of the interviewees complained that they did not have sufficient paid holidays as agreed in their contracts. When they asked for their holidays, they were told to be more considerate and less demanding. The upper management told them not to ask more holidays because some of other employees did not have any vacations at all. They received a pressure to work overtime without getting extra pays. They felt frustrated about failing to receive their due holidays, which decreased their willingness to promote their company (say) and their intention to be a member of their company (stay).

“Although I love very much my job, that doesn’t count all. I think having both, the good private life and personal fulfillment in my job, makes me happy. But what is also important is the working conditions. If you have to work weekends or long hours, that makes me not recommend the company to others.” – logistics function No.2, female

“If we want have some days off, they could even blame the persons who are taking paid holidays.” – retails function No.8, female

“[I hope I] won’t feel bad when taking the holidays though some others are not taking [theirs], so in that way people can work on their jobs with very much enthusiasm” – retails function No.7, female
The Korean interviewees also expressed the importance of taking good care of their private life and work life on say and strive. In contrast to the Japanese teams, they did not have major issues in taking their paid holidays. Most of the interviewees said they were proud to recommend their company (say) given the sufficient paid holidays and flexible working time. Some of the married interviewees said that one of the biggest reasons for them to choose this company was that they could balance their family and work well. The office interviewees appreciated the flextime arrangement. For example, they could choose to start their work at 9 a.m. or 10 a.m. However, due to the recent launch of a new brand, they started to feel overwhelmed by the heavy workloads. Some of the interviewees in retail mentioned that it was not easy to find qualified temporary substitutes during their holidays. They felt frustrated about the disappearing “home working day”. They thought overwhelming workloads could prevent them from doing their best at work (strive).

“Other brand managers envy us because we have longer days off spirit. But currently I can’t take my days off because it’s hard to find the part-time workers. They can’t do the job right when I am away.” – retails function e, female

“For myself, work-life balance is quite important .... Firstly, flexible working hours. Secondly, working at home, such as 1-2 days per week. I can choose to work at home to take care of my kids and my home.” – marketing function manager g, female

“And one more thing is proper workload, in our cases, we have a lot of things to do ... Allocating proper working scope and workload will increase satisfaction.” – finance function manager j, female

“I would say there are no motivation to go beyond my work. We need more space, which could be time, for us to think about ourselves. We have too much workload so far. We don’t have any emotional space to think or relax.” – marketing function manager g, female
3.3.4 Team member exchange

Based on the discussions in Finland, working with cooperative teammates could play an important role in increasing a Finnish employee’s productivity and motivation at work. There were many benefits mentioned by the interviewees. It could cultivate a culture in which work is done by a high-performing team rather than isolated individuals (stay). It could encourage all the employees to work towards the same goals and strive for the success of the company (strive). A good relationship with their colleagues could make them enjoy working together in the company (stay). Many of the interviewees enjoyed the times when they gathered together for non-work issues, such as during a lunch break or on someone’s birthday party.

“I actually think that you can do any kind of job where your environment is good, where colleagues are nice in horizontal and vertical ways. The social part is very important. You can get motivated because you have people around you working hard towards the same goal.” – sales function manager E, female

“If I have a good skillful boss or colleagues, the thing we don’t do it by ourselves, we do it as a team, so we can ask someone. .... It’s really important for me to do a good job.” – finance function B, male

“Like lunch, everybody in my team goes together instead of just being alone and eating there. It’s important to have times like this together away from desks. Everyone is just talking about other stuffs than work.” – sales function manager A, female

Getting along well with their teammates could have a positive influence on the Japanese employees’ passion and productivity at work. Effective team cooperation could increase their motivation to strive towards the same direction and build a better version of their company (strive). They described an ideal workplace to be a place where everyone could actively speak out their ideas, share their best
practices, and give a hand to others when needed. If they had to rely on rumors to get to know the company dynamics, they would feel so tired and unsecured that they might prepare to leave (stay). They valued a lot an open and transparent communication among the colleagues.

“[Good] human relationship at work makes things easier to carry out, so I can perform my job happily, and it allows me to have positive attitudes towards my job.” – marketing function No.5, female

“I think the ideal environment is where each one offers different sets of knowledge and experience and brings them together. Everyone is concerned about [each other]. They are willing to cooperate with each other and help each other.” – marketing function No.4, female

“The relationship aspect is quite important. Instead of having competitions among the colleagues, where ones prevent others from getting promoted, all the colleagues are striving for the same goal and trying to bring the department or the company towards the good direction.” – marketing function No.5, female

The Korean teams considered an open communication and trust among teammates to be one of the important factors to keep them stay in a company (stay). The interviewees explained that it was important to have a good cooperation with other colleagues and a good level of confidence in each other. Good team work exchange could increase their desire to be an active team member (stay) and increase their affective attachments to the company.

“[The ideal workplace has an] open communication among the colleagues and trust and confidence in the company.” –supply chain management(SCM) function i, female,

“Another thing [to keep me stay at our company] is about the people relationship in our company. Every co-worker or employee tries to help each other.” – administration function h, female
“After I joined this company, the main things [were] people and family ... We keep our culture very open. Even the latest joining employees can say freely their opinions. Even though there were no replies, or there were replies, they can at least say [their opinions].” – finance function manager J, female

3.3.5 Perceived managerial support

It was important for the Finnish employees to have a supportive manager whom they can get along with easily. They considered a supportive leader as a person who cares about the success of the subordinates, listens to their different opinions, gives credits and provides constructive feedback. A manager with good leadership understands his subordinates and respects the effort of his subordinates. A good manager could inspire their subordinates to do extra effort (strive) and keep the best talents (stay). On the contrary, a difficult manager could create conflicts between each other and drive away the talented workers (stay).

“It’s quite frustrating if you work with someone [who] doesn’t respect (listen to) you. ... It’s the same no matter [if] the person is below or above you. If I go to the manager, and I think I have something important to say, then they don’t respect that, [then I won’t be happy about it]” – finance function B, male

“[One of the most important things at work is] the manager you should get along with.” – retails function manager G, female

“[I care] if the boss listens to the workers, are they playing together?” – retails function H, female

It was important for the Japanese employees to get supervised, supported and motivated by their line manager. A good manager should be open-minded to different suggestions, set main goals with his direct reports, and support his subordinates to achieve their targets. When there is an inspiring boss,
they would be more enthusiastic in their work. Usually, they did not get any feedback from their line manager concerning their suggestions. They did not feel their opinions valued by the upper management, so they somehow lost their motivation to take a step further to build their company better (strive). But they expressed their confidence that this situation would change and improve over time.

“Having a good boss [makes me want to recommend a company]. A good boss is someone who is there supervising, supporting and observing them (subordinates) how they perform.” – marketing function No.4, female

“Everyone makes efforts towards the same goal, not only among the colleagues, but also among the subordinate and the superior, and they are making effort and helping each other to achieve same goals” – logistics function No.2, female

“If we report something, e.g. we report our performance or achievements, there’s no feedback ... we are thinking that the company thinks we don’t need to ... know about what’s decided and why it’s decided.” – retails function No.7, female

Listening to employees’ opinions and motivating employees was an effective way for a manager to keep the Korean employees in a company for a long time (stay). The Korean employees were happy about the chance to present their thoughts and proposals freely to their manager. But they expected more feedback and inspiration from their supervisor. This could bring more excitement to their work and make them want to come to work every morning (stay). Their communication conflicts with the regional management indicated insufficient supports from their line manager. They felt frustrated and had no motivation to innovate their company (strive) with their creative ideas because they thought the company just wanted them to follow the instructions rigidly.
“I felt that my opinions were heard by the country manager and other office workers too ... Whether or not retails staff’s opinions were accepted, they [tried to] listen to us ... this kind of company culture and system help us to stay for a long time.” – finance function manager j, female

“For me, motivation from the boss or supervisor is very important, because if they provide the vision or explain the job what I am doing, it would be helpful. I heard there is some mentor-mentee program. [I also want to participate in that].” – administration function h, female

3.3.6 Person-job fit

The Finnish interviewees emphasized the importance of taking a job that fits well with their skills, interests, and knowledge. With a suitable job, they could enjoy what they do and gain inspiration at work. They could also keep their energy and enthusiasms up and try to achieve more in a better way (strive). If an employee were in a position that did not fit or interest him, this would stress him out and increase his intention to leave the company (stay). One interviewee talked about her previous job as a counterexample of a suitable job. Due to some organizational changes, she had to deal with some IT programs she wasn’t interested in or competent at. It turned out that she did not manage it and felt burnt out, so she left the previous employer and joined this current company.

“We need to like what we do. If not, I will be in the bad mood. Also, I understand that the job can’t be all fun. Of course, there are some parts you don’t like much. [If there are] 70% of the things you really enjoy, then you see the results and get excited.” – sales function C, female

“But I like this job. I won’t be here for 16 years if I don’t like this company. I have been doing lots of good things.” – retails function manager F, female

“Job is more important for me than how much I can get paid.” – sales function manger E, female
The Japanese teams said a suitable and interesting job could exert a positive influence on their intention to keep their jobs (stay). If their work were not an unfit to them, they would get bored and feel frustrated. They would not be able to play to their competences, so they would be more likely to look for other job opportunities (stay). Instead of doing repetitive and boring tasks, it was also important for them to learn new things constantly through their work tasks.

“[I will consider leaving the company] when the company forces me to do something I don’t want to do. For example, they might force me to be in a position I am not interested at all or it doesn’t fit my competence.” – marketing function No.4, female

“Work itself is something that you do five days per week. If it’s something not interesting, I would find it boring and it would be hard for me.” – logistics function No.2, female

“Another one is if your strength is [a] fit for the job. If you get bored or there are no new things you can try, that would make me want to leave a company.” – marketing function No.5, female

The Korean interviewees did not mention much about the importance of person-job fit. Some of the interviewees told the interviewer that they were familiar with their job and felt comfortable about keeping doing their tasks (stay). One interviewee expected to have a chance to get involved in some other tasks that could benefit her main responsibilities.

“For now, I don’t feel any inconvenience about doing my job. I am used to my work.” – retails function manager d, female

“I think, if we can have more expanded sessions where I can join the store in person to know about POS and how to key in the old information at the store, it would be much better when I do the planning or promotion in the office.” – sales function c, female
The Finnish employees talked about the importance of sufficient career development chances, especially in the early career phase. If a worker did not see the future of his career, the company would not be able to keep him for a long time (stay), because he would have a desire to advance his career. They complained that sometimes the final candidate for a new job opening was decided beforehand, which upset and annoyed them. They were frustrated about this kind of job vacancy because their effort for the application was in vain. Some shop salespeople worked very hard day and night, but they were not offered any good career opportunities. They lost their motivation to work better (strive) and considered leaving the company (stay).

“It’s actually much more important that [there is] career development possibility, especially in the beginning of the career. When I came here 4 years ago, I even dropped my salaries, because career development possibilities here will be much better than doing what I did.” – finance function B, male

“In the office, sometimes there are positions that some people feel they are suitable for and have the knowledge to do … but they are still employing the people from other companies, and somehow you would feel they don’t respect you or value you.” – sales function manager E, female

The interviewees in Japan mentioned that sufficient career opportunities could exert a positive influence on their desire to go beyond the call of duty (strive). This was because they could see the chance to get to the next level position. A clear career advancement path could incentivize the employees to reach their best capacity (strive). Two main issues concerning career development were brought up in the interviews. The interviewees were not clear about how they could up-level their position. There were no criteria for how the temporary employment can upgrade to the permanent employment. There was a very big salary gap between these two types of employment though they
had almost the same responsibilities. Some of the interviewees did not recommend their company to their friends (say) because they did not want to see their friends working in a temporary position forever. Another issue was concerning the new job openings. They were not happy about the recruitment process for the new job openings. Some new positions were created and taken at the same time, so they did not think the recruitment process was fair.

“Career opportunities [are important for an employee to stay in a company]. I think it leads to more motivation to make more efforts. At this point, this aspect is not very transparent so far. [With sufficient career opportunities], you can set your goal and feel fulfilled. ... We can build some achievements and results. If someone joins our group, then we can pass our experience, culture or whatever to the next generation.” – retails function No.9, female

“It’s good to have open opportunities for everyone. The opportunities should be clear and informed to everyone, and available.” – retails function No.8, female

“In terms of career path, if the person is working in a shop, then the person will be forever at that shop and never have a chance to go beyond. Maybe it’s good for them to have some opportunities for any other jobs than being a retail staff.” – sales function manager No.1, male

There were not many career advancement chances available to the Korean employees. They were not clear how they could get to the next level position or even what the position would be. The Korean employees did not have many complaints about this. But one employee pointed out that there would be a need for career advancement when their company grew bigger in the future. This unchanged situation would certainly affect the employee turnover (stay).
“I have no chance for career development. What would be my next position if I were promoted? We don’t know. What’s the final destination in this company? We have no information so far ... I am okay with the current situation of career development.” – finance function manager j, female

“But as our company grows, I think there would be growing needs for some personnel taking care of this career development. I think it definitely affects the turnover rate.” – administration function h, female

3.3.8 Job security

Based on the Finnish interviewees, it was important for them to have confidence in their company’s financial side and the stability of their position. Good job security could allow them to focus on their tasks and responsibilities at work. If their job were in danger, then they would be more active in seeking employment opportunities in other companies (stay). During the period of the co-determination talks, when a big scale of layoffs happened along with the negotiation talks between the company and the employees, most of the employees became absent-minded at work. They were worried about being let go and lost their financial incomes. Sometimes the female employees could not get their original position back after their maternity leaves. They did not feel being valued by the company and left for another employer (stay). However, given the sluggish economy and ubiquitous organizational changes in Finland, the Finnish interviewees also expressed their acceptance of a certain level of job insecurity.

“[If you choose a company,] you really have to trust the company is nice in the economic side” – sales function manager A, female

“If I were to be without the job, [or my job were] in a risky place, then I would want a higher salary. If I went to Antilla, the salary would need to be much higher as they might be bankrupt after one year.” – finance function B, male
“The manager can’t promise that she (the pregnant employee) can have her position back after [giving birth to] the baby ... It’s like a punishment for having a baby.” – sales function C, female

According to the interviews in Japan, a company’s financial sustainability would impact the Japanese employees’ decision on choosing and staying in a company (stay). They considered the stability of their job to be highly correlated with the future of the company. If they did not see the future of the company, it would be impossible for them to keep their employment for a long time. They would consider moving to another more secure workplace (stay). The stable personnel management was important in order for the Japanese employees to do their best (strive) because they expected their long-term effort to be recognized. The interviewees expressed their confidence in the company growth and their ability of keeping their job for a long run. It decreased their intention to look for other employment opportunities (stay).

“I consider a good company is where they can sustain for a long time, and I can stay at that company for a long time and my employment is assured for a long time.” – retails function No.7, female

“If I don’t see any future of the company then I will want to leave a company.” – logistics function No.2, female

“[It is important that] we can have stability in the company, which means we don’t see the sudden changes in the personnel or management.” – finance function No.3, female

Job stability was one of the key considerations for the Korean employees when they chose a company. Given the insufficient financial support from their government, it was important for them to have a stable income in order to live well. When they were asked to grade the importance of job security on
a scale of one to five, on which one indicated least important and five indicated most important, most of the participants gave the answer of five.

“I worked for the furniture sales, my pay was cut when moving to this brand, but I thought about the possibility of the long-term job security.” – retail function a, female

3.3.9 Respect

The interviewees in Finland said that insufficient respect would affect negatively on their work performance. If they were treated disgracefully by their surrounding people, they would get a bad mood easily, have less motivation to work harder (strive), and consider leaving the company for good (stay). One interviewee took one of his personal experience as an example. One of his colleagues reported him to his supervisor for a small issue which could have been addressed by the two of them with an open discussion. He did not want to work with the colleague any more because he did not think the colleague respected him. The interviewees in retail did not think they received sufficient respect from the office workers. They felt discouraged to contribute their constructive ideas (strive) because their suggestions on sales and marketing were ignored by the office side. They were frustrated about the power distance that the office employees presented.

“Of course it (being respected) is very important. If everyone hates me, or doesn’t listen to me, they all like eww... you don’t really want to work with [them] or [you just want to] ignore them.” – sales function C, female

“I think it (respect) is more about social side, about attitudes and how we communicate with each other in different levels, and how they see us and talk to us.” – retail function manager G, female

“The people in each team or store might say my team is really good, nice and helping each other. People in the office might say ‘the office is really good. I love these people and really like working
with them’. But between these teams (in retail and in the office), there are almost no teamwork and no connections. The team in the office, they might feel they are a bit higher up.” – sales function manager E, female

When the Japanese employees’ effort was respected and recognized, it could bring them a sense of accomplishment and encourage them to contribute more and work at their best (strive). The interviewees mentioned there was not sufficient praise that could encourage them to do their best work. Being treated by the company in an equal and respectful way could help to glue employees and the company tightly (stay) due to a feeling of being appreciated. Some of the interviewees criticized the phenomenon that the new employees were not given due care or respect. They expected the problem of lacking respect towards new employees to be solved in the future.

“[I would recommend a company that has] the valuation, your job being valued, not only in terms of sales number you achieve, but also in other fields, e.g., when shop mangers make efforts to make the shop better. Your efforts must be visualized.” - retails function No.7, female

“When some newcomers join, no one cares about you. You are left alone. There is a lack of respect towards the shop staffs. Of course we are important job performing pieces for the company. If the respect can be seen, we can work willingly for the company. ... I have some expectations on changes of lacking respect by the company towards everyone.” – retails function No.6, female

“If something good happened, there were no praise or shared recognition. But those achievements should be shared, which [would] lead to motivation. Of course salary rate is important, but those kinds of recognition is also important.” – sales function manager 1, male

The Korean interviewees highly appreciated the female-friendly atmosphere in their company where male and female employees were treated equally. There was no traditional Korean man-oriented
culture or daunting social drinking after work. They were happy to tell their friends about their company’s gender equality culture (say). If an employee’s effort is paid off fairly regardless of gender, she would be more likely to do her best work (strive). However, the interviewees felt frustrated about the communication conflicts with the regional management. They did not think their opinions and effort were valued by the management team. They had no motivation to innovate their company (strive) with their creative ideas because they thought the company just wanted them to follow the instructions rigidly.

“One of the most important things [of an ideal workplace] is the company culture, mainly respecting the employees.” – finance function manager j, female

“Other companies are more man-oriented, but our company doesn’t have any gender discrimination. We can prove our abilities without discrimination.” – administration function h, female

“When they (regional management) had some conclusions for us, e.g., they tried to add or change something, then we had to have one more discussion on our side, which meant that they did not believe us or they ignored our culture or our efforts... But I felt like [there was] not enough respect for our conventional culture or our emotion.” – SCM function i, female

3.3.10 Learning and development

The Finnish interviews indicated that it was important for them to have the chance to learn and develop themselves in their work. Learning new knowledge and advancing their skills was part of what they looked for in a job. This would increase their intention to stay in a company (stay). One employee in the marketing and sales function felt excited about getting to know diverse brands in the case company. She was inspired by different sales process of each product brand and felt motivated to go to work every morning (stay). One interviewee was looking for the chance of job rotation, such as changing
from finance role to public relations function. She could get more inspiration to do things differently and innovatively (strive) at work. Most of the interviewees were also intrigued in working in a well-developed city abroad because they wanted to see how business might be done differently outside Finland.

“[When joining a company.] what I consider is the possibility to learn and develop... What do I get? If I can learn some new and interesting stuff?” – finance function B, male

“I think it (what I care when I take a job) is more about the learning experience itself” – sales function manager A, female

“It’s always motivating to have aspects to involve and learn new things, have career opportunities. I think it’s very important for most of the employees.” – retails function manager G, female

The learning need of the Japanese interviewees was different from the Finnish interviewees. The Japanese employees were more interested in work-related trainings in order to have a better job performance. The Finnish interviewees preferred learning and developing themselves by doing their work. In the interviews with the Japanese employees, the managers showed their interest in the training of management skills; the salespersons expected more training on product knowledge and sales skills; and the controllers cared more about how to master the accounting IT system well. As they did not have sufficient training, they expected this to be improved in the future. It could inspire them to meet more than ordinary requirements (strive). They would feel more obligated and more willing to stay in their company (stay).
“Training courses would be good to (make employees stay longer and perform better). There’s very few training courses. Actually, we are in the phase of planning some future training courses for the shop workers.” – sales function manager No.1, male

“More trainings on general knowledge about the management skills. We don’t have many opportunities about that.” – sales function manager No.1, male

“It’s good to have open opportunities for everyone to try new things or other areas. … they can provide some sort of support for your goal.” – retails function No.8, female

The Korean teams were also interested in work-related training because this could improve their job performance. They were more interested in the general office skills, such as, IT skills and English language skill. They expected their company to support the training either online or offline. Some of the interviewees were excited about job rotation because they wanted to develop different skill sets. Learning opportunities could be a good incentive for them to do their best at work (strive) because they felt the company cared about their personal development. They were happy that the company shared openly about the company strategy and the beautiful stories behind their products. This gave them a sense of being valued, which made them have less desire to quit (stay) and want to build up a better version of their company (strive).

“I personally look for the [English] language center. … If the company can fulfill my desire, it will improve my job performance, too. It’s a very good incentive.” – retails function manager d, female

“I think daily routine is too repetitive continuously and I would like to have more self-development, like more training and learning sessions. So I can lead this one to my work and have more motivation in the workplace.” – sales function b, female
“The ideal company is [the company] gives opportunities to everyone to improve themselves. The opportunities mean training programs, like she said, all work-related. And also the company can be flexible so I can try different roles or possibilities if I am interested.” – marketing function f, female

3.3.11 Physical environment

The Finnish interviewees described that an ideal workplace should be a place where they have all functional tools, equipment, and space that address the need of their work. Some of the interviewees in retail mentioned that the beautiful visualization and design of the retail shop brought them a pleasant feeling and passion. Some of the office employees mentioned that the product showroom had been reminding them of all the well-designed products. The interviewees were happy to tell their friends and others about their nice shops and product showroom (say). There were many formal meeting rooms in the office, but they expected to have some casual space where they could take a break or have a chitchat with their colleagues. They appreciated the practice of “home working day” because they could work remotely, save the commuting time, and balance their life and work more easily. An unpleasant or inflexible working place could decrease the employees’ motivation to come to work (stay) due to the inconvenience.

“Working environment is very important. It starts from there. All the equipment and stuff should easily address our needs ...The space should be addressable. Group room and private room are both needed. we have a big corridor and everyone has their own room there. [But we are] lacking the place other than a meeting room for colleagues gathering together and some casual chatting or discussions.” – sales function manager A, female
“Of course the shop is a beautiful and easy place to work. If you go to the store, you have all beautiful things around you. And it’s a pleasure to work in that kind of place” – retails function manager F, female

“I really appreciate working at home… it helps you to do some kinds of things at home, like you get a new sofa, for which you have to be there, so you don’t need to come forth and back. Those are really efficient days for me. Those are really good things. Every time I always mentioned them in the questionnaire. No [need to be] that often, like one day per week [is good].” – sales function C, female

The Japanese employees did not talk much about the importance of a well-functioning physical environment. But one interviewee mentioned that an ideal workplace should start with a comfortable physical environment. She enjoyed the beautiful view from their office window.

“Physical environment is [important for an ideal working environment], and I like the very nice view here (in the office).” – marketing function No.5, female

Physical environment was not the focus topic for the Korean teams. However, the practice of “home working day” was very appreciated by the interviewees. It was important from them to have the chance to work remotely occasionally because this helped them balance their work and life better.

“The working condition is also important for us. [Both] physical working environment and people relationship.” – retails function manager d, female

“Working at home, such as 1-2 days per week. I can choose to work at home to take care of my kids and my home.” – marketing function manager g, female
3.3.12 Performance evaluation

The Finnish interviewees expected a better bonus assessment system to be in place. They wanted to understand better how their bonuses would correspond to their performance. They criticized that their personal work goals were set too late, usually in the second half year. They lost their motivation to strive for their targets (strive) because they did not think they could make greatly different results in less than half a year. In some cases, their performance was assessed by some indicators that were not practical or controllable. This greatly destroyed their confidence and their willingness to go the extra mile (strive) because they could not do anything about those criteria.

“The bonus assessment system is so complicated that no one knows. It’s like a lottery. Okay, I got 500 euros or 1500 euros whatever.” – finance function B, male

“And you get goals in the end of the year when the 7 months are already gone. It didn’t make any sense and you didn’t get any motivation about it... for my personal goal is cost control, it’s really not that good... the manufactory is doing the materials, you really can’t control the costs. You just came there and these are the supply costs, you are like, yeah, I have this in my goal, but you can’t really do anything on it” – sales function manager A, female

“But at least the engagement won’t get better with the bonus assessment system.” – sales function C, female

The Japanese teams mentioned that a fair and open work evaluation system could have a very positive influence on their enthusiasm and undivided attentions at work. If their contributions were reviewed and paid off fairly, they would have more momentum and do their utmost in their work (strive). They would be also happy to recommend their company (say) because their friends would have fair financial rewards. They felt very disappointed about the current evaluation mechanism because they did not see transparent evaluation criteria available. They were not sure if their work was assessed in a fair way.
This destroyed their motivation to work harder and better for the company (strive) because they did not think the company acknowledge their effort.

“Transparent salary rate system [is one of the most important factors for me to recommend a company], [which means] you have an idea about how much your salary will be raised in terms of your achievement or evaluation. You can then set your goal along with your superiors and [there will be] more enthusiasm.” – retails function No.8, female

“Someone like trainers in [another brand] can help us in terms of evaluation and effort of each employee at each outlet. But currently they don’t see us work or perform. The sales department visited us from time to time, but they didn’t oversee us how we work but just checked in terms of figures, how many items we sold. So far shop master has more contacts with the headquarter but the ordinary employees don’t have the chance, which means the company doesn’t see they are working.” – retails function No.7, female

“Our company needs to improve the way of evaluation from human resource department. so far it’s conducted through the vertical direction form top towards down. That is okay, but many aspects can’t be seen. Horizontal evaluation is necessary because the colleagues know if you are making efforts for the tiny chores. That would be a fair evaluation system.” – marketing function No.5, female

According to the Korean interviewees, there was no systematic performance evaluation in their company. They were not clear how their work was assessed and how it was proportional to their rewards. The employees had different opinions on this. Some thought that this would not affect their work attitudes or engagement, but others especially in the support function thought the nontransparent assessment system led to their confusions and frustrations, and prevented them from going beyond the call of duty (strive).
“I doubt if the assessment of my performance directly reflects my pay rate ... When I got the pay rate, I wanted to get more details [about my] pay rate, like what kind of performance I did and how it was related to the pay rate.” – sales function b, female

“Salary is confidential ... I didn’t think about it deeply. I was not sensitive to the evaluation because our company doesn’t have the performance-based system.” – marketing function f, female

“I am not satisfied if I compare my performance with the increasing rate. I always felt low.” – finance function manager j, female

3.4 Conclusions – focus group interviews

To conclude, there were 12 identified factors that had various levels of influence on employee engagement. These 12 factors were out of the 19 engagement factors in the adjusted AHEE model and covered six driver dimensions. The level of importance of each factor was measured based on how frequently it was mentioned as an important engagement factor, how the interviewees described its significance, e.g., with adjectives “very”, “a bit” or “extreme”, how detailed it was elaborated, and what its consequences were. Each factor’s importance was graded from low, medium, high, to very high. In Table 3.2, the level of importance of each factor among the three countries is illustrated. The findings offer the preliminary answers to the two underlying research questions “what are the key factors driving employee engagement?” and “how do engagement drivers differ in different geographical regions (cultural settings)?” The results were further examined by the quantitative analysis in the next research phase.
Table 3.2 Level of importance of 12 identified engagement factors

<table>
<thead>
<tr>
<th>Factor</th>
<th>Importance of impact on employee engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Finland</td>
</tr>
<tr>
<td>Brand image</td>
<td>Very high</td>
</tr>
<tr>
<td>Financial compensation</td>
<td>High</td>
</tr>
<tr>
<td>Work-life balance</td>
<td>High</td>
</tr>
<tr>
<td>Team member exchange</td>
<td>Very high</td>
</tr>
<tr>
<td>Perceived managerial support</td>
<td>High</td>
</tr>
<tr>
<td>Person-job fit</td>
<td>Very high</td>
</tr>
<tr>
<td>Career opportunities</td>
<td>Medium</td>
</tr>
<tr>
<td>Job security</td>
<td>Medium</td>
</tr>
<tr>
<td>Respect</td>
<td>High</td>
</tr>
<tr>
<td>Learning and development</td>
<td>High</td>
</tr>
<tr>
<td>Physical environment</td>
<td>High</td>
</tr>
<tr>
<td>Performance evaluation</td>
<td>Low</td>
</tr>
</tbody>
</table>

Compared to the Japanese and the Korean employees, the Finnish employees seemed to demand more from the company in exchange for the same levels of engagement. The three most important factors for the Finnish employees were brand image, team member exchange and person-job fit. This indicated that the Finnish employees valued a lot a sense of fulfillment and self-actualization in their work. They felt fulfilled and proud when they found their products brought people into a better life. They appreciated good team member exchange because a team could achieve greater results than the sum total of each individual’s contributions. Good person-job fit allowed them to express themselves, make
the most of their competences, and sharpen their core skills. The next most important factors were financial compensation, work-life balance, perceived managerial support, respect, learning and development, and physical environment. This indicated that they also appreciated a competitive salary, a good balance between their profession and life, a supportive supervisor, sufficient respect, sufficient learning opportunities, and a comfortable work environment.

Concerning engagement drivers, the Japanese employees had some different choices compared to the Finnish employees. The three most significant factors were brand image, financial compensation, and performance evaluation. We can conclude that it was very important for the Japanese employees to get their effort and input fairly rewarded either non-financially or financially. They valued good brand image because they could get recognition and appreciation from others who know about their company brand. They valued good financial compensation because they expected a fair return on their contributions. The social welfare support structure in Japan was not as good as that in Finland, so good financial rewards could enable them to support themselves and their families independently. They valued an open performance evaluation system because they expected their contributions to be respected and valued fairly. The next most important factors were work-life balance, team member exchange, and person-job fit. This indicated that the Japanese employees also appreciated a good balance between work and life, a good collaboration with their colleagues, and a job that fits well their competence.

Compared to the Finnish and Japanese employees, the Korean employees seemed to demand the least from the company in exchange for the same levels of engagement. The top three engagement drivers for the Korean employees were brand image, financial compensation, and work-life balance. Job security was the next most important factor. Compared to Finland and Japan, there were fewer engagement drivers that had above medium-level importance in Korea. However, it should be noted
that the Korean interviewees were more conservative and less talkative during the interviews. The actual importance of the identified factors might be higher. We can conclude from the findings that the Korean employees appreciated very much if they could enjoy both their private life and work life. They cared about good brand image because working for the products they like could bring more pride and joy in their life, especially when socializing with others. Financial compensation and work-life balance were chosen as two other most significant elements, because they wanted to support their personal lives and their families well financially and time-wise. Their family-oriented culture played an important role in their engagement drivers. They valued a good level of job security because it could lead to a stable income and support their private lives.

3.5 Data collection – surveys

As planned, the next step after interviews was to collect data via online questionnaires. One key aim was to investigate whether these 12 identified variables had a significant statistical relationship with employee engagement. When it comes to verification rather than discovery, surveying is usually a more helpful research method (Gable, 1994). Another key goal was to examine whether the country context had a moderating effect on the relationship between employee engagement and its predictors. Through the analyses, we can figure out the most important engagement drivers and how the impacts of these factors might differ among different regions.

Initially the author planned to investigate the same countries as those in the interviews. However, due to the unexpected organizational changes in the case company, it was not possible to survey the Japanese employees any more. In order to get sufficient data, the author suggested to include the Chinese employees as part of the respondents instead. The author carried out the surveys in Finland, China, and Korea.
3.5.1 The first category hypotheses

There are two categories of hypotheses proposed in this research. The first category was to answer the first research question - what are the key factors driving employee engagement? There were 12 hypotheses in the first category in order to examine the 12 identified variables. The significant factors were chosen and the irrelevant variables were filtered out. This can prevent the insignificant or multi-collinear variables from harming the performance of the regression models. The second category was to answer the second research question - how do engagement drivers differ in different geographical regions (cultural settings)? There were six hypotheses proposed in order to examine the moderating effect of country on the relationship between employee engagement and engagement drivers. The hypotheses of the second category are presented in Section 3.6.2.

In order to examine the statistical relationship between the 12 identified factors and employee engagement, there were 12 hypotheses proposed as follows. To aggregate these factors further, in line with adjusted AHEE model, there were six driver dimensions included. The first dimension was work design, which included person-job fit, physical environment, work-life balance, and performance evaluation. Based on the interviews, a well-designed working mechanism, comprising of a proper workload, suitable and interesting work tasks, a fair evaluation system, and an addressable working place, could have a positive impact on employee engagement. Therefore, the author predicted:

*Hypothesis 1a:* work-life balance is positively related to employee engagement.

*Hypothesis 1b:* person-job fit is positively related to employee engagement.

*Hypothesis 1c:* physical environment is positively related to employee engagement.

*Hypothesis 1d:* performance evaluation is positively related to employee engagement.
The second dimension was work climate, including team member exchange and respect. According to the interviews, a good work environment where colleagues cooperated well together and respected each other’s effort and contributions could improve the levels of employee engagement in the company. Thus:

*Hypothesis 2a*: team member exchange is positively related to employee engagement.

*Hypothesis 2b*: respect is positively related to employee engagement.

The third dimension was benefits, including financial compensation and job security. According to the interviews, they would be more willing to do their best at work and be more loyal to their company if they received good pay levels and secure job employment. Therefore, it was expected:

*Hypothesis 3a*: financial compensation is positively related to employee engagement.

*Hypothesis 3b*: job security is positively related to employee engagement.

The fourth dimension was about employee development, which included career opportunities and learning and development. The interviewees emphasized that they would have less intention to quit and go the extra mile if there were sufficient chances to advance their career and develop themselves. Therefore:

*Hypothesis 4a*: career opportunities are positively related to employee engagement.

*Hypothesis 4b*: learning and development is positively related to employee engagement.

The fifth dimension was leadership and the sixth dimension was company image. Based on the interviews, a supportive supervisor with good leadership could increase the employees’ confidence,
keep the best talents, and motivate the subordinates to go beyond the call of duty. Employees felt proud and inspired when they could work for a prestigious brand. It decreased their intention to quit the job and increased their willingness to talk about their company. So, the author expected that:

*Hypothesis 5*: perceived managerial support is positively related to employee engagement.

*Hypothesis 6*: brand image is positively related to employee engagement.

### 3.5.2 Sample and procedure

The surveys (see Appendix 4) had been spread by the case company’s HRs to around 100 employees in Finland, 49 employees in Korea and 60 employees in China. 93 valid responses were received, 22 from Finland, 27 from Korea, and 44 from China, respectively. The surveys had been collected from December 18th, 2015 to February 7th, 2016. The questionnaires were translated from English to local language in Japan and Korea. Given English was a widely spoken language in Finland, the surveys were in English in Finland, which could avoid any translation errors.

A few reminders had been sent to the recipients in order to encourage their participations, but the participation rate was not as high as expected, particularly in Finland. This could be because there had been too many surveys within a short time period in the case company. The employees felt too overwhelmed to participate in more surveys. Due to the limited amount of data, data from Korea and China were combined as one data set (Asia) in order to improve the validity and the reliability of data findings. The analysis of variance (ANOVA) indicated no significant difference in the variance in employee engagement between China and Korea ($p = 0.41 > 0.1$). A high correlation of employee engagement between Korea and China was shown in the correlation matrix in Table 3.4. Description of the respondents is showed in Table 3.3.
Table 3.3 Description of respondents

<table>
<thead>
<tr>
<th>Number of respondents</th>
<th>Finland</th>
<th>Korea</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>21</td>
<td>23</td>
<td>14</td>
</tr>
<tr>
<td>Male</td>
<td>1</td>
<td>4</td>
<td>30</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;=20</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>21-30</td>
<td>2</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>31-40</td>
<td>9</td>
<td>8</td>
<td>30</td>
</tr>
<tr>
<td>41-50</td>
<td>7</td>
<td>13</td>
<td>4</td>
</tr>
<tr>
<td>&gt;50</td>
<td>3</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td><strong>Function</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales office</td>
<td>3</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Retail stores</td>
<td>11</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Finance &amp; accounting</td>
<td>0</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>HR &amp; administration</td>
<td>2</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Marketing</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Logistics</td>
<td>0</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Other functions*</td>
<td>2</td>
<td>12</td>
<td>31</td>
</tr>
<tr>
<td><strong>Organizational tenure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 6 years</td>
<td>10</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td>6-10 years</td>
<td>5</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td>&gt;10 years</td>
<td>6</td>
<td>1</td>
<td>3</td>
</tr>
</tbody>
</table>

* The details on other functions of respondents were not complete

3.5.3 Measures

In order to generate valid statistical relationships and descriptive statistics, it is important for a survey to have the right questions in the right way (Gable 1994). A five-point Likert scale ranging from one (strongly disagree) to five (strongly agree) were used for all survey items.

*Employee engagement.* Employee engagement was measured by the six-item AHEES scale (2014). The scale consists of three dimensions: say (two items, e.g., “I would recommend my company to a friend who is looking for a job”), stay (two items, e.g., “I prefer to working at our company than
somewhere else”), and strive (two items, e.g., “our company inspires me to go beyond the call of duty”). The Cronbach’s alpha for the scale was 0.91.

**Brand image.** The author assessed brand image by adapting four items from the seven-item scale developed by Cretu and Brodie (2007) (e.g., “our brand products are useful” and “our brand has a reputation for quality”). Sample items were “our products are functional and make people a better life” and “our products are well-known and prestigious”. The coefficient alpha was 0.78.

**Financial compensation.** The measure of financial compensation was based on the scale developed by Schreurs, et al. (2015). Three items were adapted from the five-item scale (e.g., “I think that my salary is satisfactory for the work that I do”). Sample items included “I am paid fairly for my work input” and “I think that the pay in my company is not lower than in comparable firms”. The reliability was high ($\alpha = 0.90$).

**Work-life balance.** Work-life balance was measured by the three-item scale developed by Haar (2013). It includes items e.g., “I manage to balance the demands of my work and personal or family life well” and “I am satisfied with my work–life balance, enjoying both roles”. The Cronbach’s alpha for the scale was 0.78.

**Team member exchange.** The team member exchange scale developed by Aon Hewitt (2014) was used because it was in line with the interviews. Three items were selected from this four-item scale, e.g., “my colleagues share best practice and job knowledge with each other” and “there is open and honest communication between me and my colleagues”. This scale was reliable ($\alpha = 0.89$).
Perceived managerial support. The perceived managerial support measure developed by Aon Hewitt (2014) includes five question items. The scale was in line with the interviews. Four of the items were selected, e.g., “my manager provides the support I need to succeed” and “my manager encourages and motivates me to do my best”. The coefficient alpha was 0.96.

Person-job fit. Person-job fit was assessed by adapting three question items from the four-item measure by Saks and Ashforth (2002), e.g., “to what extent does the job enable you to do the kind of work you want to do?”. Sample items were “my work tasks fulfill my needs and what I am looking for in a job” and “I enjoy my day-to-day work tasks”. The coefficient alpha was 0.86.

Career opportunities. The author measured career opportunities by two items from the three-item scale developed by Kraimer, et al. (2011). The two question items were “there are interesting job opportunities available to me” and “our company offers many job opportunities that match my career goals” (α = 0.87).

Job security. Job security was assessed by the scale developed by Oldham, et al. (1968), including “I am confident that I can keep my job within my company” and “my job will not be among the first ones to go if layoffs would happen” plus one additional item based on the interviews, which was “I am able to work for this company for a long time if I wish”. The Cronbach’s alpha was 0.77.

Respect. In line with the interviews, a three-item scale was created by the author, including “I have sufficient respect in my company”, “people are equally valued in my company” and “my work is highly valued and appreciated by others”. The coefficient alpha was 0.87.
Learning and development. Learning and development was measured by two items from the three-item scale developed by Aon Hewitt (2014) plus an additional item created by the author. Sample items were “there is sufficient support on developing my skills and expertise in my work” and “there is an effective process to help me identify my development needs”. The Cronbach’s alpha was 0.90.

Physical environment. In line with the interviews, physical environment was assessed by the three-item scale designed by the author. Sample items were “my physical working place is comfortable” and “the design of working place is appropriate for my work”. The reliability was high (α =0.91).

Performance evaluation. In line with the interviews, the author created three question items to measure performance evaluation. Sample items included “my performance evaluation criteria are clear and transparent to me” and “my performance has a significant impact on my compensation level or incentives”. The Cronbach’s alpha was 0.82.

Control variables. Of the general background factors, age and gender were used as controls in the analyses. Of the work-related background factors, country, managerial/non-managerial position, organizational tenure and organizational function were selected. Seven dummy variables were created for different organizational functions (sales, retails, finance, HR, marketing, logistics, and others). Two dummy variables were generated for Finland and non-Finland countries (Asia). In order to ensure a normal distribution, the respondents’ birth year was transformed into the natural logarithm of age in years and organizational tenure was transformed into its natural logarithm.
3.6 Data findings – surveys
3.6.1 Data findings – the first category hypotheses

The descriptive statistics and correlations between the variables are presented in Table 3.4. The variance inflation factors (VIFs) for all the variables were lower than the cutting value of 10 (Neter, et al., 1985). The correlation matrix reports that several independent variables are highly correlated with each other ($\alpha > 0.6$). Specifically, perceived managerial support is greatly correlated with respect, team member exchange, and performance evaluation; respect is highly correlated with performance evaluation, person-job fit, and job security; learning and development is greatly correlated with career opportunities and performance evaluation; and there is a high correlation between performance evaluation and career opportunities. There might be a problem of multicollinearity when the highly correlated variables are in the same model. In order to address it, some of the regression models (see Table 3.4) include only part of the highly correlated variables.
Table 3.4 Descriptive statistics and correlations between the variable

| Factor                          | Mean | SD   | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
|---------------------------------|------|------|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|
| Brand                           | 4.18 | 0.57 |   |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |
| Pay                             | 2.72 | 0.89 | 0.22 | 1 |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |
| Work-life balance               | 3.64 | 0.65 | 0.47 | 0.30 | 1 |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |
| Texas member exchange           | 3.87 | 0.77 | 0.42 | 0.33 | 0.38 | 1 |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |
| Perceived managerial support    | 3.78 | 0.91 | 0.42 | 0.47 | 0.26 | 0.67 | 1 |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |
| Person-job fit                  | 3.72 | 0.65 | 0.39 | 0.34 | 0.40 | 0.50 | 0.49 | 1 |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |
| Career opportunities            | 3.02 | 0.90 | 0.26 | 0.35 | 0.23 | 0.33 | 0.48 | 0.41 | 1 |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |
| Job security                    | 3.69 | 0.63 | 0.46 | 0.38 | 0.30 | 0.50 | 0.57 | 0.49 | 0.42 | 1 |   |    |    |    |    |    |    |    |    |    |    |    |    |
| Respect                         | 3.62 | 0.76 | 0.51 | 0.51 | 0.35 | 0.59 | 0.66 | 0.62 | 0.32 | 0.64 | 1 |   |    |    |    |    |    |    |    |    |    |    |
| Learning & Development          | 3.13 | 0.88 | 0.37 | 0.54 | 0.26 | 0.61 | 0.55 | 0.46 | 0.68 | 0.37 | 0.41 | 1 |   |    |    |    |    |    |    |    |    |    |
| Physical environment            | 2.67 | 0.67 | 0.30 | 0.31 | 0.38 | 0.26 | 0.29 | 0.28 | 0.38 | 0.17 | 0.26 | 0.52 | 1 |   |    |    |    |    |    |    |    |    |
| Performance evaluation          | 3.36 | 0.79 | 0.39 | 0.54 | 0.39 | 0.50 | 0.61 | 0.58 | 0.66 | 0.56 | 0.62 | 0.64 | 0.29 | 1 |   |    |    |    |    |    |    |    |
| Finland                         | 0.23 | 0.42 | 0.12 | -   | 0.26 | 0.03 | -0.19 | - | 0.06 | -0.09 | -0.04 | 0.29 | -0.18 | 1 |   |   |   |   |   |   |   |   |
| Korea                           | 0.30 | 0.45 | 0.14 | -   | 0.27 | 0.13 | -0.24 | -0.24 | 0.06 | 0.18 | - | 1 |   |    |    |    |    |    |    |    |    |    |
| China                           | 0.47 | 0.50 | -0.23 | 0.49 | -0.16 | 0.07 | 0.29 | 0.09 | 0.26 | 0.15 | 0.14 | 0.28 | 0.15 | 0.32 | - | 1 |   |    |    |    |    |    |
| Gender                          | 0.62 | 0.48 | 0.22 | 0.22 | -0.28 | -0.20 | -0.03 | -0.16 | -0.26 | 0.38 | 0.30 | - | 1 |   |    |    |    |    |    |    |    |
| Age                             | 44.9 | 0.34 | 0.07 | 0.08 | 0.17 | 0.11 | -0.29 | 0.15 | -0.05 | 0.17 | 0.15 | -0.03 | 0.22 | -0.13 | 0.15 | -0.30 | 0.06 | 0.08 | 0.05 | 0.12 | 0.08 | 1 |
| Organizational tenure          | 5.32 | 1.00 | 0.06 | -0.03 | -0.20 | -0.13 | -0.03 | 0.09 | 0.06 | -0.02 | 0.22 | -0.03 | 0.40 | - | - | - | 0.64 | 0.22 | 1 |
| Manageral position              | 0.31 | 0.46 | 0.11 | 0.00 | -0.05 | 0.21 | -0.03 | 0.08 | -0.11 | 0.06 | 0.12 | -0.02 | 0.09 | -0.09 | 0.34 | - | 0.43 | 0.20 | 0.17 | 0.15 | 0.23 | 0.2 | 1 |
| Employee engagement            | 3.54 | 0.77 | 0.55 | 0.54 | 0.48 | 0.61 | 0.74 | 0.58 | 0.47 | 0.62 | 0.74 | 0.46 | 0.35 | 0.65 | - | - | 0.13 | -0.10 | 0.14 | - | 0.1 | 0.1 | 1 |

** Correlation is significant at the 0.01 level
* Correlation is significant at the 0.05 level
To examine the first 12 hypotheses, the author conducted Ordinary Least Squares (OLS) hierarchical regression analyses, in which the control variables were entered in the first step and the predictors followed in the next step (Baron & Kenny, 1986). Table 3.5 shows the regression analyses in seven models. Model 1 includes only the control variables. Model 2 includes both the control variables and the 12 independent variables. Model 3-7 include the control variables and part of the 12 independent variables in order to eliminate the potential multicollinearity effects.

Table 3.5 Results of regression analyses of employee engagement

<table>
<thead>
<tr>
<th>Variables</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
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69
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**. Significant at the 0.01 level
*. Significant at the 0.05 level
†. Significant at the 0.1 level

Table 3.5 reports the results of the regression analyses for testing the hypotheses. Gender is positively related to employee engagement. As female is labeled as “1”, the positive correlation indicates that female employees have higher levels of employee engagement than male employees. This could be because females have a different career aspiration compared to males. As female employees might prefer relatively stable employment to job hopping, they might have less intention to quit and be more loyal to the company. Employees in sales function are less engaged than employees in other functions. A conceivable explanation is that employees in sales role get lower salary levels than employees in other functions and a low pay level has a negative effect on employee engagement. Alternatively, it could be because of their job nature. It is more frequent for employees in sales function to change their employer.

In line with the prediction of Hypothesis 1a, Model 2 reports that work-life balance is a positively related to employee engagement. The coefficient for work-life balance is positive and significant (b= 0.13, p < 0.05). An employee who has a good balance between private life and profession is more likely to be engaged. Hypothesis 1b predicts that person-job fit is positively correlated with employee engagement. This is not supported given the coefficient for person-job fit is insignificant (p = 0.60) in Model 2. The same result is also shown in Model 4, in which respect is ruled out to eliminate potential multicollinearity between respect and person-job fit. Thus, Hypothesis 1b is rejected. Hypothesis 1c,
which predicts that physical environment is positively related to employee engagement, is not supported. Model 2 shows that the coefficient for physical environment is insignificant (p = 0.63).

Hypothesis 1d predicts that performance evaluation has a positive relationship with employee engagement. The coefficient for performance evaluation is not significant in Model 2, but the coefficient for performance evaluation is marginally significant at the level of 0.07 (b = 0.15) in Model 7. In Model 7, the four variables that are highly correlated with performance evaluation are eliminated, including respect, career opportunities, perceived managerial support, and learning and development. Thus, Hypothesis 1d is supported, indicating that a clear and fair performance assessment mechanism can lead to higher levels of employee engagement in a company. This also indicates that most of variance in employee engagement that performance evaluation explains is covered by these four variables in Model 2.

Hypothesis 2a predicts that team member exchange is positively related to employee engagement. The coefficient for team member exchange is insignificant in Model 2. However, the coefficient for team member exchange is positive and significant at the 0.06 level in Model 3, where its highly-correlated variable perceived managerial support is removed. Therefore, Hypothesis 2a is supported, suggesting that employees tend to be more engaged when they have a good work relationship with their colleagues. Perceived managerial support explains more proportions of variance in employee engagement compared to team member exchange. Hypothesis 2b is supported given the coefficient for respect is marginally significant at the 0.07 level in Model 2 (b = 0.15). Employees are more likely to have higher levels of engagement when they are valued and respected in a company.

There is support for Hypothesis 3a, which predicts financial compensation is positively related to employee engagement. The coefficient for financial compensation is marginally significant at the 0.07
level (b =0.12). Good financial benefits have a positive influence on employee engagement in a company. The coefficient for job security is not significant in Model 2. But Hypothesis 3b is supported in Model 6 (b= 0.16, p=0.03), where the variables that are highly correlated with job security are eliminated, including respect and perceived managerial support. Respect and perceived managerial support account for more proportions of variance in employee engagement compared to job security.

Hypothesis 4a, which predicts career opportunities have a positive relationship with employee engagement, is rejected. The coefficient for career opportunities is not significant in Model 2. The result is the same in Model 5, in which the variables that are highly related to career opportunities are ruled out, including learning and development and performance evaluation. The Hypothesis 4b, which predicts learning and development is positively related to employee engagement, is not supported in Model 2. The coefficient for learning and development is significant but negative (b= -0.14, p<0.1). Interestingly, learning and development impacts employee engagement negatively.

In Hypothesis 5, the author argues perceived managerial support is positively related to employee engagement. It is supported in Model 2 (b = 0.28, p = 0.01). A supportive leader with good leadership can encourage the subordinates to be more engaged in a company. As the coefficient for brand image is not significant in Model 2, Hypothesis 6, which states that brand image is positively related to employee engagement, is not supported.

To summarize, seven out of the 12 hypotheses other than H1b, H1c, H4a, H4b and H6 are supported. Eight important engagement drivers are identified although learning and development has a negative rather than positive impact on engagement. The results offer the answer to the first research question: financial compensation, work-life balance, perceived managerial support, respect, learning and development, performance evaluation, team member exchange and job security are the key factors.
driving employee engagement. The five factors that are significantly related to employee engagement in Model 2 are further analyzed in the next step. These factors are financial compensation, work-life balance, perceived managerial support, respect, and learning and development. The moderating effect of Finland on the relationships between these five factors and employee engagement are examined.

3.6.2 The second category hypotheses

The aim of the second category hypotheses is to address the second research question by comparing these five predictors between two contexts, Finland and non-Finland (Asia). The interaction items, the products of multiplying predictors by the moderator Finland, were computed. All the independent variables were standardized before computing the interaction items in order to eliminate potential multicollinearity (Cohen, et al., 2003).

As there were no interviews conducted in China, the predictions were designed to be in line with the interviews in Finland and in Korea. According to the interviews, the importance of financial compensation was in the high level for the Finnish employees while it was in the very high level in Korea. Financial compensation might have a weaker impact on employee engagement in Finland than in Asia. Thus, the author predicted:

Hypotheses 7: Finland has a negative effect on the relationship between financial compensation and employee engagement.

According to the interviews, the importance of perceived managerial support was in the very high level for the Finnish employees. A supportive supervisor could motivate them to do their best work and go beyond the call. For the Korean workers, the importance of getting good support from the supervisor
was in the medium level. Perceived managerial support might have a stronger influence on employee engagement in Finland than in Asia. So, the author expected:

**Hypotheses 8:** Finland has a positive effect on the relationship between perceived managerial support and employee engagement.

Based on the interviews, the importance of a good work-life balance was in the high level in Finland. For the Korean employees, the importance of balancing well private life and profession was in the very high level. The family-oriented culture might play an important role in the Korean employees’ career choices. If they did not have sufficient time for their family due to their busy work, they would consider changing their jobs or trying to do less at work. Work-life balance might have a weaker impact on employee engagement in Finland than in Asia. Therefore:

**Hypotheses 9:** Finland has a negative effect on the relationship between work-life balance and employee engagement.

Based on the interviews, the importance of learning fresh knowledge and developing new skills was in the medium level for the Korean employees. Its importance was in the high level in Finland. Offering sufficient chances for the Finnish employees to develop themselves could keep them in the company for a longer time. Learning and development opportunities might impact more strongly on employee engagement in Finland than in Asia. Therefore, it was predicted:

**Hypotheses 10:** Finland has a positive effect on the relationship between learning and development and employee engagement.
According to the interviews, the importance of getting sufficient respect was in the high level in Finland. It would be hard for them to stay in a company if they were not respected by other colleagues. For the Korean employees, the importance of respect was in the medium level. Respect might have a stronger impact on employee engagement in Finland than in Asia. So, it was expected:

_Hypotheses 11_: Finland has a positive effect on the relationship between respect and employee engagement.

### 3.6.3 Data findings – the second category hypotheses

Table 3.6 presents the results of the hierarchical regression analyses for testing the second category hypotheses. Employees in sales, logistics, and finance functions are less engaged than other employees. A conceivable explanation is that employees in sales, logistics, and finance roles get lower salary levels than employees in other functions and the lower pay levels have a negative influence on their employee engagement.

**Table 3.6 Results of hierarchical regression analyses with interaction items**

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**. Significant at the 0.01 level  
*. Significant at the 0.05 level  
†. Significant at the 0.1 level

Hypothesis 7, which predicts that Finland has a negative moderating effect on the relationship between financial compensation and employee engagement, is rejected, as the interaction effect of Finland and financial compensation is insignificant (p > 0.1).

There is support for Hypothesis 8, which assumes that Finland negatively influences the relationship between work-life balance and employee engagement. The coefficient for the interaction item work-life balance*FIN is negative and significant at the level of 0.00, which explains 2% of variance in the dependent variable. The interaction effect is illustrated in Figure 3.2. Surprisingly, work-life balance is negatively related to employee engagement in Finland (b = -0.40, p<0.05), though their relationship is positive in Asia as expected (b = 0.25, p<0.01). When there is low work-life balance, Finnish employees have higher employee engagement compared to Asian employees. With the increase of
work-life balance, the difference in employee engagement between Finnish and Asian employees becomes smaller and smaller, eventually reaching a point where Asian employees have higher employee engagement than Finnish employees.

Hypothesis 9, which predicts Finland has a positive effect on the relationship between perceived managerial support and employee engagement, is supported. The interaction item perceived managerial support*FIN is positive and significant at the 0.09 level. The interaction effect, which accounts for 1% of variance in employee engagement, is plotted in Figure 3.3. With high perceived managerial support, both Finland and Asia employees are more likely to be engaged. When there is low perceived managerial support, Finnish employees have almost the same levels of engagement as
Asian employees. As perceived managerial support increases, employee engagement in Finland grows faster than in Asia.

In line with Hypothesis 10, the correlation between respect and employee engagement is more positive in Finland than in Asia. The coefficient for the interaction item respect*FIN is positive and significant at the 0.1 level. Figure 3.4 describes the interaction effect, which accounts for 1% of variance in employee engagement. As predicted, respect has a positive impact on employee engagement in Finland (p<0.01). When there is low respect, employee engagement in Finland is almost the same as in Asia. When there is high respect, there is a big positive difference in employee engagement between Finnish employees and Asian employees.
Hypothesis 11, which expects Finland has a positive influence on the relationship between learning and development and employee engagement, is not supported. The interacting effect learning and development and Finland is significant and negative \((p < 0.01)\). The interaction effect that explains 4\% of variance in employee engagement is shown in Figure 3.5. Learning and development has a negative relationship with employee engagement in Finland \((p<0.01)\), while the relationship is positive and significant in Asia \((p<0.05)\). When there is low learning and development, Finnish employees have higher employee engagement than Asian employees. With the increase of learning and development, the difference in employee engagement between Finnish workers and Asian workers becomes smaller and smaller, finally reaching a point where Finnish workers have lower employee engagement than Asian employees.
To sum up, three of five hypotheses in the second category are supported, including H8, H9, and H10. Four important engagement drivers, including learning and development, work-life balance, perceived managerial support, and respect, impact employee engagement differently between in Finland and in Asia, but one of the differences is not as predicted. The findings offer the answer to the second research question: Both perceived managerial support and respect are more positively related to employee engagement in Finland compared to in Asia; both work-life balance and learning and development have a positive relationship with employee engagement in Asia but the relationship is negative in Finland.
3.7 Conclusions – surveys

The survey findings offer the final answers to the two overarching research questions “what are the key factors driving employee engagement?” and “how do engagement drivers differ in different geographical regions (cultural settings)?” by testing 17 hypotheses. The testing of the first 12 hypotheses (the first category) reports eight factors are significantly related to employee engagement, including financial compensation, work-life balance, team member exchange, perceived managerial support, job security, respect, learning and development, and performance evaluation. The author further developed the AHEE model with only eight engagement predictors remained and five factor dimensions included. The modified AHEE framework is illustrated in Figure 3.6.
The influence of the other four factors on employee engagement is not supported in the survey findings. These factors are brand image, career opportunities, person-job fit, and physical environment. According to the interviews, the importance of brand image was in the very high level on employee engagement in the three countries. The contradicting findings about brand image are noteworthy. A plausible explanation is that good brand image might attract more new talents and decrease employees’ intention to quit (e.g. Ambler & Barrow, 1996; Robinson & Rousseau, 1995; Hendry & Jenkins, 1997), but it does not motivate employees to go the extra mile or recommend their company. Alternatively, it could be because when interviewees are in a group, they might answer questions in a more socially desirable way (Richman, Keisler, Weisband, & Drasgow, 1999; Yin, 2009). The interviewees might exaggerate the importance of brand image. Based on the interviews, the importance of the other three factors was quite different between Asia and Finland. The importance of these factors on employee engagement in Korea was low. When combining all the data from Korea, China, and Finland, it is possible that the hypotheses concerning these three factors are not supported.

Not as predicted in the interviews, the survey findings report learning and development has a negative relationship with engagement. This could be because the more time and energy an employee spends on his self-development, the less time and energy he can invest in his organization. When there is high learning and development, an employee can have sufficient opportunities to learn new knowledge and develop himself. He might focus on more of his personal development and sharpening his skill sets. Meanwhile, he might have less energy and time for the development of his company and going beyond the duty of call (strive).

The testing of the last five hypotheses (the second category) offers the answer to the second research question. Work-life balance and learning and development have a positive relationship with employee engagement in Asia, but these two factors negatively impact employee engagement in Finland. Both
perceived managerial support and respect are more positively related to employee engagement in Finland than in Asia. The surprising finding in Finland concerning learning and development could be explained by the reason discussed in the previous paragraph. The finding in Asia concerning learning and development is in line with most of the existing academic research (e.g. Wellins & Concelman, 2005; Crawford, et al., 2010). Sufficient chances for learning and development can keep an employee’s job fresh and interesting (Andrew & Sofian, 2012). Based on the interviews in Asia, interesting work and learning opportunities encouraged the employees to recommend their company, stay in the company for a longer time period, and do their best work as a return to their company. Given the tighter labor laws and more laid-back work culture in Europe, European employees tend not to work overtime and they usually work less hours per day in comparison to Asian workers (BBC News, 2012). By spending more time at work, Asian employees can both pursue their personal development and go the extra mile for the company.

In addition, less than 30% of the respondents in Asia were over 40 years old but 50% of the Finnish respondents’ ages were over 40 years old. Previous research has shown that older employees are less likely to be change-oriented (Warr, Miles, & Platts, 2001) and interested in learning activities (Colquitt, LePine, & Noe, 2000). Age has a negative impact on the learning preparedness and mental support for development (Maurer, Weiss, & Barbeite, 2003). More learning opportunities might create burdens rather than joys for the senior Finnish employees, which jeopardizes their engagement levels.

The negative relationship between work-life balance and employee engagement in Finland is also unexpected. The negative relationship could be explained by the perspective of scarcity, which suggests that compared to the employee who focuses more on his work role, the employee who needs to take good care of both the work and non-work roles might have less time, energy, or other resources for his work role (Lyness & Judiesch, 2008). In order to take good care of non-work issues, such as,
leisure activities or family issues, the employee might have less capacity of energy and other resources for going beyond the duty of call in his work.

On the other side, the enrichment theory argues that a good work-life balance can benefit an employee by increasing his attention and energy level at work (Lyness & Judiesch, 2008). Different research shows that multiple roles might result in enhanced role performance via cross-role transfer of positive experiences and energy (e.g., Greenhaus & Powell, 2006; Sieber, 1974). That could be why work-life balance has a positive effect on employee engagement in Asia.

The relationship between respect and employee engagement is not significant in Asia but positive in Finland. The finding could be due to the different social values between Finland and Asia. Surveying around 160,000 employees from 60 countries, Hofstede (1980) stated that power distance was high in Asian countries such as Japan, but it was low in western countries such as Denmark. Power distance measures the extent to which less powerful members are willing to accept an unequal distribution of power and regard it as normal (Hofstede, 1980). Whitley (1992, p.113) also noted that “the virtuocracies of Korea and China ruled because of their superior moral worth, demonstrated by their mastery of the Confucian classics. This meant that they did not need to justify their status by performing some useful function on behalf of society as a whole, except perhaps maintaining ‘harmony’…” Most of Chinese organizations manage employees based on Confucian values, which include respect of authority, obedience, and loyalty to management (Chen, 2001; El Kahal, 2001). In comparison, western firms value more democracy and equalitarianism (Hofstede, 1980). Given the different power distance, being respected and valued by a company is less important to Asian employees compared to Finnish workers.
Perceived managerial support is positively related to employee engagement in Finland but the relationship is not significant in Asia. Managers in Asia are expected to be more authoritative and demand more obedience rather than understanding and listening to their subordinates (Stogdill, 1970). Given the low power distance, Finnish employees expect their leader to listen to and support them. In line with the implicit leadership theory, which states that subordinates expect their leader to have the leadership style they assume to have (Eden & Leviatan, 1975), a supportive leadership has a stronger influence on Finnish workers than on Asian employees. In addition, Hofstede (1980) proposed the idea of uncertainty avoidance, which measures the extent to which people try to avoid ambiguous situations by adopting strict behavior codes or absolute truths. Hofstede (1980) found that western firms had lower uncertainty avoidance compared to eastern companies. Given high uncertainty avoidance, instead of doing things differently, Asian employees tend to do things rigidly as instructed by their manager. They are less likely to expect constructive feedback and encouragement from their manager to explore their new ideas. Different expectations on a manager between Finland and Asia could explain why there is a weaker relationship between employee engagement and perceived managerial support in Asia than in Finland.

4. DISCUSSION
4.1 Contributions

One of the key contributions of this study is developing a well-structured framework to understand the antecedents of employee engagement in a holistic perspective. Due to the great benefits of keeping employees engaged, such as, more positive attitudes (e.g., Saks, 2006), more productivity (Kompaso and Sridevi, 2010), higher financial returns (Xanthopoulou, Bakker, Demerouti, & Schaufeli, 2007; Bakker & Schaufeli, 2008), and more customer satisfaction and loyalty (Harter, et al., 2002), the interest in the predictors of employee engagement has been growing (Fleming, Coffman, & Harter, 2005; May, Gilson, & Harter, 2004; Pech & Slade, 2006). However, in academia there is not a well-
designed framework that incorporates all dimensions of engagement predictors into a structured and logical way. This study contributes to the employee engagement research by presenting a rigorous empirical model developed based on the original AHEE model (2014). It provides an in-depth understanding of engagement determinants. The author transformed the original AHEE model into a more academically applicable model by using rigorous academic language and a meaningful classification. Moreover, an additional important engagement predictor (Pinel & Paulin, 2005; Ramarajan, Barsade, & Burack, 2006), respect, was suggested to be added into this framework. Based on the questionnaires and the interviews, the author further refined the model and proposed the final AHEE model that includes five predictor dimensions and consists of eight engagement predictors. This study fills up a fatal research gap in the employee engagement literature by developing a well-structured model that offers a comprehensive understanding of engagement predictors.

This research sheds light on understanding the moderating effect of country on the relationship between engagement predictors and employee engagement. This study answers the call in the employee engagement research to explore how predicting variables might influence the development of employee engagement in different cultural settings (Shuck, et al., 2011). Since there is no or few existing research comparing engagement predictors among different geographical areas, the author extended the current understanding of the engagement predictors by exploring how they might differ among countries.

One surprising finding is that both work-life balance and learning and development have a negative relationship with employee engagement in Finland. The negative relationship of work-life balance could be explained by the scarcity hypothesis (Lyness & Judiesch, 2008). Compared to the employee who focuses more on his work role, the employee who needs to take good care of both the work and non-work roles might have less time, energy, or other resources for his work role. In order to take good
care of non-work issues, such as, leisure activities or family issues, the employee might have less capacity of energy and other resources for going beyond the duty of call in his work. The negative relationship of learning and development could be because the more time and energy an employee spends on his self-development, the less time and energy he can invest in his organization. When there is high learning and development, an employee might focus on more of his personal development and sharpening his skill sets rather than going beyond the duty of call for his company. Given that this finding contradicts most of the current research (e.g. Wellins & Concelman, 2005; Crawford, et al., 2010), this study challenges the conventional assumption of employee engagement research regarding the positive impacts of both work-life balance and learning and development on employee engagement.

The statistical findings show that both respect and perceived managerial support have a less positive relationship with employee engagement in Asia than in Finland. A plausible explanation could be that they have different power distance and uncertainty avoidance at work. The typical Asian managers are more authoritative, more demanding, less supportive, and more hierarchical (Hofstede, 1980; Stogdill, 1970). In line with the implicit leadership theory, which suggests that the followers expect their leader to have the behaviors and traits in the way they assume to be (Epitropaki, & Martin, 2004), Asian workers expect less respect and less perceived managerial support from their supervisors compared to Finnish employees. For the first time in the academic research, the author compared the relationship between these two factors and employee engagement in different cultural settings. Therefore, this study advances the employee engagement research by providing the first empirical evidence on how respect and perceived managerial support impact employee engagement differently in different cultural contexts.
This research responds to the call in employee engagement research to clarify the conceptualization of employee engagement (Macey and Schneider, 2008). Going through the existing employee engagement literature, the author summarized the different perspectives of defining employee engagement. The author supported defining employee engagement as a behavior and suggested the definition of employee engagement as *feeling fulfilled, involved, and affective in an organization along with work performance with dedication going beyond the call of duty*. This research also assesses critically the existing measures of employee engagement, such as the Utrecht Work Engagement Scale and the Aon Hewitt Employee Engagement Scale, and suggests that a more accurate measure needs to be developed in future research. It is critical to have a measure that fully captures the essence of the notion employee engagement (Macey and Schneider, 2008). Therefore, the author pointed out an important research gap that needs to be addressed in future studies.

### 4.2 Managerial implications

This research provides insightful findings for organizations to improve employee engagement in different geographical areas. The findings can be beneficial for HR practitioners to understand the engagement predictors and to increase employee engagement effectively. Given the importance of practical insights, the author proposed the following actions in order to engage employees.

**Equipping managers with flexible leadership.** The testing of Hypothesis 9 show that perceived managerial support is positively related to employee engagement in Finland but the relationship is not significant in Asia. It is advisable for an organization to make sure that managers have a successful leadership. Sufficient support from a manager can encourage Finnish employees to be loyal to their company and to make extra effort. In line with implicit leadership theory, as Asian employees do not expect their manager to have supportive leadership, a supportive manager does not have a significant
impact on engaging Asian employees. Training on flexible leadership and cross-cultural management could be helpful for managers who work with foreign employees in order to engage their employees.

Valuing a good cooperation among employees and providing respect for Finnish employees. The testing of Hypothesis 2a presents that team member exchange has a positive effect on employee engagement. An engaged employee expects to work in a work environment where colleagues collaborate well with each other. It is important for an organization to encourage a good cooperation among employees. The testing of Hypothesis 10 shows that the relationship between respect and employee engagement is positive in Finland but not significant in Asia. Cultivating a culture of respect could increase employee engagement in Finland. Given the high power distance in Asia (Hofstede, 1980), usually respect is not expected by Asian employees. In order to improve employee engagement in Asia, providing respect seems not to be an effective approach.

Meeting the learning needs of Asian employees. The testing of Hypothesis 11 shows that learning and development is positively related to employee engagement in Asia but the relationship is negative in Finland. Based on the interviews, Asian employees look for training in terms of job-related skills, e.g., general IT skills, English language skill, and other role-specific skills. Online or offline training classes could be an effective approach to improve employee engagement in Asia. They would consider their organization value their development. However, Finnish employees might consider extra training and learning as a burden, especially the senior Finnish employees who are less learning-oriented (Colquitt, LePine, & Noe, 2000).

Ensuring a good work-life balance of Asian employees. The testing of Hypothesis 8 shows that work-life balance is positively related to employee engagement in Asia but the relationship is negative
in Finland. Based on the interviews in Asia, overwhelming workloads that influence negatively their private lives could lead to their demotivation and frustrations at work. They appreciate a proper workload and working remotely occasionally. Finnish employees might devote the most of themselves to their company at the price of a good work-life balance. However, it would not be a healthy way to improve employee engagement by encouraging Finnish employees to scarify their personal lives. It might burn the Finnish employees out in a long run.

**Building up a clear and fair evaluation system.** The testing of Hypothesis 3a and Hypothesis 1d shows that performance evaluation and financial compensation are positively related to employee engagement. As one interviewee mentioned “without adequate [financial] rewards, you can not have a satisfactory private life”, a good financial compensation is important to employees. Engaged employees also expect their inputs and effort to be paid off fairly. Evaluating an employee’s performance from more than one perspective could be an effective approach to ensure fair performance evaluation. A company could assess an employee’s job performance by different aspects, e.g., reviews from supervisor and co-workers, and personal goals.

**Ensuring relatively stable personnel employment.** The testing of Hypothesis 3b shows that job security is positively related to employee engagement. Based on the interviews, large-scale layoffs could make employees panic and distracted. They would be more likely to seek other job opportunities from another employer. A good sense of job security is important for employees to be engaged. When personnel restructuring is necessary, it would be wise to act agilely and neatly in order to minimize the loss and rebuild employee engagement shortly.
4.3 Limitations and future research

As is the case for all research, the present study has several limitations. The first limitation is that it is problematic to draw causality inferences in cross-sectional studies (Kauppila, 2014). The nature of cross-sectional studies, collecting all the data concurrently, might cause the problem that the direction of causality is supposed to be reversed and the supposed cause is the effect (Spector, 1994). However, the theoretical underpinnings reduce the likelihood of this concern. For example, respect and team member exchange are concerning the interplay among colleagues, so they are more likely to be the cause rather than the effect of employee engagement; job security is one’s perception on one’s ability to keep the job (Oldham, et al., 1968), so employee engagement should not have a significant impact on job security. Nevertheless, it is recommended to use a longitudinal design that can draw stronger causality inferences (Kauppila, 2014).

Another limitation is that all the measures were collected from the same source and self-reported by the participants. This might generate inflated correlations among the variables of interest (Crampton & Wagner, 1994; Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). The author took several steps to alleviate this concern. Respondents’ anonymity and confidentiality were assured to the participants. Most of the question items had been discussed with the interviewees in order to avoid the ambiguity of the questionnaires. An exploratory factor analysis was conducted in order to examine the proportion of variance accounted for in the variables. The results show no support for the common method variance. But a longitudinal design is more preferable in order to ensure no common method variance problems (Kauppila, 2014).

The third limitation is concerning the method of single-case study. All the data were collected from a single case company. The findings could be subject to the case company. To some extent, collecting the data from the employees in different countries can alleviate this concern. Future research could
collect data from various companies in different industries to examine the reliability of the findings and the robustness of the final AHEE model in this study.

The fourth limitation is about the generalizability of the survey findings with a small data set. Based on the interviews in Japan and Korea, Korean employees have different engagement predictors compared to Japanese employees. Similarly, Chinese employees might have different engagement drivers compared to Korean employees. The survey findings in Asia (China and Korea) might not apply to other Asian countries. Future research could conduct surveys with a larger participant base per country in order to compare engagement drivers between different countries. A larger data set could also help to identify the significant engagement predictors which might be neglected in this study.

A highly valid and reliable measure of employee engagement is missing in the existing academic research (e.g., see Maslach, et al., 2001; May et al., 2004; Welfad, 2008). It is critical to have a measure that fully captures the essence of the notion employee engagement (Macey and Schneider, 2008). There is a need for future research to develop a robust measure that is in line with the definition of employee engagement.

The Nordic countries have similar culture and social norms, such as low power distance and valuing cooperation and aesthetics (Huffman & Hegarty, 1993). The findings in Finland could be applicable to other Nordic countries, such as, Sweden, Norway, and Denmark. This study could be a good starting point for a better understanding of employee engagement in the Nordic regions. Future studies could explore other Nordic or Asian countries to compare the similarities and the differences of engagement predictors between different cultural settings.
A qualitative study after surveys can provide an in-depth understanding of the findings (Yin, 2003). It would be interesting to have follow-up interviews. Some variables are of particular interest, such as, learning and development and work-life balance. Unexpectedly, these two factors have a negative relationship with employee engagement in Finland. The follow-up interviews would certainly be valuable in order to find out the reasons behind.
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APPENDIXES

Appendix 1 Participation form

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<th>Participation Form</th>
<th>Your age:</th>
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Appendix 2 Consent form

Consent Form

You have been asked to participate in a group discussion on the topic of employee engagement. The purpose of this discussion is to conduct an academic research on employee engagement and to provide the insights for the further development of [case company]’s employee management program. You can choose whether or not to participate in the focus group and stop at any time. Although the focus group will be audio recorded, your responses will remain anonymous and no names will be mentioned in the report. There are no right or wrong answers to the focus group questions. We want to hear many different viewpoints and would like to hear from everyone. We hope you can be honest even when your responses may not be in agreement with the rest of the group. In respect for each other, we ask that only one individual speak at a time in the group and that responses made by all participants be kept confidential.

I understand this information and agree to participate fully under the conditions stated above:

Signed: ___________________________ Date: ___________________
PART 1 To investigate the key factors of employee engagement

SAY:
• What are the most important factors that make you want to recommend a company or tell the great things about working to others, please indicate at least 3 factors?
• How do the factors increase your intention to recommend a company or tell the great things?

STAY:
• Are those factors different from the ones that make you want to stay with a company? What is the difference?
• How do these factors raise your intention to stay with a company?

STRIVE:
• What are the most important factors to motivate you to go beyond the requirements of the job and do extra work for a company?
• How do these factors encourage you to do more than being required?

Navigate to Aon Hewitt engagement drivers:
• There are 6 options, including Company image, Work design, Benefits, Work climate, Leadership, Employee development, which two do you think are most important motivate you to recommend the company/ stay at the company/ work beyond the call of duty, which two are least important? What make you rank them that way?
• (If Company image) Which one is most/least important, Company reputation, Brand image, Corporate social responsibility, Customer-oriented value? Why?
• The logic of follow-up questions for when Company image is mentioned also applies to when the other driver groups are applicable, e.g. Work design, Benefits.
• Among these factors (based on what they mention), please rank them in order in terms of its importance. Why?

PART 2 To investigate the improvement space for case company

• If you could make some changes at case company, how would you improve to remain talents to stay longer?
• How would you improve to motive employees to do their best job?
• What would you do to encourage employees to recommend case company as a great working place to others?
• Based on previous year’s survey results, depending on the country, different questions on factors performed poorly but connected closely to engagement are put forwarded and investigated further.
PART 3 To investigate the factors to be sustained by case company

- What case company should keep doing since they highly motivate you to perform better?
- What case company has been doing that decreases your intention to consider other opportunities in another company?
- What would you talk about when others ask about working at case company?
- Based on previous year’s survey results, depending on the country, different questions on factors performed well and connected closely to engagement are put forwarded and investigated further.

Back-up questions

- Have last year’s survey results been communicated to you?
- How do you feel about this engagement study by case company?
- Which part of our discussion today is most important to you?
- Do you think we missed something important without discussion?
- What do you think about today’s discussion? Do you have any suggestions to make it better?

Appendix 4 Employee engagement survey

Employee engagement drivers research

Dear employee,

Welcome to the research on engagement drivers! The goal of this survey is to find out in which areas we are strong and where further development is needed and how to utilize this information to further support engagement work in different regions in our company.

The design of the survey is based on the results of the face-to-face interviews with groups of employees in various functions, which were conducted by our thesis worker Junhui Wang in September. This questionnaire will enhance our understanding of the key engagement drivers at work. The results will be also used for academic research by our thesis worker Junhui Wang, a master student at Aalto University.

All the raw data will be only processed and analyzed by our thesis worker. The number of respondents will also be sufficient to ensure anonymity. Thus, your answers are guaranteed with the strictest confidence and individuals cannot be identified in the reports. Answering the survey takes about 5-10 minutes of your time.

More information is available at junhui.wang@aalto.fi

Thank you for your participation!
Part 1 basic information

Your gender
• Female
• Male

Your year of birth
_____

Your function
• Sales office
• Retail stores
• Finance
• HR
• Marketing
• Logistics
• Others____(Please specify)

Years of service in your company
_____

Years of service in your current role
_____

Do you have any direct reports?
• Yes
• No

Part 2 Please indicate the extent to which you agree or disagree with each of the following statements. (1=strongly disagree; 2= disagree; 3=neither disagree nor agree; 4= agree; 5= strongly agree)

1 2 3 4 5

1. I would recommend my company to a friend who is looking for a job
I would speak positively about my company if any chance
It would take a lot to get me to leave our company
I prefer to working at our company than somewhere else
Our company motives me to try my best to complete my work
Our company inspires me to go beyond the call of duty

2. Our products are in high end with elegant design
Our products have a reputation for quality
Our products are functional and make people a better life
Our products are well-known and prestigious

3. I am paid fairly for my work input
I think that the pay in my company is not lower than in comparable firms
Overall, my compensation and benefits meets well with my needs

4. I am satisfied with my work–life balance, enjoying both roles
I manage to balance the demands of my work and personal/family life well
Nowadays, I seem to enjoy every part of my life equally well

5. I think that the cooperation among my team is going well
My colleagues share the best practice and their job knowledge actively with me
There is open and honest communication among my team

6. My manager provides the support I need to succeed
My manager sets clear expectations and goals towards my work
My manager encourages and motivates me to do my best
My manager provides valuable feedback throughout the year that allows me to improve my performance

7. My job is a good fit for my skills, knowledge and abilities
I enjoy my day-to-day work tasks
My work tasks fulfill my needs and what I am looking for in a job

8. There are interesting job opportunities available to me.
Our company offers many job opportunities that match my career goals.

9. There is sufficient support on developing my skills and expertise in my work
There is sufficient support on learning hard skills, e.g. IT and language skills
There is an effective process to help me identify my development needs

10. My performance evaluation criteria are clear and transparent to me
My work input is fairly evaluated in my performance review
My performance has a significant impact on my compensation level or incentives

11. My physical working place is comfortable
The design of working place is appropriate for my work
My physical working environment supports my work well

12. My co-workers have the same work value and company culture
I have a sense of high-performing team when working with my co-workers
I feel sense of harmony when working with my colleagues

13. I am able to work for this company for a long time if I wish.
I am confident that I can keep my job within my company
My job will not be among the first ones to go if layoffs would happen

14. I have sufficient respect in my company
People are equally valued in my company
My work is highly valued and appreciated by others

15. Other comments (Optional)

_________________________