

# **UNIVERSITY OF KWAZULU-NATAL**

## **An Evaluation of Business Strategy Execution at Selected Manufacturing Companies in Pietermaritzburg: Perspectives of Shop Floor Employees**

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College of Law and Management Studies**

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## DECLARATION

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## ABSTRACT

South Africa has developed an established and diversified manufacturing base that has shown its resilience and potential to compete in the global economy. The manufacturing sector in South Africa has been faced with serious challenges with regards to global competition, cheap imports, local costs and lower productivity levels. Various studies have been conducted with the aim of establishing the causes of poor performance in this sector and in particular, lower levels of productivity. The main findings revealed that business strategy execution was a top down approach by nature and not a bottom up one. Consequently, in the absence of this bottom up approach, lack of training for lower level employees was found to be the main contributor to the problem of poor productivity. Furthermore, low educational levels and unskilled machine operators were also found to be the main causes of poor performance as well.

Despite these findings, productivity within this sector continued to decline. The aim of this study was therefore to establish how the shop floor employees perceive the impact of the following key variables, namely: business culture, leadership engagement, leadership styles, work experience and training on the successful execution of business strategy for achievement of higher levels of productivity or organizational performance.

Existing literature covered extensively aspects pertaining to the lack of employee involvement, skills and training, employee empowerment, organizations using a top down approach in developing and implementation of business strategy. All of these aspects were also found to be key in the failure of many organizations when it comes to business strategy execution. The study has brought the new dimension on the shop floor employees' perceptions of business strategy implementation within the manufacturing organizations for the realization of improved productivity levels.

The study followed a quantitative research method and pilot testing was conducted before the questionnaire survey phase. The questionnaire for this study consisted of closed or pre-coded questions and was distributed to shop floor employees employed in the manufacturing companies participating in this study. A total of 320 participants took part during the questionnaire survey with 100% response rate and the results were analysed using SPSS (version 25). The hypotheses were tested using the Chi square goodness of fit test.

The main finding from the study was that the shop floor employees perceive business culture, leadership engagement, leadership style, employee training and experience as having a positive influence on the successful execution of business strategy in the manufacturing companies. A recommendation was therefore made that management of the manufacturing sector need to engage the shop floor employees in the process of strategy formulation and execution, as these lower level employees can come with valuable ideas that would enhance successful strategy execution and thus improve organizational performance and productivity.

**Keywords: business strategy, leadership engagement, manufacturing sector performance, shop floor employees' perceptions.**

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## **LIST OF ACRONYMS AND ABBREVIATIONS**

ANOVA - Analysis of Variance

GDP - Gross Domestic Product

HC - Human Capital

IPAP - Industrial Policy Action Plan

NDP - The National Development Plan

NGP - New Growth Path

TQM - Total Quality Management

## **CHAPTER 1**

### **OVERVIEW OF THE STUDY**

#### **1.1 Introduction**

South Africa has developed a diversified and established manufacturing base which shows huge potential to compete in the global economy (Vosloo, 2014). Vosloo (2014) states further that the manufacturing sector in South Africa is dominated by the following industries: chemicals, metals, automotive, electronics and ICT, clothing, footwear and textiles and agro-processing. Furthermore, the largest manufacturing industries are metals component sector and automobile which are followed by food and beverages.

The manufacturing sector in KwaZulu-Natal is the second largest in South Africa after Gauteng's. It is largely geared for export with 30% of South Africa's exports manufactured in the province of KwaZulu-Natal. The nature of export diversification is vital in the economic growth rate of this province as it generates 20% of provincial employment (Vosloo, 2014).

According to Bezuidenhout (2015), the producers of metals components and other non-metallic ones for supplying the automotive manufacturing industry in the province of KwaZulu-Natal are largely concentrated in Durban and Pietermaritzburg. Steel and aluminium are the main metals manufactured and exported while a few is supplied to the automotive manufactures for use in the auto assembly (Vosloo, 2014). As this study is geared towards evaluating the business strategy execution from the shop floor employees' perspective, it focused on the manufacturing companies based in Pietermaritzburg.

## **1.2 Background to the Study**

The South African economy has mainly been entrenched in the primary sectors which were the result of conducive agricultural conditions and mineral resources (COEGA, 2017). These primary sectors included mining, agriculture and forestry (COEGA, 2017). Over the past four decades, there has been a shift in the economic output where the economic growth was largely driven by the tertiary sector that includes communication, tourism, wholesale and the retail. The main sectors which contribute to the Gross Domestic Product (GDP) are mining, manufacturing, retail, financial services, communication and agriculture (DTI, 2013).

According to Zalk (2014), there are three categories of manufacturing sector identified in South Africa. The first category includes those that are capital intensive by their nature. Examples of these are aluminium, steel and chemicals. The second one consists of those where labour and capital complement each other rather than being substitutes. The last category includes the ones which are labour intensive such as the production of clothing and footwear. The manufacturing sector therefore plays a crucial role in driving the economic development and growth. Productivity in this sector has become the important performance factor and a key determinant to the economic growth as well (Zalk, 2014).

According to Malan, Steenkamp, Rossouw and Viviers (2016), the importance of establishing the sector of manufacturing as a driver of the South African economy is underlined in a number of government policy documents which include the following:

- New Growth Path (NGP)
- The National Development Plan (NDP)
- The Industrial Policy Action Plan (IPAP)

In the NGP's public document, the government puts more emphasis on investments in capital – labour intensive industries. This therefore puts the spotlight on the manufacturing sector. The document also stresses that the sustainable economic well being of the manufacturing sector is largely dependent on the new export markets being identified and developed (National Planning Commission, 2011).

The NDP emphasises that the increasing exports of value added goods could help in offsetting the economic distortions, which were brought about by the fluctuating prices of commodities and unstable Rand. Furthermore, this document also asserts that diversifying into the value added industries and boosting of exports requires significant investments being made (National Planning Commission, 2011). IPAP outlines the commitment by government at the national level to support the sector of manufacturing. The revised version of this document provides details of strategic plan to diversify the export mix of South Africa and addresses the unemployment problem by placing a greater emphasis on value added service and manufactured exports (Department of Trade and Industry, 2012)

The exports of the mining sector have been growing at a rapid pace over the past recent years (Department of Trade and Industry, 2012). However, this growth has been offset by the manufacturing sector's comparatively lackluster performance in terms of exports. The manufacturing sector has not seen a trade balance that is positive since the second quarter of 2002, which is indicative of the weaknesses in this sector (Department of Trade and Industry, 2012). Employment in the manufacturing sector also declined by 1.3% in real terms over the period between 2003 and 2010 (Statistics South Africa, 2012). Malan *et al.* (2016) state that the manufacturing sector in South Africa is not growing its exports in line with the national goals and it is also struggling to retain the current employment levels.

The operating conditions in general within the manufacturing sector remained unsatisfactory. Figure 1.1 show the production volumes by various manufacturing sectors between 2015 and 2016.

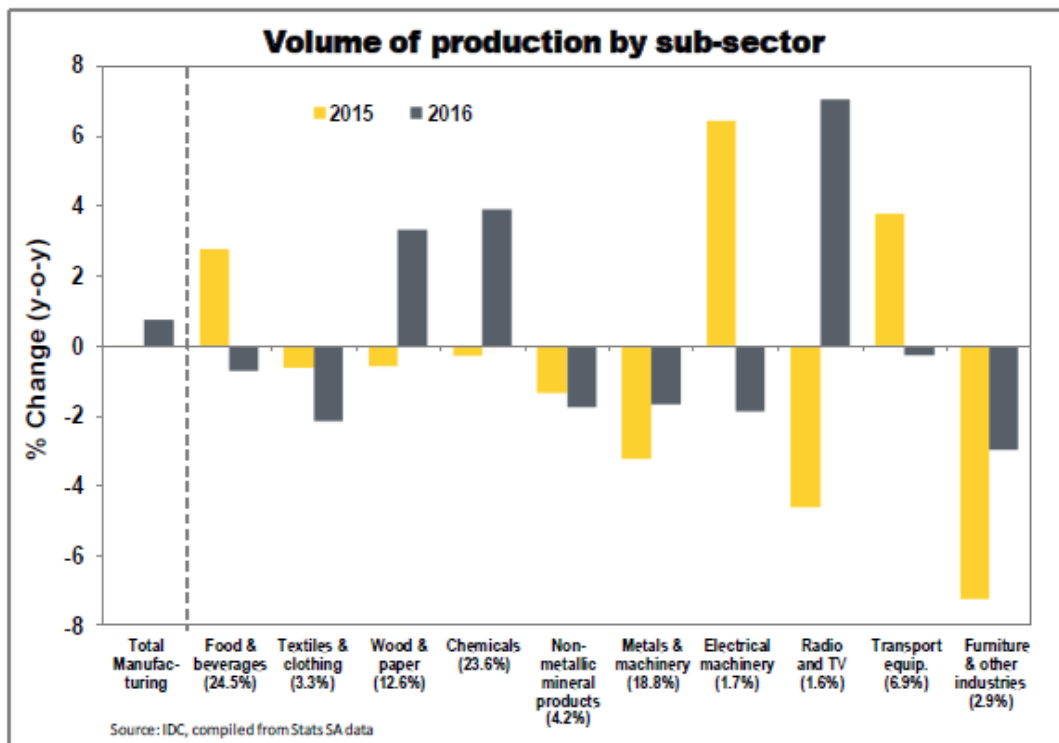


Figure 1.1: Production volumes by various SA manufacturing sectors

Source: IDC (2017:10)

It is evident from Figure 1.1 that most of the sub sectors experienced negative growth with regards to reduced production volumes from 2015 until 2016. Of utmost importance is the -0.2% year on year experienced by both the non-metallic mineral products together with metals and machinery. Furthermore, in the 2017 report by the Bureau for Economic Research (BER) at Stellenbosch University, it is stated that the levels of confidence in the manufacturing sector remain below relative to the average of the entire economy which confirms the difficult conditions of trading this sector faces. This is also illustrated in Figure 1.2 where the business confidence in the economy of South Africa is shown together with the corresponding manufacturing sector.

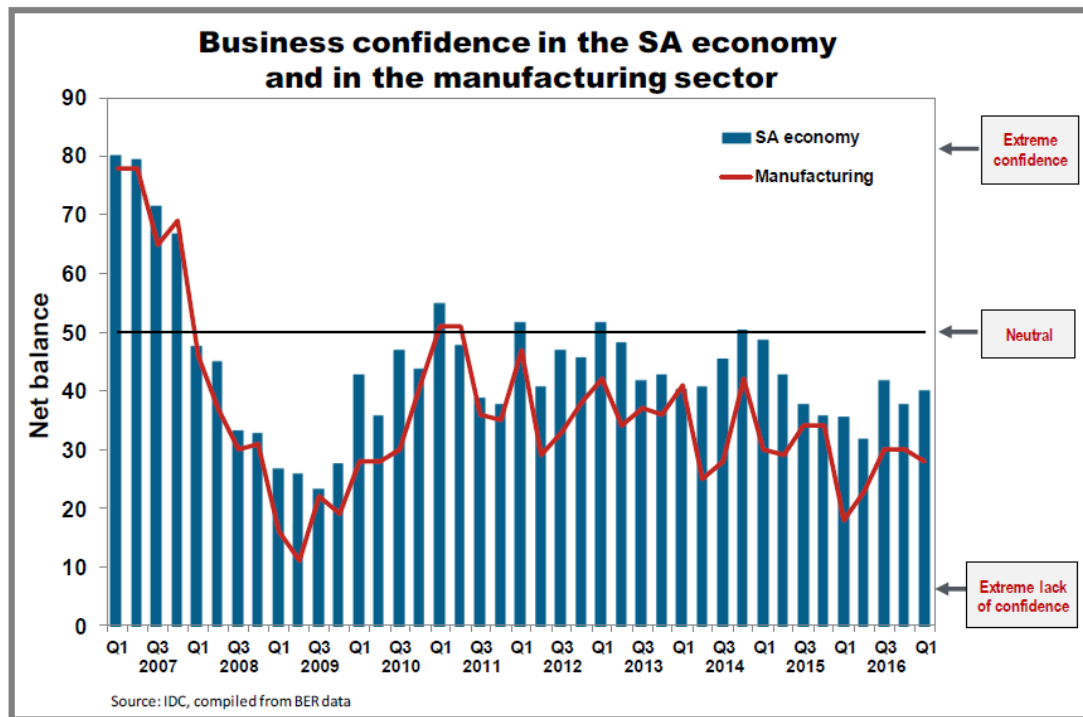


Figure 1.2: SA business confidence economy and in the manufacturing sector

Source: IDC (2017:22)

The projected growth prospects for 2017 as outlined in the BER 2017 report, are negative which signals negative economic growth as well. Furthermore, it is clear from Figure 1.2 that the negative trend from Q1 of 2010 has persisted until the Q1 of 2016 which is in the region of extreme lack of confidence.

In the quarterly business review by Kagiso Asset Management (2013), it is mentioned that the main reasons for the declining manufacturing sector performance are:

- High and rising administered prices.
- Globally uncompetitive costs of logistics.
- Uncompetitive labour force.

With respect to the uncompetitive labour force, increasing costs of labour without an accompanying increase in labour productivity are stated as the main cause of the deteriorating global competitiveness in the manufacturing sector (Kagiso Asset Management, 2013). This problem is exacerbated by South Africa's lack of economies of scale which results in an ever-increasing labor bill which is being spread over a

small declining base of units produced. South Africa has a declining and poor skills base which resulted partly from the historic imbalances in education expenditure. There is also an urgent need to better the training and education across all levels from primary to technical colleges and also to promote on the job apprenticeship to rectify the current imbalances in the labour market (Kagiso Asset Management, 2013).

Mathore (2016) highlights that the human resource based challenges like poor skills, lack of training and education are key for the implementation of business strategy and consequently positive organizational performance. It is therefore important to note that the challenges outlined above within the South African manufacturing sector which include uncompetitive labour force, declining poor skills, need for better education and training do have an impact on the implementation of business strategy in the manufacturing companies which will lead to poor organizational performance or sector performance.

### **1.3 Research Problem**

Various studies have been conducted in the South African manufacturing sector with the aim of identifying main factors contributing to the continued decline on the sector performance. Akoojee (2010) identifies lack of training for lower level employees and quality as the main contributors to the problem of poor productivity. Kleynhans (2006) mentions low educational levels, knowledge and unskilled machine operators as the main causes of poor performance. Joffe (2010) highlighted recruitment by race, blacks recruited for machine operator positions, as the main reasons for poor performance. According to Nordas (1996), old machinery technology, expertise and lack of investment in capital infrastructure were the key contributors to the declining productivity levels.

Considering that variables like skills, quality, level of education, knowledge, expertise and state of machinery technology have been researched with the aim of identifying contributors to poor performance, the productivity performance levels have still not improved. It has become evident that the problem is not on the development of business strategy as strategies were crafted to deal with the poor performance problem but on its implementation and furthermore, on other variables besides the ones highlighted above

that contribute to the decline in productivity levels within the manufacturing sector. According Ologbo *et al.* (2012), business culture, leadership style, engagement and experience are other important variables in strategic management but their impact on business strategy execution within the South African manufacturing companies has not been evaluated. Furthermore, the perspectives of shop floor employees on the impact of these other variables in the manufacturing sector are not known in view of a bottom up approach.

This study was therefore seeking to establish how the shop floor employees perceive the extent of the impact of these other variables (business culture, leadership styles, leadership engagement, work experience) for successful business strategy execution on the manufacturing companies' achievement of higher levels of productivity.

#### **1.4 Rationale for the Study**

It has become evident from the literature that various studies have been conducted on the challenges faced by many organizations on barriers for execution of business strategy. Lack of employee involvement, skills and training, empowerment, organizations using a top down approach in development and execution of business strategy were found to be key in the failure of many organizations when it comes to business strategy execution. The study therefore brings the new dimension on the line employee's perception of business strategy implementation in their organizations in relation to productivity levels.

With a traditional approach of top down regarding the development and execution of business strategy, shop floor employees perspectives are fundamental in bringing the bottom up dimension for this missing link. Furthermore, investigation of catalogues of theses and dissertations that have been accepted for degrees by various universities in South Africa, internet, libraries did not suggest that research has been conducted on the perceptions of line workers on why business strategy execution fails within the metals manufacturing sector.



### **1.5 Main Objective for the Study**

This study's main objective was to establish how the shop floor employees perceive the influence of business culture, leadership engagement, work experience and leadership style for successful execution of business strategy within the selected manufacturing companies in Pietermaritzburg.

### **1.6 Research Objectives**

The study objectives were:

- To determine the shop floor employees' perceptions of the influence of business culture on the successful execution of business strategy.
- To determine the shop floor employees' perceptions of the influence of leadership engagement with them on the successful execution of business strategy.
- To determine the shop floor employees' perceptions of the influence of their work experience on the successful execution of business strategy.
- To determine the shop floor employees' perceptions of the influence of leadership style on the successful execution of business strategy.
- To identify factors that could improve business strategy execution successfully from the shop floor employees' knowledge and experience.

### **1.7 Research Questions**

The research questions supporting the study were as follows:

- How do shop floor employees perceive the influence of business culture on successful business strategy execution?
- What are the shop floor employees' perceptions of the influence of leadership engagement with them on successful business strategy execution?
- What are the shop floor employees' perceptions of the influence of their work experience on successful business strategy execution?
- How do shop floor employees perceive the influence of leadership style on the successful business strategy execution?
- Which the factors that could improve business strategy execution from the shop floor employees' knowledge and experience?

## **1.8 Study Site**

The study was conducted at the two large corporates based in Pietermaritzburg. The main aluminium manufacturing company is called Hulamin. It was established in 1949 and it is based in Pietermaritzburg. In the late 1990s, the company invested almost R2.4 billion to increase its annual capacity to 230 000 tons by end of 2013. The second company in Pietermaritzburg which manufactures cables for use in power transmission, rail, mining, construction, airports is called Aberdare.

## **1.9 Ethical Considerations**

Ethical considerations formed the integral part of the research project. According to Leedy and Ormrod (2014), ethics is the study regarding the correct behaviour and it resolves the issue of how one conducts a research in a responsible and moral manner. The critical ethical issues which need to be taken into account are protection of participants from harm, voluntary and informed participation in the study, the right to privacy, honesty with professional colleagues (Leedy and Ormrod, 2014). The researcher therefore considered the ethics pertaining to the conduct of research in accordance with the University of Kwa-Zulu Natal (UKZN) ethics policy regarding research activities.

The researcher sought ethical clearance during the proposal stage from the UKZN Humanities & Social Sciences Research Ethics Committee. After the proposal was approved, ethical clearance letter was issued (see Appendix E). For remaining ethical during this research, the following approaches were adopted:

### **1.9.1 Protection from harm**

The study undertaken should not result in any form of mental or physical harm. All the respondents that participated in this study were encouraged to participate willingly in the environment where there was no risk exposure to mental or physical harm (Leedy and Ormrod, 2014). All safety rules of the company and employees' welfare were observed during this study. The researcher also explained to the participants that anonymity would be ensured and the final report would contain no names collected from them. It was also explained to the participants that there were no penalties for anyone declining to participate or deciding to withdraw from the study at any given time. All the participants were also assured by the researcher that the study was

approved by the office of the UKZN Humanities & Social Sciences Research Ethics Committee and the ethical clearance number was provided. The researcher also informed the participants that their respective organizations gave permission regarding the study.

### **1.9.2 Voluntary and informed participation**

All participants should be informed that if they agree to partake in the study they have the right to withdraw from it at any time (Leedy and Ormrod, 2014). Participation to this study was voluntarily and all the participants had the right to participate or decline participating. Participants were also informed about the rationale for the study and the nature of the study as well. There was no participant forced to take part in this research and the researcher also obtained an informed consent letter from the participants before issuing them with the questionnaires. The researcher ensured that everything the participants needed to know was explained before taking the decision to participate in the study.

### **1.9.3 Right to privacy**

According to Leedy and Ormrod (2014), there should be no research presented in such a way that other people become aware of how a particular participant responded or behaved. For the purpose of this research, all questionnaires remained anonymous and the data collected was held strictly confidential. Data collected was to be used for analysis purpose. Participants were also informed that data collected would be secured with the arrangement of the supervisor and it would be kept for a period of five years under the monitoring of the supervisor as well.

### **1.9.4 Honesty with professional colleagues**

Researchers must report their findings in a manner that is complete and honest without misrepresenting what they have done (Leedy and Ormrod, 2014). Regarding this research, all credit was given where it was due. Furthermore, any other person's words or ideas were acknowledged. Furthermore, Confidentiality and anonymity of finished thesis would be maintained by the researcher and the School of Management, IT & Governance at the University of KwaZulu-Natal.

## **1.10 Format of the Study**

The format of the study is presented as per the following six chapters:

### **1.10.1 Chapter 1 – Overview of the Study**

This chapter indicates the scope of the study. It also describes the introduction to the study, its background together with the problem statement, the main aim of the study, the research objectives, research questions to be answered, hypotheses, justification for this study, study site and ethical considerations taken into account when conducting the study. The chapter also outlined the format this study undertook.

### **1.10.2 Chapter 2 – Literature Review**

This chapter explores the literature on all the selected variables, South African manufacturing sector and also provides the theoretical framework underpinning the study. It begins by outlining the theoretical frameworks relating to the strategy and its execution, human capital and variables evaluated for answering the research question for the study.

The literature review goes on further to discuss the South African manufacturing sector and its challenges, aspects of productivity and closes with an outline on the conceptual framework of the study.

### **1.10.3 Chapter 3 – Research Methodology**

As research methodology provides a systematic way of solving the research problem, this chapter outlines the research paradigms, research design, methods used, population for the study, sampling techniques adopted and sample size. It also covers the data collection methods which include unstructured interviews conducted and design of questionnaire used for the study as well.

Furthermore, data analysis methods used are also discussed and they include the discussion of descriptive statistics, methods of inferential statistics used, principal component analysis, validity and reliability for enhancing the quality of the study.

#### **1.10.4 Chapter 4– Presentation and Interpretation of the Results**

The aim of this chapter was to present the research results and their interpretation. It will cover sections on both descriptive and inferential statistics, hypotheses testing, principal component analysis and content analysis.

#### **1.10.5 Chapter 5 – Discussion of the Study Findings**

This chapter discusses the findings made from the study. It also outlines how the findings made fit with the main aim of this study and the also the conceptual framework underpinning the study.

#### **1.10.6 Chapter 6 – Conclusion and Recommendations**

Conclusion and recommendations from the study were outlined under this chapter. Conclusion provides an indication on whether the main study aim was achieved and the research question answered or not. The recommendations based on the study findings were given.

### **1.11 Summary of the Chapter**

This chapter has laid the foundation for the study. It highlights the background of the study and also introduced the research problem. Furthermore, it highlighted the research objectives and questions, hypotheses, justification for the study, study site, ethical considerations and adopted study format.

The next chapter will cover in detail the literature review which includes the theoretical frameworks that this study is based on.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter will focus on concepts related to the company strategy and its execution, human capital including training and work experience, organizational performance, employee engagement, leadership styles and organizational culture. It will begin by outlining the strategic management theories and the theoretical framework underpinning the study. Other important and relevant aspects such as the role of employee perceptions and organizational performance will also be discussed. The hypothesized conceptual framework underpinning the study will be outlined at the end of the chapter. The research instrument (questionnaire) to be used for the collection of data will also be constructed from relevant concepts in this literature review section.

#### **2.2 Strategic Management Theories and Theoretical Framework**

##### **2.2.1 Strategic Management Theories**

Strategic management is highlighted in business strategy literature as the vital tool of management that many companies use for gaining the competitive advantage over their rivals (Ologbo *et al.*, 2012). Furthermore, Grant (2011) states that strategic management is a process and approach involving strategy formulation, execution and evaluation of company's performance against its objectives.

Ologbo *et al.* (2012) state that theories of strategic management emanate mostly from the following approaches - systems, information technology and contingency. According to Ologbo *et al.* (2012), the main theories applicable to strategic management and also considered in the management literature are: profit-maximizing and competition based theories, resource-based theories, survival based theories, agency theories and human resource based theories

These theories are depicted graphically in Figure 2.1. The middle columns emphasise the core concepts that the theory rests on, while the right columns outline the outcomes which the theory seek to influence.

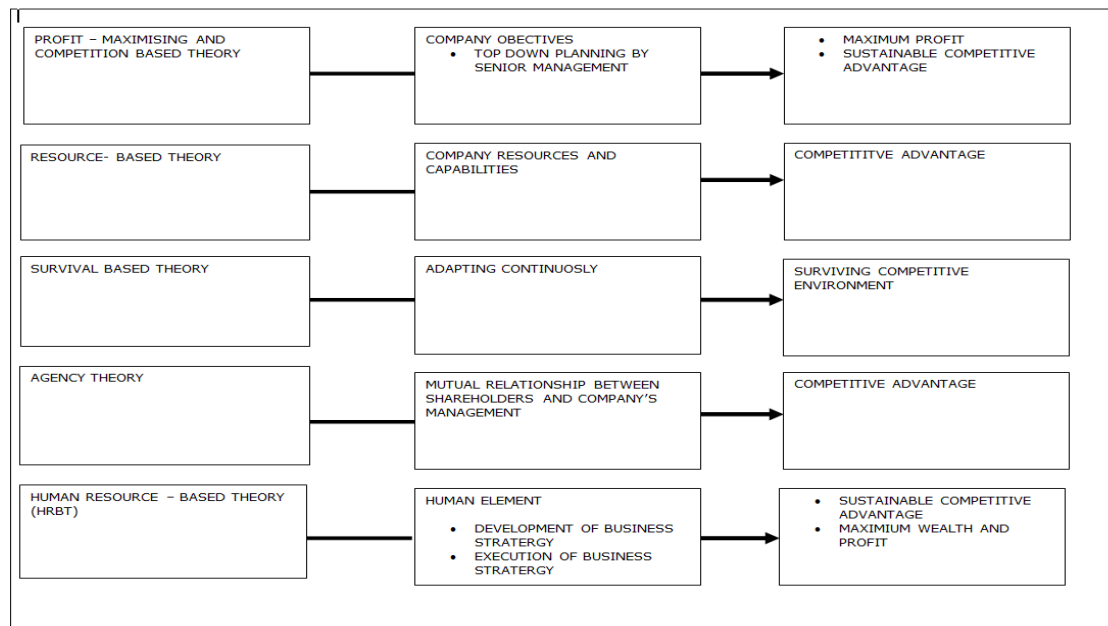


Figure 2.1: Graphical representation of five strategic management theories on strategy execution.

Source: Researcher's own compilation

The profit maximizing and competition-based theories are based on the premise that the company's key objective is maximizing the long term profit and development of a sustainable competitive advantage over its competitors (Ologbo *et al.*, 2012). Koch and de Kok (1999) add that profitability is seen as a supreme goal and an approach of top-down planning by senior management as a means of achieving it.

The resource-based theories are based on the principle that the sources of a company's competitive advantage depend on the uniqueness of its resources and capabilities (Ologbo *et al.*, 2012). On the other side the survival-based theories are based on the view that the company needs to continuously adapt for surviving its competitive environment (Ologbo *et al.*, 2012). According to Ologbo *et al.* (2012), the agency theory emphasizes the importance of mutual and good relationship between the company's management and its shareholders.



The strategic human resource-based theories (SHRBT) stress the importance of human capital element in the development and execution of business strategy (Ologbo *et al.*, 2012). According to Ologbo *et al.* (2012), the fundamental principle of the HRBT is that the sources of a company's competitive advantage lie in its competent and efficient workforce which no rival can copy. Hamid (2013) explains further that SHRBT contribute to the improvement of the firm's performance.

For SHRBT to fulfill the role of improving the firm's performance, the human capital element of the organization should contribute in the development and implementation of the business strategy. Furthermore, human capital of the organization should be a source of the organization's sustainable competitive advantage and should be a strategic business asset (Hamid, 2013).

SHRBT also emphasize the need to manage the company employees by understanding their physiological need and contrasts at workplace in order to improve strategies for motivating, rewarding, training and retaining them (Ologbo *et al.*, 2012). Koch and de Kok (1999) highlight that within the HRBT of a company, human capital is one of the major resources. According to Ologbo *et al.* (2012), the HRBT suggests that for strategic management to be implemented successfully the skills, quality, capability and knowledge of its human capital should be hard to imitate. Furthermore, HRBT suggests that work experience, employee engagement, leadership styles and organizational culture are key concepts for strategy execution. Therefore, in view of the objectives of the study and its nature, a HRBT was followed and these concepts were fundamental for the construction of theoretical framework for the study.

### 2.2.2 Theoretical Framework

The key concepts to be evaluated in the study for business strategy execution are work experience, employee engagement, leadership styles and organizational culture. Figure 2.2 depicts the theoretical framework underpinning the literature for the study.

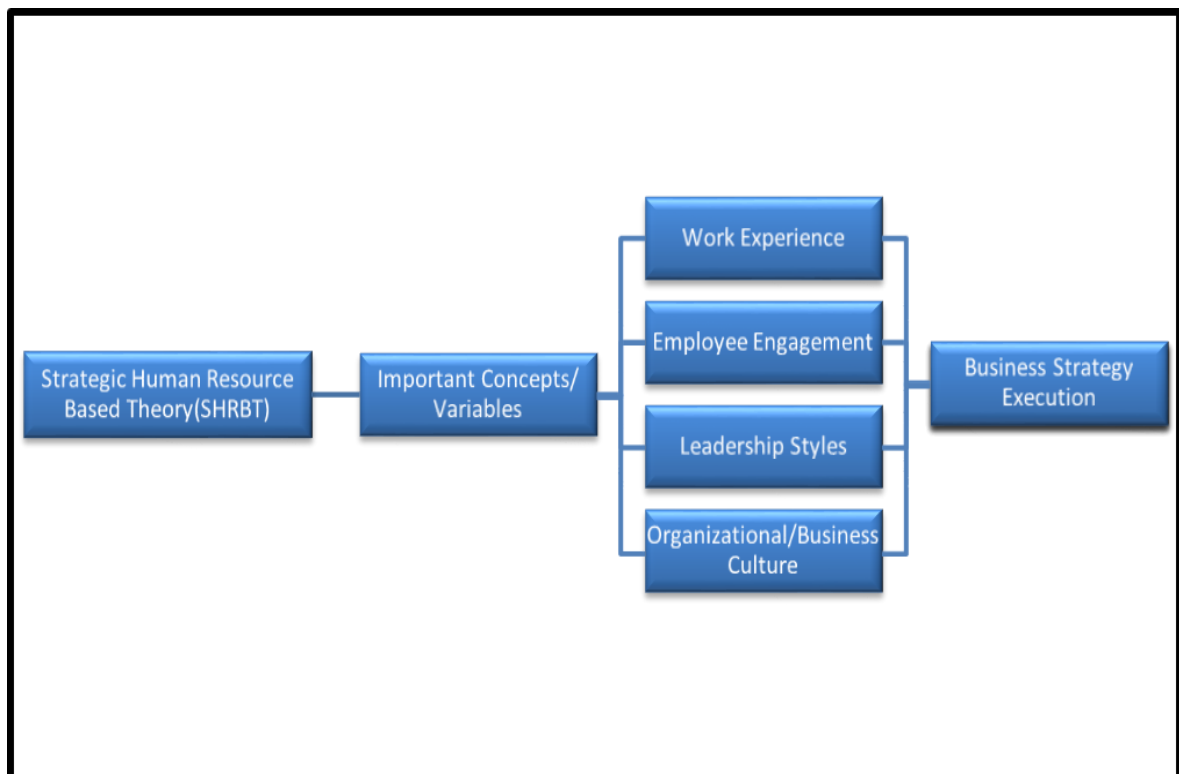


Figure 2.2 Theoretical Framework.

Source: Researcher's own compilation

## **2.3 Company Strategy**

### **2.3.1 Definition of Strategy**

A company strategy is defined as the action plan by management for competing successfully and operating in a profitable way. It consists broadly of competitive approaches which senior management employ for growing the business and consequently competing successfully through superior performance (Thompson, Peteraf, Gamble and Strickland, 2012). According to Grant (2011), strategy has two levels, namely corporate and business.

While the corporate strategy on the other hand “defines the scope of firms in terms of the industries and markets in which it competes”, the business strategy on the other hand is “concerned with how the firm competes within a particular industry or market” (Grant, 2011:19). Business strategy is therefore designed for improvising the overall performance of the organization, it is governing and executive in nature whereas the corporate strategy is legislative and deterministic by nature (Thompson *et al.*, 2012).

Grant (2011) further states that the decisions of corporate strategy include choice over vertical integration, diversification, acquisitions and new ventures and resources allocation between different businesses of the company. Furthermore, Grant (2011) mentions that business strategy on the other side is concerned with the way the company is competing within a specific market or industry. If the company performs well within its industry, it should establish a competitive advantage over its competitors and this will ensure company survival and success (Grant, 2011).

According to Heinzmann (2011), the function of manufacturing in the manufacturing companies is to translate the business strategy into a set of decisions or goals involving equipment, people, management and time. Manufacturing strategy can therefore be defined as a design for the manufacturing function, which shapes the acquisition and development of manufacturing capabilities over time (Heinzmann, 2011). The manufacturing strategy is key and also helps the company to achieve a competitive advantage. Heinzmann (2011) further asserts that manufacturing works best when its technology, policies and facilities are consistent with the business strategy.

Jayaram, Tan and Laosirihongthong (2014) state that involving manufacturing managers during the process of strategic planning helps in the alignment of business strategy and practice of operations. This alignment will lead to superior manufacturing performance. According to Sushil (2013), the majority of manufacturing companies do not fail because of problems with the strategy; they fail because of problems related to the execution of business strategy.

### **2.3.2 Execution of Strategy**

According to Grant (2011), strategy execution is essentially about translating the strategy into reality. A good execution strategy will focus on what together with how regarding the company goal achievements. Strategy achievement is therefore linked to the management of company culture, management of capital resources and people. Sushil (2013) explain that many companies are struggling to execute their strategies in strategic performance areas like cost reduction, on time delivery of product/service, good product quality, poor productivity and higher employee satisfaction levels.

Odendaal (2015) emphasizes that without effective business strategy execution, no business will succeed. Effective realization of business strategy and its execution are vital for achieving company success. According to Odendaal (2015), business strategy execution is not as clear as the formulation of strategy and there is much known about making strategy than making strategy work. Nel (2012) states that companies need to devote more energy in getting the business strategy executed correctly same as crafting the same strategy. Middle management should play a role in the companies, as without their involvement, strategy execution failure is likely to occur (Nel, 2012).

According to Greer, Lusch and Hitt (2017), the execution process of business strategy in an organization requires not only the managers but also the entire workforce at all levels to perform all tasks, which are assigned by the organization and complete them effectively. However, Hrebiniak (2005) cautions that middle and lower managers are trained to plan but are not shown how to execute the strategic goals effectively. Greer *et al.* (2017) emphasize the importance of human capital in the execution of business strategy and also found that the practices of human resource which enhance employee motivation and skills contribute to the greater human capital. In turn, this has a positive effect on the value of the organization. The view by Nel (2012) of management's

involvement is therefore key for enhancing the employee motivational levels which consequently leads to successful execution of business strategy.

Ramaswamy and Ozcan (2013) explain further that for strategy to be executed successfully, senior management must engage and discover. Discovery must be continuous and should involve all stakeholders who will have an impact on the strategy execution; it should not be limited to employees and customers only (Ramaswamy and Ozcan, 2013). Afthonidis and Tsiotras (2014) emphasize further the importance of involving senior management and all human resources if the organization has to achieve business excellence. The finding from Afthonidis and Tsiotras (2014) study was that business excellence is an ideal path for any company seeking to attain a strong competitive advantage especially in times of economic recession. Total Quality Management (TQM) was identified as an example of a path organizations can embark on in order to achieve its strategic goals.

Yunis and Jung (2013) explain TQM as a companywide, holistic philosophy of management which covers all the business operations and seeking to continuously improve them. The finding from the study by Yunis and Jung (2013) on TQM and strategy performance was that TQM is a key driving force to selection of competitive strategy. TQM was also found to be a critical dynamic resource which competitive strategies support for achieving sustainable competitive advantage.

The recommendations from the study by Afthonidis and Tsiotras (2014) were that top management should play a leading role in the implementation of strategic plan for attaining business excellence. It was also recommended from the study that all human resources should be empowered and trust from everyone should be won in order to have high levels of commitment to the business strategic goals. These recommendations were also supported by the findings made by Leonard and McAdam (2002). The aim of their study was to conduct an inductive grounded theory with regards to the strategic impact of TQM. The results from the study revealed that TQM plays a pivotal role on the implementation of business strategy within an organization.

The principles of empowering human resources for having high levels of commitment to the strategic goals of an organization hold true with respect to the objectives of this study. It is so because all the variables under this study are human resource based and having high levels of commitment on them will lead to a successful execution of business strategy, which could also lead to a sustainable competitive advantage for the organization. Research also show that not only the involvement of management is key in strategy execution, but also embracing human capital especially the lower levels in organizations enhances business excellence which is fundamental for business strategy execution (Nel, 2012; Afthonidis and Tsiotras, 2014; Greer *et al.* 2017).

Stefanovska (2014) conducted a study on the challenges experienced in creating competitive strategies. It was recommended from this study that during the creation of organization's strategic direction, leaders should not make decisions alone. Leaders should ensure that employees are part of the decision team that decides on the future of the organization and also a team has clear understanding of its responsibilities. This view was supported by the findings from the study conducted by Dubihlela (2014). The aim of the study was to identify barriers to the implementation of Supply Chain Management (SCM) strategies of South African Small and Medium Enterprises (SMEs). It was highlighted from the study that management, employees, trade unions, managerial attitude towards change were key in the implementation of SCM strategies.

Rymaszewska (2014) found that the practice of empowering line workers, encouraging them to take responsibility and suggest areas of improvement was nonexistent in Finland. The purpose of the study by Rymaszewska (2014) was to highlight challenges of lean manufacturing implementation in Finland furniture SMEs. Radomska (2013) mentions that the following problems typically occur during the implementation phase of business strategy in many organizations:

- The inability of managers who possess skills and knowledge to create the strategy but lack these qualities for executing (Radomska, 2013).
- The belief that execution of strategy is a domain for high-level personnel and the management department is only qualified organizational strategists which therefore leave the execution to others (Radomska, 2013).

- Lack of appropriate links between the processes of strategy crafting and strategy execution as they are being treated separately. These processes are interdependent and therefore influence each other (Radomska, 2013).
- The inability to define the strategy execution accurately, i.e. a continuous process and not a result of individual actions but a result of series of integrated activities spread over a specified time (Radomska, 2013).

Radomska (2013) mentions further that the following are factors causing the unsuccessfully executed business strategies:

- Creation of strategic plans with unclear development direction and also without clear guidelines for their implementation.
- Putting strategy into place irrespective of the reality in the market.
- No system in place for communicating the strategy.
- There is no effort by managers to engage lower level employees for executing the strategy.
- Lack of organizational system, which will allow appointing and motivating employees to implement the strategy effectively.

Jovanovic (2015) states that senior executives, and not only forces of the industry, are important for the success of the organization. According to Jovanovic (2015), managerial thinking influences organizational strategy choice more than the industry structure and consequently this allows the organization to perform at good levels. Brown (2013) highlights that the need for support and drive is a key challenge for leadership in ensuring that middle managers and employees execute the business strategy successfully. According to Brown (2013), highly supportive leaders are instrumental in driving excellence and consequently this facilitates effective execution of business strategy. This illustrates further that not only leadership involvement is key but support as well is paramount for the successful execution of business strategy.

Brown (2013) cautions that getting employee buy in, involvement, commitment and balance between strategic and operational strategies are still the main challenges in achieving superior business results. Recker, Trkman, Mertens and Viaene (2014) conclude the study on principles of good process management by highlighting that

creating that sense of employees' involvement will result in ownership and commitment. It was also stated that it will create that feeling of being part of the business' bigger picture and this will enhance good management of business processes and employee perceptions about the organization.

Dawson (2014) states that the failure to execute the business strategy occurs because the organizational leaders perceive their role as developing the strategy only and believe that the execution part of the strategy is the responsibility of middle management. Bossidy and Charan (2002) argue that leaders should be in charge of getting things done through running the following three processes:

- Setting of the strategic direction
- Picking up of other leaders
- Conducting organizational operations

These processes above are important drivers of business strategy execution and business leaders should not delegate irrespective of the size of the organization (Dawson, 2014). According to Bossidy and Charan (2002), conducting the organizational operations does not mean micro managing only but also means organizational senior leaders taking active role in monitoring progress made towards the measurable milestones. It also means holding others accountable for execution of business strategy (Bossidy and Charan, 2002).

According to Dawson (2014), for achieving the culture of strategy execution in an organization the behavior of employees who produce results need to be influenced through the following four ways:

- Firstly, inform the employees clearly what results you are looking for
- Secondly, explain how the required results are to be achieved
- Thirdly, reward the employees for achieving the results
- Fourthly and lastly, if the employees come up short, provide more coaching or assign them other suitable jobs or withdraw the results or let them leave

Business leaders need to ensure that employees understand the business strategy clearly and then ask what is needed by the employees from them in order that they can



assist in executing the strategy (Dawson, 2014). Dawson (2014) further states that failure to ask and respond to this question is at the core of many strategic failures of the organizations. Furthermore, effective leaders always make sure that their words and actions are consistent. They are also fair and honest in all their business dealings and of utmost importance, they are personally committed for achieving results (Bossidy and Charan, 2002).

Ramaseshan (1998) found that the most significant activity for executing the business strategy is institutionalization of strategies and supporting of shop floor staff. Jusoh and Parnell (2008) elaborate further that the reluctance from leaders and employees in accepting high performance targets hampers the execution of strategy. This therefore means that low performance target settings together with employees' unwillingness to accept the stretch performance targets leads to poor strategy execution. Pella, Sumarwan and Daryanto (2013) explain that the execution of business strategy involves translating strategic goals into the annual performance objectives as well as motivating and aligning employees towards the organizational vision.

Skivington and Daft (1991) mention that top management in many organizations use performance appraisal as one of the tools for execution and evaluation of strategy. Rampersad (2003) note that employee scorecards become effective when the individual performances were linked to the individual rewards. Neilson, Martin and Powers (2008) state that the compensation differentiation between higher and lower performing employees serve as an important element of strong strategy execution. Bossidy and Charan (2002) explain that the organizational leader should be deeply engaged together with all managers and leaders who make decisions daily. Tan (2004) also find that power and leadership are the two main obstacles that enhance or impede the success of the company.

Shah's (2005) research results show that the following three issues affect the quality of strategy execution:

- Lack of management skills and leadership
- Direction provided by the departmental leaders

- Poor understanding of roles and responsibilities

Pella *et al.* (2013) state that the culture of an organization underpins the execution success. Any initiation that matches the organizational culture will ensure a rapid and successful execution. A study by Aaltonen and Ikavalko (2002) on business culture highlights the importance of organizational culture and structure receptive to change so as to increase the effective strategy execution. Tan (2004) also notes the importance of positive culture loyalty and commitment of company employees for supporting the execution of strategy. Negative or unclear corporate culture could lead to poor execution of strategy (Tan, 2004).

Shah (2005) finds that the following obstacles are key in obstructing the execution of business strategy:

- Lack of training
- Lack of education
- Lack of development

Furthermore, Shah's (2005) study found that lack of training and instruction on strategy execution given to all the employees resulted in inadequate employee capabilities leading to poor strategy execution. This finding by Shah (2005) augments the factors highlighted by Radomska (2013) regarding factors that cause the unsuccessful business strategy execution. However, Kazmi (2008) points out that another important capability for supporting the execution of strategy is change management. Successful execution of strategy implies change for the organization. Therefore, lack of change management or improvement program will lead to poor strategy execution. Kaplan and Norton (2008) state that organizations may encounter problems in executing the strategy as no unit of organization has been specifically assigned by the senior management to monitor the execution of the business strategy.

Veth (2006) highlights that the strategy implementation process requires high leadership quality leverage, visibility and responsiveness. Furthermore, Veth (2006) cautions that if inadequate energy and time are devoted to the execution of strategy by leadership, this will result in poor organizational performance and weaken the

company's competitive position. Getz and Lee (2011) indicate the necessity though for creating the organizational structure which is consistent with the strategic structure. The larger the organization together with its organizational structure, the greater the possibility of employee participation at the strategy execution within the individual department units and project groups (Ashmos, Duchon, McDaniel and Huonker, 2002). However, Ogbeide and Harrington (2011) caution that large and complex organizational structures require a huge involvement of both operational and middle managers for the business strategy to be executed successfully.

Coon and Wolf (2005) emphasize that it is crucial to align the business systems and processes for reinforcing the desired outcomes and behaviors. This will involve searching for a link between the executed strategy and other processes that take place within an organization. Betz (2001) adds that the formalization of processes and procedures introduce rationality that contributes to the effectiveness and efficiency of the actions taken. Hrebiniak (2005) emphasizes that the system of incentives must be linked with the execution stage of business strategy as the determinant of the execution progress and the tool for its continuous control.

According to Becher (2005), organizational leadership's task is to eliminate the gap between everyday activities of the employees and the business strategy. In addition, to take actions which are aimed at effective communication and operational issues in pursuing the strategic direction the business has chosen. In many organizations, the execution of strategy is an area delegated to the middle management. Therefore, the task of the leader is to take necessary measures that are aimed at eliminating this informal separation in order that the status of a common goal could be assigned to the execution of strategy (Forster and Browne, 1996).

Henman (2010) indicates that organizations which achieve good execution results can focus employees' attention effectively on the tasks which are associated with achieving the strategic objectives by giving them the power of making decision and a system of assessing the effects. This could be done through full participation of a bigger group of employees at the stage of planning. Noble (1992) emphasize the importance of pooling the resources in enhancing the execution effort and this is also supported by Thompson and Mathys (2008).

Khadem (2008) indicates that employees must be aligned to the organizations' vision, strategy and values. During their involvement in the execution of business strategy, they should be able to perceive the actual consequences of executing the joint development vision of an organization. Frigo (2002) adds further that the use of measurable tools like a balanced scorecard eliminate problems such as poor communication and improve the strategy execution process.

According to Srivastava (2014), a successful execution of strategy requires the following:

- Incentives for employees
- Adapting the process of execution
- People
- Clear roles and responsibilities

Aspesi and Vardhan (1999) comment further that failure to manage issues like lack of learning, lack of culture that is adaptive and resistance to new decisions result in poor strategic performance of an organization. Identification of correct combination of strategic performance factors (SPFs) is highlighted as the beginning point for the successful execution of business strategy. Rockart (1979) states that identification of correct set of SPFs assist the management of an organization to focus on the following:

- Right and relevant issues
- Acquire suitable resources and data
- Developing the required measures and monitoring of the strategy execution

Srivastava (2014) explains that it is the performance orientation which converts the business strategy, process and operation into the action for implementation. The efforts for execution may fail if there is no support with regard to commitments and capabilities of managers and employees. Wooldridge and Floyd (1990) argue that executive leadership should be in charge of developing the adaptive culture for making company employees more result oriented. The adaptive culture also facilitates the involvement of employees and builds consensus which assist in development of performance orientation (Wooldridge and Floyd, 1990).

According to Alexander (1985), coordination and communication are critical barriers and at the same time facilitators of effective strategy execution. Their effect on strategy execution manifests in numerous ways. For instance, effective communication and coordination bridges the gap between formulators of strategy and executors generally together with shop floor employees and line staff.

Wooldridge and Floyd (1990) further elaborate that a gap between the reward system and the strategy is one of the typical reasons for poor strategy execution. Organization which ties the rewards to the success of business strategy is rewarded with higher levels of company performance. Therefore, top managers of an organization should develop the reward systems which will encourage the middle managers to think strategically and follow the growth plan of an organization (Wooldridge and Floyd, 1990).

Delisi (2001) found that the culture of an organization is a key predictor of the business strategy execution success. Jones (1995) comments further that the following are the important aspects of corporate culture for effective execution of business strategy:

- Balancing of short and medium term orientation
- Use of ethical means by the organization and employees for its long term success
- Culture of learning and sharing

According to Sheehan (2006), the culture of learning and sharing assists in reading realities which are changing and contextualizing the requirements that are vital for the effective execution of strategy. Bigler and Williams (2013) argue that leadership is very important for world-class execution of strategy. Organizations which gain the skill of executing the world-class strategy in a successful manner through development of leadership attain a valuable resource which is firm specific and would be difficult to imitate. This is also a source of sustainable competitive advantage for competition since it arises from true strategy leadership in an organization (Bigler and Williams, 2013). Montgomery (2008) state suggests the great desirability and significance of world-class execution of strategy as many established organizations seem to be incapable of sustaining it.

Kaplan and Norton (2008) explain further that organizations which move towards the goal of world-class execution of strategy will increase the likelihood of being rewarded with the sustainable competitive advantage. The process for creating and sustaining the competitive advantage together with execution of world-class strategy begins with the capability of leadership which is developed within the organization based on the value it places on its human assets. Therefore, expansion of human capital within the context of supportive organization for leadership development on the job will enact the world-class execution of strategy (Bigler and Williams, 2013).

Mumford, Zaccaro, Harding, Jacobs and Fleishman (2000) suggest that investing in human capital development through a skill based and on the job training will put the organization on a course towards world-class strategy execution. Srinivasan (2014) argue that excellent execution involves the following tasks:

- Crafting goals that require clarity.
- Mapping the path which is the strategy essence.
- Steering execution which is the operations management process.
- Managing change that requires coping successfully with the environment which is changing.
- Engaging people- meaning choosing, rewarding and empowering people who get things done successfully.

According to Srinivasan (2014), the real execution begins with decision making. The very first requirement is to define the decision boundaries clearly. This means who will be responsible for what decisions. The second requirement is for ensuring that each decision maker has all the information, skill and knowledge to make the correct decision. The organizational systems and processes are the key instruments for converting decisions into action. In this regard, the key success factors are systems which are effective for continuous improvement and problem solving (Srinivasan, 2014). Larry and Charan (2011) state that Toyota for instance is one of the good exemplars within this area as employees are provided with guidelines on process improvement and problem solving. At Toyota, there are manuals for asking repeated

– why until the root cause of a problem is reached. This helps in enhancing the quality of problem solving.

Welch (2005) elaborates further that another practice for enhancing execution is a culture of collecting and sharing of best practices across the organization. According to Welch (2005), efficiency within an organization can be maximized by standardizing the processes that do not require much creativity. On the other hand, regarding those activities which require creativity and innovation, there must be adequate freedom for people to respond in a creative way to the changing situation and needs. Furthermore, there should also be a scorecard for measuring and monitoring progress and results of the execution process (Welch, 2005).

Srinivasan (2014) mentions further that an important part of monitoring is to build an alignment, meaning that at every execution step the COO or CEO of the organization must ensure that all stages and various parts of the execution process are aligned with each other. For instance, Srinivasan (2014) outlines this alignment as follows:

- Strategic goals should be aligned with the company vision.
- Operational objectives should be aligned with the strategic goals.
- Measures of performance should be aligned with the operational objectives.
- All decisions should be aligned with the organizational values.

Welch (2005) highlights that the new idea and practice gaining an increasing recognition among progressive organizations is the empowerment of shop floor employees or teams that are in contact with the environment and the customer. According to Srinivasan (2014) effective management of change requires full shop floor employees' empowerment. They need to be provided with the autonomy, information, freedom, skills and training in order to take the initiative and decision to deal with the environmental changing needs.

Kotter (2012) explains that as a human being, an executive is the foundation for executing strategy. Execution, which is effective, requires the building of executive competence in people and this should start with strategy. The team of strategy should

have people who are going to execute the organizational strategy and who could bring the executive practicality to the strategy (Welch, 2005).

Kotter (2012) comments further that the team of strategy must consist of the following type of people:

- Bigger picture thinkers possessing conceptual skills.
- Talented line executives with sensible mind.
- Shop floor employee with the capacity for keen observation and sharp instinct for factual information.

Kotter (2012) also states that when moving from the strategy to operations, the organization needs leaders who are good in terms of engagement of employees. Also, the employees who have a passion and feeling the joy in getting things done (Kotter, 2012).

Under this section, it has become clear that strategy and its execution are crucial for the organization to attain its strategic goals. Research has shown that leadership support and involvement is crucial for the execution of business strategy (Nel, 2012; Afthonidis and Tsiotras, 2014; Greer *et al.* 2017). There are also factors outlined by Radomska (2013) and Shah (2005) that cause the unsuccessful business strategy execution. These are, for instance, having no system in place for communicating the strategy, no effort by managers to engage lower level employees for executing the strategy.

The execution of strategy, as outlined in this section, is of utmost importance for the organization to realize its strategic goals and to remain competitive within the environment it competes. It is also evident that the human capital is worth noting at this stage, as Greer *et al.* (2017) emphasize its importance in the execution of business strategy. The role of employees and executives in effecting strategy execution also shows that human capital is crucial in any organizational strategy execution.



## **2.4 Human Capital (HC)**

### **2.4.1 Definition of Human Capital**

There are numerous definitions and explanations of human capital. The following were found to be more applicable to this study:

- According to Schultz (1993), human capital is defined as a key element in the improvement of an organization's assets and employees for increasing the productivity together with sustainable competitive advantage as well.
- Dross (1999) explained HC as knowledge and skills acquired in the process of education and professional practice, together with resources of health and crucial energy.
- Grodzicki (2003) defined HC as skills, knowledge and abilities of individuals that have an economic value for the organization.

According to Miciula (2015), HC is explained as the values inherent in a human being that cannot form basis for income without their participation like social skills, educational skills, attitude and behaviours towards the company (commitment and motivation). These definitions have evolved from Shultz's (1993) earlier definition. Miciula's explanation of HC recognizes the importance of inherent individual's values and attributes as key to their performance as well. Some of these include individual's social skills, attitudes and behaviours which are key for effective teamwork and interpersonal relationship. For sustaining the organizations' competitiveness, human capital has become the major tool used for increasing productivity levels.

Human capital also refer to processes which relate to training, education and other professional initiatives which exist for increasing the knowledge levels, skills, abilities, values and social assets of an employee (Marimuthu, 2009). Davidsson and Honig (2003) assert that education is an investment which yields higher salary compensation in return for a person's skills variations, experience and training. The common human capital measures that are education-based can be divided between those that are inputs for the education (for example, number of schooling years, indicators of education quality such as class sizes and enrolments) and those which are education outputs like test scores, literacy standards and formal qualifications (Mason, 2008). According to Martinaitis (2013), the commonly used indicator that

measures the skills of workers of a country focuses on the educational achievements and the schooling years.

Zelleke and Gupta (2013) state that the key reason why human capital impacts higher on the productivity growth of employees that are working than its impact on the Gross Domestic Product (GDP) rate of growth is as a result of external benefits that employees who are educated confer upon all employees for enhancing the productivity of the latter. According to Gimmon and Levie (2009), human capital has the capacity to enhance the growth of a nation's GDP through increased levels of productivity. However, Chawla and Chen (2010) caution that human capital does not always have a positive impact on the business performance as over-investments in education leads to high levels of certification and this may discourage risk taking. Under-investment on the other side may encourage risk taking. Furthermore, individuals with higher education levels often seek employment in the formal sectors of economy for those jobs that pay well (Amaral and Lima, 2011).

Ndedi (2013) conducted a study on the challenges which the development of entrepreneurship in South Africa face. The study found that in most industries employee training remained informal and most of the workers at the lower level were not empowered. Furthermore, it was found that there is a shortage of high quality management. It is clear from the definitions of HC that the core emphasis has evolved from traditional focus on training to incorporating other components that are key to business strategy execution. These components are important and can be a source of competitive advantage for the organization (Micuila, 2015).

#### **2.4.2 Components of Human Capital**

The components of human capital are outlined on Figure 2.3. Based on the human capital's explanation by Miciula (2015), the classification of human capital components constitute the following towards the organization:

- Qualifications
- Social competences

- Attitudes and behaviors

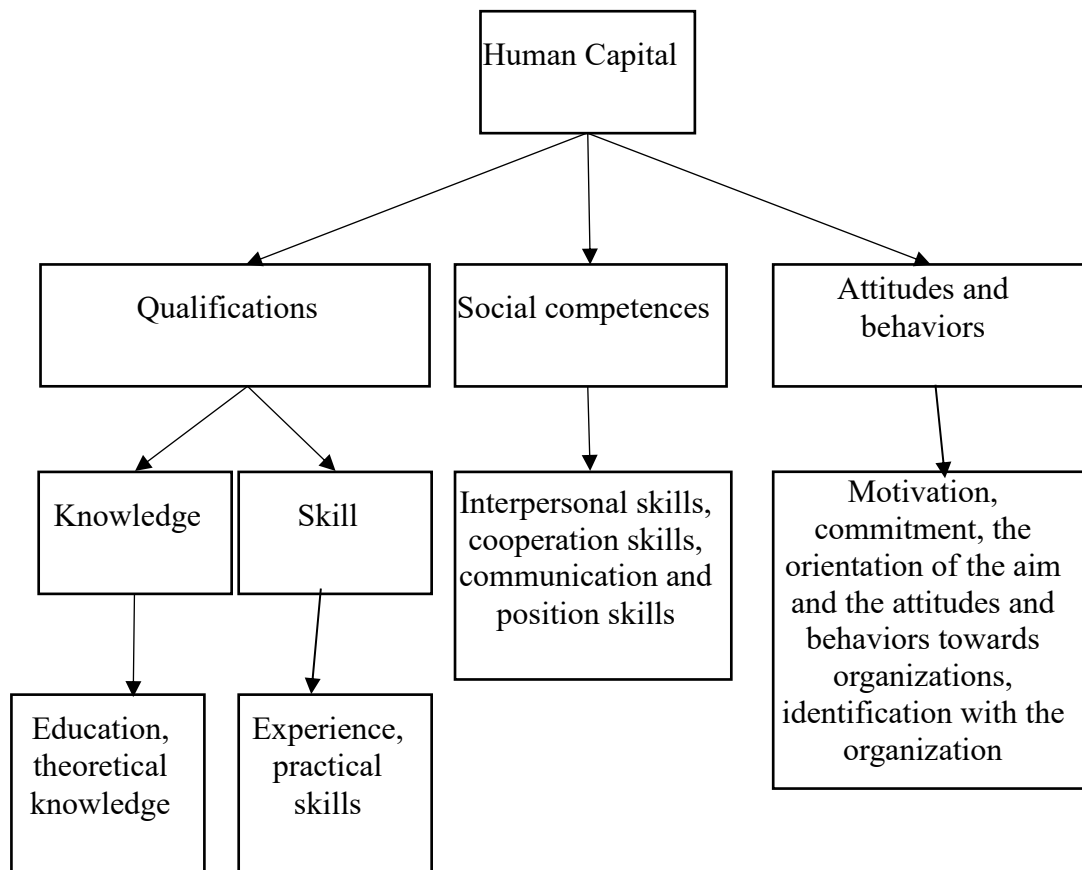


Figure 2.3: Human capital components.  
Source: Miciula (2016: 40)

According to Miciula (2016), qualifications include knowledge and skills which are practical that manifest themselves in education (theoretical knowledge) and experience (practical skills). Skills and knowledge are the key driving forces for the growth of the economy in any country (Mallick, 2016). Lans, Verhees and Verstegen (2016) explain social competence as the ability of people to interact successfully with one another within a certain context and position. According to Lans *et al.* (2016), social competence develops steadily during childhood and adolescence stages of growth. Also, a lack of social competence leads to problems with reduced self-esteem, mental distress, developing and maintaining interpersonal skills and performance which is lower at school (Lans *et al.*, 2016).

Mallick (2016) adds further that the social competencies which are also referred to as soft skills arise from personality traits and they include elements such as:

- The ability to build relationships that are positive
- The ability to cooperate
- Communication
- Team work and position skills such as leadership

Lastly, the final component constitutes the attitudes and behaviours towards organizational activities. These include motivation, goal orientation and identification with the company (Miciula, 2016). Langer, Bapna and Gopal (2014) explain that where technological change is constant within an industry, the quality of human capital is vital for sustained growth and determines the overall organizational profitability. The human capital productivity within the industry depends significantly upon the employees' technical and other expertise (Hatakenaka, 2008).

Langer *et al.* (2014:758) caution that “growing the quality and quantity of human capital for the economy is the global problem and any strategy that do not take into account the continued development of employee skills and capabilities are short sighted”. One of the primary ways for improving employee productivity is to enhance their managerial and technical skills level through training (Langer *et al.*, 2014). The view expressed here is that people development is not a once off event. As one of the drivers of economy is technological innovation which is dynamic in nature, the need for organizations to develop their HC is even amplified in order for them to remain competitive. Therefore, the current focus on social competencies, qualifications, attitudes and behaviour (Micuila, 2015) versus the earlier focus on knowledge, skills and training (Dross, 1999; Grodzicki 2003) illustrates the extent of evolution and the need for organizations to invest in their HC in order for them to execute the business strategy successfully.

Chrysler-Fox and Roodt (2014) highlight that human capital is the primary source of value creation and it is crucial for the implementation of business strategy. Greer, Lusch and Hitt (2017) add that when organization manages its human capital and also build relationships with stakeholders like employees, it will implement the business

strategy effectively. Suriyah (2016) also adds that human capital is essential for the implementation of business strategy. The organization should therefore be concerned with ensuring that employees are committed to the values, purpose and mission of the organization. Their perceptions should always be taken into account as it will lead to a learning culture within an organization (Suriyah, 2016).

According to Daft (2013), in order for the organization to face the global competition, its human capital strategy should be dynamic, proactive and strategic focus so that it supports the business strategy implementation. This will also lead to the organization's sustainable competitive advantage over its rivals (Daft, 2013). Schein (2004) cautions that many companies adopt a good business strategy to win the competition over their rivals but fail to execute it as it was not supported by the human capital and corporate culture.

The role of human capital in general is not only important from the perspective of employee skills development, also it is crucial in the organization attaining its strategic goals. Becker and Huselid (2006) argue that the strategy of the organization is implemented through its human capital. According to Mistry, Barrick, Kirkman and Hitt (2016), the process of strategy implementation is multilevel (start from the top to the bottom of the hierarchy) and multiunit (across all the organizational units). This therefore means that top and middle managers should take actions for implementing organization's strategy which will ensure enhanced performance of the organization. Mistry *et al.* (2016) elaborate further that organizations should involve all the employees in decision making so that their approaches when it comes to organizational vision and goals are taken into account. From the argument by Mistry *et al.* (2016), it can be deduced that it is vital for organizations to involve employees in both decision-making processes and strategy formulation and execution. This study therefore sought to evaluate employees' perspectives with regard to strategy formulation and execution, which would then close the loop of bottom up approach after more emphasis on top down approach (Mistry *et al.*, 2016).

### 2.4.3 Training

Training is defined as “a planned process to modify attitude, knowledge or skill behavior through a learning experience to achieve effective performance in any activity or range of activities” (Turcut, 2016:437). Bucur (2015:138) explains further that “training of the human resources is a continuous, lifelong process by means of which each individual’s knowledge and skills are maintained updated by acquiring new general knowledge, basic for the human resources’ s specialty, in accordance with the constantly increasing organizational needs in a world of globalization and changes that cannot stop”.

Chen, Sok and Sok (2007) state that training plays a pivotal role in the productivity and success of any organization. It is also a dominant factor in shaping the attitudes of employees and increases the skills base which consequently leads to increased employee competence levels (Fawad, 2012). Chen *et al.* (2007) emphasize that training effectiveness improves the employee’s working performance and remains the key factor which underlie the differences between the high and low performing graduates.

According to Baron and Morin (2010), effective organizational commitment at the commencement of training has a positive effect on the self-efficacy at the end of training. Lynch (2006) explains self-efficacy as a combination of a person’s ability to do a given task and the confidence level a person possesses in the task. Persons with high levels of self-efficacy try more challenging tasks, exert more effort for accomplishing and are more resolute in their efforts when they encounter the difficulties (Lynch, 2006). Tai (2006) found that the trainees with high self-efficacy enhance the training motivation and the more employees are trained to believe in their ability to learn, the better their willingness in gaining more knowledge. This signifying that employees who are encouraged, committed and confident to train are highly valuable and make the training more effective (Yahya, Noor, Othman, Isa, Manaf, 2017).

Raghavan and Mahmood (2015) conducted a study on the impact of training on employee job performance based on the case study of a manufacturing company called Linaco in Malaysia. The conclusion was that Generation Y play a vital role in Linaco’s future development and demographic variables like degree held, age and experience

do have an impact on training. Generation Y is explained as confident, ambitious, independent and achievement oriented when entering the workforce of the organization (Devins, Johnson and Sutherland, 2010). Furthermore, they have high expectations from their employers and seek out new challenges. Due to better education and work experience, these workers are highly mobile and move easily from one employer to the next when they are not happy with their work. The study also recommended that generation Y workers need to be retained by exposing them to better training and career development opportunities so that the organization also become competitive (Raghavan and Mahmood, 2015).

According to Badea and Angheluta (2015), for organizations to be competitive, it is crucial that they have well trained employees. Even though automation levels have increased in most of the production processes, the human factor still remains a valuable resource for any organization. Badea and Angheluta (2015) explain further that developing the skills of low skilled employees and promoting adult education are very crucial. Furthermore upgrading training program for employees is essential for facilitating the transition from school to work.

The European Commission report (2015) outlines that the increase of employee competitiveness can be achieved through investing in the human factor. Countries which allocate adequate resources in education and health have the high performance in terms of the economy. The report also states that the investment in education is a positive factor when it comes to social cohesion and stimulating competitiveness together with growth can also be achieved through training and education investments (European Commission, 2015).

Badea and Angheluta (2015) conclude, however, that there are certain risks when it comes to human capital investments from those communities having less developed economies. People that benefited from the training programs for improving their skills are able to access jobs in other communities and their migration from less developed communities decrease the competitiveness of those communities (United Nations Development Programme, 2015).

Lepark and Snell (1999) explain that once the individual has been hired, it is important for a training program to be designed which will improve their skills and capabilities for executing the goals of an organization in an effective manner. Kaplan and Norton (2014) propose that on the job training, individual development, leadership training and career planning are crucial for the development of human capital. Ready, Hill and Conger (2008) observe that training, tasks which are challenging and career path which is foreseeable are conducive to development of an organization and also drive employees to achieve their long term goals.

Kim, Hahn and Lee (2015) state that training within an organization can be classified into the following two types from the perspective of employees:

- Training which seeks to enhance that proficiency at the individual level such as interpersonal skills, profession specific skills and managerial skills. Within this context, the learning content of training contributes directly to job performance enhancement. Consequently, an employee is likely to perceive the program of training as useful to maintain a current job, increasing the promotion chances, achieving career success and receiving monetary rewards.
- Training designed to address social norms, expectations, pressures and increasingly competitive environment of business which require collective responses from the employees. This training type involves topics such as organizational values, corporate social responsibility, business ethics and diversity. According to Kim *et al.* (2015), training programs on diversity are educational interventions by organizations that deal with employee social identities such as ethnicity, gender and nationality. Even though the design of training and content vary, the main objective of such training programs is to reduce the prejudice and behaviours which are discriminatory that may result in injustice and unfairness within an organization, consequently leading to organizational ineffectiveness. The content of this training is linked to the sustainability and wellness of the entire organization (Craft, 2010).



Hatch and Dyer (2004) argue that training provided by the employer has been utilized as proxy for firm specific human capital (FSHC). Training which takes place outside the organization, like formal education, is assumed to be more general and the one provided internally by the employer like on the job training (OJT) is assumed to be more firm specific. According to Dierickx and Cool (1989), OJT is useful for learning policies, organizational culture, routines and procedures which are firm specific.

Raffiee and Coff (2016:771) explain further that “OJT may enhance both the softer firm specific-skills specific and harder general skills”. Softer skills like getting along with fellow team members are harder to observe and are salient than harder skills like performing a task. Consequently, when assessing specificity, employees may first recall OJT sessions and then recall the harder skills acquired or learned in such training. Therefore, employees who receive more OJT are biased towards perceiving their skills portfolio as more general.

Existing empirical studies of OJT suggest the presence of a strong correlation between training and education (Bartel, 1995). According to a study by Cairo and Cajner (2013) on the human capital and unemployment dynamics, results supporting the empirical studies mentioned show the following:

- All new employees receive some form of initial training irrespective of their education level.
- There are significant differences across the groups of education with respect to the training duration received and the productivity gaps.

In this study, for instance, the newly hired employee from university was found to need at least 18 weeks on average to become completely trained. This was found to be as nearly two times the time required for a newly hired high school graduate. Furthermore, the differences between the initial employee productivity levels and the productivity achieved by an incumbent employee increase with the level of education as well from one third to one half.

Turcut (2016) emphasizes that employee training is associated with OJT through which skills are acquired for a particular role, whereas education is related to a formal academic background. Its emphasis within the organization should be to develop employees' abilities and to satisfy the current and future organizational manpower needs. Overman (1994) observes that people forget what they hear, remember what they see and understand what they do through training. Jean (2009) mention that there are four types of training vital for employee skills development, these are:

- In the classroom training programs
- Training at the workplace
- Interaction of the classroom and working training
- Inclusive training programs providing workplace and classroom training together with supplementary services like counseling and mentoring

According to Jean (2009), the interaction of workplace and classroom training increases the likelihood of positive impact on the labour market by 30 percent when compared to classroom training alone. Also, the combined interaction of workplace and classroom together with the supplementary services increase the positive impact by 53 percent. Turcut (2016) cautions that training increases the employee value for the organization that supports the costs of employee and other organizations.

When the organization makes the decision to invest or not to invest in training of employees, it faces the psychological factor decisive namely – the organization invests in training risks losing its investment in favor of the competitors should be employee decides to change his/her job after completing the training program. Organizations therefore resort to taking alternative way of recruiting work force that is already trained by another organization.

Mayombe and Lombard (2015) conducted a study to investigate what constitute favorable conditions for acquisition of skills inside the non-formal adult education and training (NFET) centers which leads to employment in South Africa. The study also looked at how training can be improved for contributing to coordinated efforts to increase the NFET graduates paid and self-employment capacity. It was acknowledged in the study that NFET in South Africa is very instrumental for breaking

the high levels of poverty and also for decreasing the social inequalities the country is continuing to face post apartheid democracy.

According to Mayombe and Lombard (2015), both the private and public NFET centers aim to meet the needs of adult training that have been deprived of formal education with such courses that promote access to skills acquisition opportunities and employment thereby bringing about economic and social inclusion. It was found from the study that centers which focus on the activities which are suitable for self-employment during training were likely to create the internal enabling environment for acquisition of skills and income generation than those centers which offer courses designed to enter paid employment.

In order to make the NFET effective for employment and productivity, Palmer (2008) suggests that the training must be needs led with regard to both the category of trainee and their skills needs in particular. Jjuuko and Kwiri (2010) elaborate that the aspects which are overlooked by most of the centers in training needs assessments process are the business and technical skills gap of the trainees that need to be dealt with for paid and self employment opportunities.

According to Roberts (2008), poverty and unemployment are related to the levels of education. In South Africa, adults with low education levels and training are more likely to be poor than the ones who are well educated. McGrath and Akoojee (2007) state that approximately 58 percent of the paid employment has a matriculation level of education at least. This therefore means they have completed 12 years of schooling. Roberts (2008) point out that the adult training and education play a significant role in dealing with the economic and social inequalities in South Africa. Both training and education are vital in reducing the poverty levels in the rural areas with respect to the different racial groups and gender in South Africa.

Simona (2008) conducted a study on the human capital investments in Romania, a developing country like South Africa and it was concluded that investment in education in Romania is, on average, 3.87 percent. The average investment in education by the highly developed countries is 5.33 percent of the total government expenses.

In a study conducted by King and Palmer (2007) in Ghana, it was revealed that lack of financial resources for training centers was one of the main challenges which hinder positive employment outcomes for skills training and empowerment placement programme (STEP). The consequence of this non conducive environment was that the skills training program was leading to the creation of not fully acquired skills acquisition. Becker (1997) emphasize that the investments in training and education are crucial within the context of human capital.

Furthermore, organizations should still emphasize on the role of work experience which will lead to fully acquired skills acquisition key for business strategy execution (Becker, 1997). Niazi (2011) also emphasizes that for employees to be equipped with the right knowledge, ability and skills training plays a crucial role. This subsequently leads to enhanced strategy implementation in an organization and therefore growth and success of the organization.

#### **2.4.4 Work Experience**

Coulombe, Grenier and Nadeau (2014) explain that work experience is about the skill or knowledge acquired over a period of time and gained through learning and doing. According to Bloom and Van Reenen (2007), the main reasons why the quality of work experience differs from country to country include differences in learning by doing and styles of management within each country. Coulombe *et al.* (2014) add that the differences in the quality of work experience also explain the differences in economic development of various countries. In Kenya, for instance, the impact of work experience quality on the output per employee is almost three times as large as that of the schooling quality (Coulombe *et al.*, 2014).

The study by Coulombe *et al.* (2014) on the quality of work experience and economic development concluded that the quality of work experience plays a more substantial role than the quality of schooling in explaining the differences in output per employee. Hanushek and Woessmann (2008) also reveal that improvements in the education quantity have not resulted in the expected progress when it comes to the economic well being of the country. It was highlighted that whilst quality and quantity of schooling enriches the human capital capability, improvements in quality of work experience will enable countries to achieve even more.

Helyer and Lee (2014) highlight that higher education is said to develop people and therefore an expected consequence of this is that the graduates as employees will be highly wanted thereafter. The reality is that many graduates are underemployed and the institutions of higher education are deploying some measures for increasing the employability of their respective graduates, like inclusion of employability focused material within each study program. This will ensure that each student has the opportunity for experiencing the workplace through work placements, collaborations with businesses, real work projects and internships (Helyer and Lee, 2014).

According to High Fliers (2014), distributed in England, graduates will have to strategically distinguish themselves by using the experiential learning gained from the workplace experiences if they so wish to be considered by the recruiters of graduates. Furthermore, it was highlighted in the High Fliers (2014) that more than half of the top recruiters of graduates mention that graduates work experience are being prioritized in their process of selection. Wilson (2013) argues that experiential learning is very crucial and learning plus doing should not be separated. However, Cooper, Orrell and Bowden (2010) caution that students need to engage actively in order for them to learn as learning is the product of students' efforts to translate and interpret what they experience so that they can make meaning of it.

Siebert and Costley (2013) elaborate that work experience allows graduates and students to reflect on and putting into practice what they have been learning from their formal study. Also, to develop skills that are transferable and enhancing their employability, placing graduates and students in the real workplace is one of the ways of facilitating experience and experiential learning. Baum and Ruhm (2016:343) state that "intensive early work experience could be detrimental to later economic success" as it harms the academic performance such as college attendance rate and high school graduation and therefore important to understand its effects. Furthermore, Baum and Ruhm (2016) highlight that high school experience could improve the outcomes of future labour market as students that are employed acquire knowledge and skills which increase their productivity.

According to Li, Li and Zhu (2016), work experience enriches the understanding of employees on aspects of their job. It also frees them from trivial and basic aspects of their work which enables them to see the bigger picture. Morrison (2011) explains that employees with little work experience require attentive concentration for accomplishing the tasks and for acclimatizing. On the other hand, veterans are more skilled in what they do and more available cognitively. Therefore, veterans have the knowledge and information which will assist the organization to learn, prevent mistakes and improve the performance (Morrison, 2011). Li *et al.* (2016) also emphasize that the experienced employees are intelligent resources and crucial assets for the organization.

In a study conducted by Farndale and Kelliher (2013) to explore the employee experience on the implementation of performance appraisal, it was highlighted that the line managers play an integral role in implementing the Human Resource Management (HRM) practices and business strategy execution for an organization. This is also highlighted as a source of sustainable competitive advantage as line managers are closer to the employees and are key for adding value and delivery of results for the organization. It was also found from the study that the employee experience of organizational actions could influence their perception regarding the organizational support which will lead to reciprocation with regard to commitment.

Organizational commitment is explained from Farndale and Kelliher (2013) as a means by which the employees reciprocate benefits which are provided to them and in the case of the study, it is in the form of perceived treatment that is fair from their line manager. Furthermore, the findings from the study also demonstrate that high trust climate is associated with high employee perceptions of fairness in the process of performance appraisal.

Kulik, Perera and Cregan (2016) caution that as the workforce ages and organizations reinventing themselves through restructuring, the mature age experienced employees are increasingly more likely to be supervised by young inexperienced managers. Generally mature age experienced workers prefer to be supervised by the older supervisors (Tonks, Dickenson and Nelson, 2009). They believe that the older supervisors are fairer than the younger ones and also provide more support.

Finkelstein, Ryan and Kink (2013) highlight that the older experienced employees are more likely to anticipate the stereotyping from the young manager than an old one. This is due to mature age employees believing that younger managers view them as old, grumpy and stubborn while overlooking attributes like mature, responsible, hard working and experienced which is normally what they report when being asked to describe people that are older.

Kulik *et al.* (2016) explain that mature age employees working in young work groups could likely experience stereotype threat as people use age to infer the status. In addition, the mature age employee who is surrounded by younger peers violates the status norms. Therefore, these demographic violations of age ranking could lead to older employee concerns that they might be perceived by their colleagues within the organization as plateaued and therefore induce stereotype threat (Salthouse, 2012). Duncan and Loretto (2004) comment further that the manual labourers conduct physical work which does not require cognitive skills and jobs which involve manual labour only are normally age typed as jobs for young people. Many people underestimate the extent to which these jobs are being performed successfully by employees who are older (Salthouse, 2012).

According to Kulik *et al.* (2016), both the employees and employers believe that declines in performance which is related to age are prevalent among manual workers than workers in other occupations like clerical, professional, sales and consequently most of the managers view roles of manual labourers as unsuitable for older employees. Consequently, mature age employees in doing manual labour are likely to be aware of these age stereotypes which are negative and will be particularly concerned about confirming them as roles of manual labour offer few opportunities in compensating for age related declines. Hennekam and Herrbach (2013) state that practices that are supportive to mature age involve formally celebrating and recognizing the achievements of a mature age employee.

Mountford (2013) also add that since aging is associated with an increasing interest in helping the future generations, mature age employees could experience opportunities for developing and mentoring other employees as self-affirming. According to

Mountford (2013), the following could be effective strategies for counteracting threat of stereotype:

- Placing mature age workers in visible and meaningful roles.
- Making investments that are explicit in training of mature age employees.
- Strategically redesign jobs for reducing the physical effort without a loss of their high status in decision making.

Daveri and Parisi (2015) conducted a study to investigate whether level of employee work experience is bad or good for productivity and innovation in Italy. It is highlighted from the study that from 1990, there has been a sharp decline in productivity that came about both in services and manufacturing industries of the Italian economy. It is also mentioned that the level of experience both for managers and employees contributed to the slowdown of productivity in the manufacturing sector of Italy. On the employees' side, few changes in legislature in 1996 gave legal recognition to a host of contractual forms of temporary and part time jobs which were never allowed before. Consequently, a share of temporary employees by 2001 in Italy's dependent workforce had risen to 11.5 % which was higher by 2.5% than it was in 1996.

It is also mentioned in the study that the level of managerial experience affected productivity and innovation in the economy of Italy as well. The rate of adoption regarding internet related innovation was disrupted by the high number of managers who were experienced but very conservative. Furthermore, majority of the Italian firms are owned by families and follow a model of fidelity when it comes to selection and conduct rather than following a model that is based on performance with consequences for organization's productivity and innovation (Daveri and Parisi, 2015). The study by Daveri and Parisi (2015) conclude that the both managers' and employees' level of experience matter for growth of productivity.

A report by IBM (2016) on employee experience index outlines that supportive coworker relationships are critical and also important driver of a positive work experience. When these relationships are present in the place of work, workers report a more positive employee experience than when the support is absent. It is also stated



in the report that engagement and experience go hand in hand to reflect the state at work of employees. Figure 2.4 show the ideal of a highly engaged work force with a positive work experience.

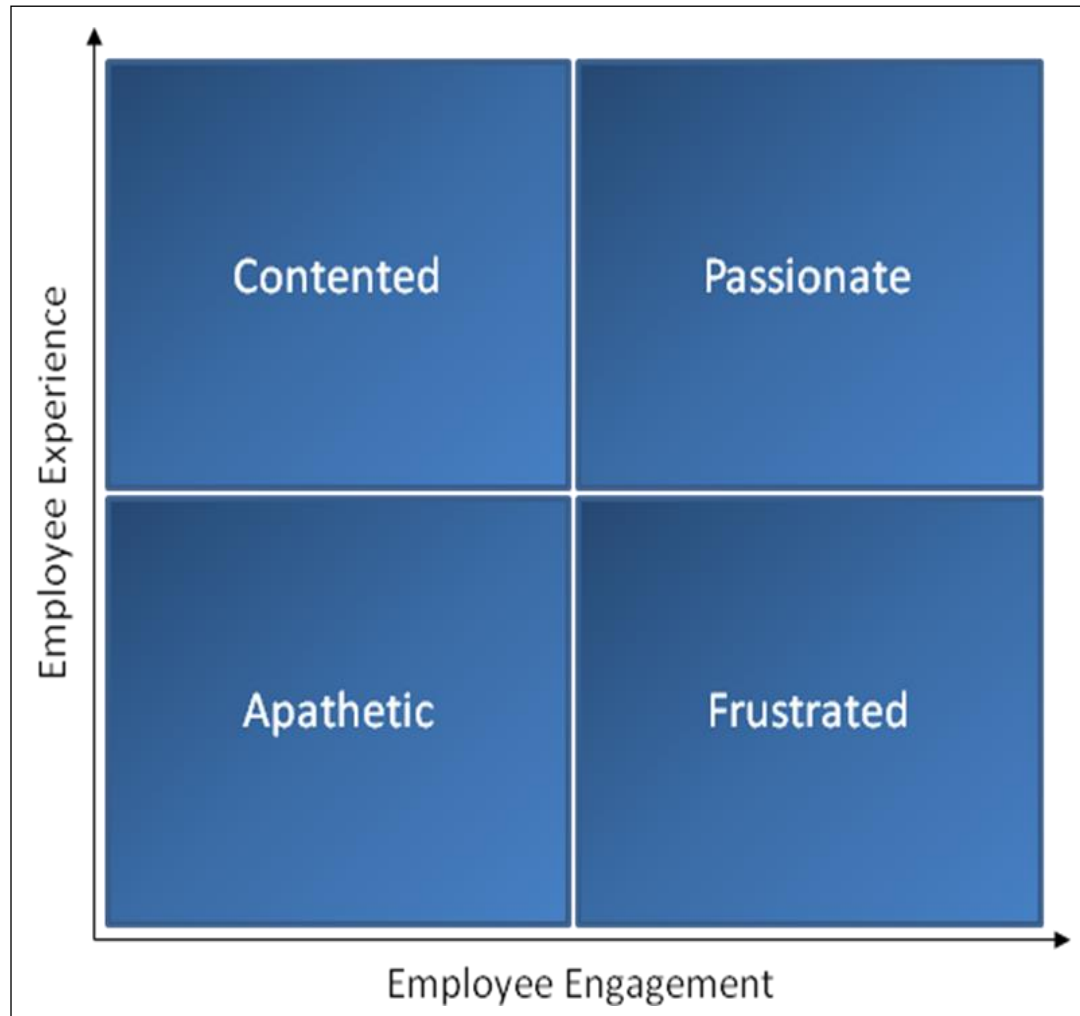


Figure 2.4: Ideal of a highly engaged workforce with a positive work experience

Source: (IBM, 2016)

It is clear from Figure 2.3 that when employees are high in engagement and are also positive about their work experience, they are passionate about what they are doing. However, when employees are low in engagement and negative with respect to their experience they appear to be apathetic (IBM, 2016). The IBM (2016) report also identifies the following organizational practices as key for driving more positive employee experience in the workplace:

- Coworker relationship
- Meaningful work

- Organizational trust
- Feedback and growth
- Empowerment and voice
- Recognition
- Work-life balance

Furthermore, it has also been found from the IBM (2016) report that employees with more work experience achieve high levels of work performance which is vital for the implementation of business strategy. The output levels of those employees with lower levels of work experience was low. The impact of work experience is key on the execution of business strategy and management should consider it when strategic decisions are made for improving the organizational performance. This means that mature age on its own (Kulik *et al.*, 2016) does not influence the performance of an employee as a mature employee could be above 35 years in age but with 1-year work experience. Therefore, within this context and given the work experience explanation by Coulombe *et al.* (2014), it is important to view it as skills and knowledge acquired over a lengthy period of time.

Various studies (Farndale and Kelliher, 2013; Daveri and Parisi, 2015; IBM, 2016) do show that employee work experience does have a crucial role to play in the successful execution of organizational strategy. It was therefore one of the objectives of the study to establish the relationship between employee work experience and the successful strategy execution.

## **2.5 The Role of Employee Perceptions**

Raj (2013) explains perception as a significant input in a human being's behaviour and also refers to the process of considering what is out there to be observed. The receiver, the received and together with the situation as well will influence the perception of a person. Perception study is mostly concerned with the process of identification through which people organize and interpret sensory information for producing their conscious of objects and their relationship (Raj, 2013). According to Raj (2013), perception is influenced by the following: the perceiver, target or object being perceived for and the situation context within which perception is being made.

Perception has various implications for the organizational leaders. Raj (2013) states that workplace perception plays a significant role in the employees' motivation. According to Pryce-Jones and Lindsay (2014), the employees are more productive when they are content. It is vital to nurture the workplace environment wherein employees will feel satisfied and happy. Senior leadership of the organization has the responsibility for creating such an environment (Pryce-Jones *et al.*, 2014).

Jayakumar and Sulthan (2014) suggest that the organization should take the steps for understanding what employees need and want. Organization also needs to conduct training programs which meet their needs and plans. Senior management must also be on par with the new technologies in their program of training. They must also undertake continuous steps for maintaining the organizational value among their workers. The study also concluded that the training and development programs do enhance productivity, levels of motivation and employees moral which signifies the importance of human capital in organizations.

According to Eaton and Kilby (2015), people are the main reason why business strategies fail. The study by Eaton and Kilby (2015) on organizational culture found that if employees are not aligned with the beliefs, behaviours and values which support the business strategy, they will work against company. It was also stated from the study that frustrated employees will leave the organization, putting the business strategy at further risk and consequently poor organizational performance.

## **2.6 Organizational Performance**

Organizational performance is explained as the actual output of the organization relative to the strategic goal (Masood and Zia-ur-Rehman, 2013). Put differently, it is the actual output of an organization compared to the intended output. One of the most important output measures is productivity for instance. Mafini and Poee (2013) outline that the productivity of an organization is attained by satisfying employees and also being sensitive to both their socio emotional and physiological needs. Singh (2015) explain productivity as the output produced by the study unit in relative proportion of the inputs required for producing it. Outputs are measured by the quantity of goods produced to a defined quality and standard. Higher productivity levels derive not only from what the resources an organization owns but also on how the organization uses,

combines and develops them for producing distinct internal and dynamic capabilities (Loosemore, 2014).

Sobhani (2008) explains productivity as a crucial economic factor which plays a critical role for evaluating the economic growth. Black (2013) states that productivity is the foundation for economic prosperity, a prerequisite for the national development and an important indicator of organizational competitiveness. According to Jagoda and Lonseth (2012), it is important for organizational leaders and workers to develop measures for evaluating factors that impact on performance and productivity. Human beings naturally want to be successful and also want a feeling or sense of accomplishment. People also become complacent if there is no continuous feedback on their performance and the organization as well. Therefore, when workers do not get feedback on what they have accomplished or failed to accomplish, they become despondent, lazy and consequently poor in performance.

Jagoda and Lonseth (2012) state further that it is important for all the organizational staff including employees at the lower levels to have more input when the organization determines those appropriate measures for productivity improvement. When doing so, the organization will be assured to have the most adequate amount of information and input from all its levels. The effectiveness of the programs for the productivity improvement within the organization will therefore depend on its ability to communicate accurate, relevant and understandable information among its employees.

According to Jagoda and Lonseth (2012), productivity measures could broadly be classified as financial performance and non-financial performance measures. The financial performance measures are, for an example, return on assets (ROA), earnings per share (EPS), return on investment (ROI) and a common non-financial performance measure used is productivity. Other productivity measures include units produced per hour/day/month (Bolz, 2009). Jagoda and Lonseth (2012) state further that a common problem with most of the productivity measurements methods is that their approaches are top down in organizations.

Judge, Thoresen, Bono and Patton (2001) found a positive relationship between the satisfaction of an employee and factors such as job involvement, job performance and involvement. However, Chandrasekar (2011) cautions that employee dissatisfaction can result from the poor workplace environment which will lead to a decrease in productivity and subsequently poor organizational performance. This is also because poor working conditions make employees uncomfortable which leads to the relationship between the employees and managers to deteriorate. Estes and Wang (2008) add that unfriendly atmosphere at work like this one will undermine the cooperation, ability and self esteem of employees for coming up with ideas that are creative.

It is therefore crucial for management of an organization to create a work environment which facilitates higher levels of employee satisfaction and effective execution of company strategy (Chandrasekar, 2011). According to Mitchell (2002), organizational performance also reflects how effective the organization is. The effectiveness of an organization is explained as the degree to which an organization is successful in crafting and execution of that strategy (Mitchell, 2002). Within this context, it is clear that a successful execution of business strategy is a reflection of how good the organizational performance is.

## **2.7 Employee Engagement**

### **2.7.1 Definition of Employee Engagement**

Bhuvanaiah and Raya (2014) define employee engagement as the energy used in accomplishing a particular purpose. According to Bhuvanaiah and Raya (2014), when an employee becomes engaged, he/she gains intrinsic motivation that helps him/her to feel energized for performing a task. Barros, Costello, Beaman and Westover (n.d) define engagement through three parts which are:

- Attitude
- Behavior
- Outcome

The feeling of pride and loyalty towards an employer, the behavior of a person to go above and beyond on a certain task, the outcomes which result in a productivity increase and innovation accompanied by a decrease in accidents, conflicts, turnover rates and sick leave are all important aspect to employee engagement (Barros *et al.*, n.d). McLeod (n.d) elaborate that the organizations with employees who are engaged produce an environment of respect and trust. Furthermore, the emotional commitment of an employee is crucial and leads to the employee caring sincerely about the organization and the job they do. Martins (n.d) adds that when the organizational leadership leverages employee engagement, strategy implementation and profitability are enhanced.

### **2.7.2 Discussion of Employee Engagement**

MacLeod (n.d) highlights that in engagement, employees express and employ themselves physically, emotionally and cognitively during the performance of a role. Mishra, Boynton and Mishra (2014) state that the organizations have developed the following techniques for improving employee engagement:

- Face to face communication being the largest driving force for increasing levels of employee engagement. This is because of its greatest potential for resolving uncertainty and ambiguity. For instance, when the employees receive support from their supervisor they respond positively and when their supervisor has a face to face communication with them it helps the employees to believe that they are contributing to the organizational goal as they feel that they have a voice and are being heard (Mishra *et al.*, 2014).
- Providing an employee the ability to express the feelings, ideas and opinions freely for producing a direct influence on employee engagement. Organizations which face low levels of employee engagement and satisfaction struggle to attract talent and lose out on profits due to lack of employee productivity at the place of work (Yoerger, Crowe and Allen, 2015).

Gupta (2015) outlines the following three principle factors as key for engagement of employees:

- Career development or personal development opportunities. Development of career influences employee engagement together with retaining of talented. It also provides the opportunity for personal development.
- Empowerment. Employees need to be part of the decisions which affect their jobs. Therefore, leaders of high engagement workplaces do create a challenging and trustful environment within which employees are encouraged to oppose or dissent from the existing orthodoxy. They are also encouraged to innovate in order to move the company forward.
- Leadership with respect to clarity of company values. Employees in an organization need to feel that core values of their organization are clear and unambiguous. Most of the successful companies show respect for each employee's contribution and qualities irrespective of their level of job.

According to Gupta (2015), the following five strategies or tools are crucial for improving the engagement of employees in an organization:

- Employees' involvement must be encouraged in the initiatives of the organization. Involving the employees in the bigger picture will provide interesting challenges for them which will keep their jobs interesting.
- Encouragement of innovation and creativity, which provides new insights and a sense of individual accomplishment.
- Encouragement of communication that is open. Being open minded and encouraging employees to express their perspectives and ideas without criticism.
- Providing opportunities for education and learning. Employees should not be allowed to feel as if there is no more scope for them to learn in their existing positions. This action enhances employee retention.
- Sharing of information should be kept truthful and hopeful. Bad news should not be held back but shared as well.

The study by Willey (n.d) on the use of employee opinions about organizational performance to enhance engagement of employee concluded that the organizations should meet the following conditions for having higher levels of employee engagement:

- Senior leaders should build confidence and trust by inspiring confidence in the future.
- Direct line managers should provide recognition and demonstrate respect through recognizing employees and emphasizing improvement and quality as top priorities.
- Employees must perceive growth and development opportunities in their existing jobs and also see the opportunities to develop and grow.
- Work should itself generate enthusiasm and the organization itself should demonstrate a responsibility to its employees and the community within which it operates.

Berens (2013) emphasizes that true employee engagement happens when companies get to the root of what creates the right behavior, what people care about and how the bigger picture is perceived. Furthermore, even the most sophisticated business strategy is worthless if employees are not embracing it or engaged in it (Berens, 2013). Slack, Corlett and Morris (2015) conducted a study for exploring the employee engagement with Corporate Social Responsibility.

The main finding from this study was that the organizational employees in general agree that the internal communication is a major factor when it comes to their lack of engagement. Mishra, Boynton and Mishra (2014) support this finding by stating that the internal communication is vital for building a transparency culture between employees and management, it can also engage employees in the priorities of the organization.

Dolphin (2005) adds further that since internal communication rests between the leaders of the organization and the employees, it reflects the ability of the management in building the relationships between internal stakeholders across all the levels in an organization. Dolphins (2015) also concludes that the internal communication is



crucial for building relationships with the employees. Kalla (2005) states that the most effective internal communication is a two-way communication. This is because it provides the opportunity for informal interaction between managers and employees (Kalla, 2005). These various studies (Mishra *et al.*, 2014; Dolphin, 2015; Kalla, 2005) illustrate that communication is at the core of employees engagement and organizations should take this into consideration when engaging with employees for enabling the successful execution of business strategy.

In a study conducted by Bergquist and Westerberg (2014) on testing for motivation to engage in improvements, the following management responsibilities were highlighted as key for improvement:

- Management should provide support that is clear to employees for the improvement of work and also ensure that the employees recognize their support.
- Management must ensure that the employees get the relevant training for their project tasks improvement.

Bindland and Parker (2010) highlight that employees who are engaged experience emotions which are positive. Cameron, Mora, Leutscher and Calarco (2011) add that positive emotions like joy and compassion lead to the activities which are positive in an organization such as behavior of helping others and teamwork. When members of an organization experience and observe compassion, love and other emotions which are positive, their pride regarding the organization increases and so do enjoyment of the work they are doing. These are the ingredients attributable to the management success and the organizational excellence (Cameron *et al.*, 2011).

May, Gilson and Hartel (2004) state that those companies that plan to improve the engagement of employees must focus on the perceptions of these employees regarding the support they receive from the organization. Therefore, managers should provide employees with clarity of their work roles which is recognized as having a direct effect on the level of engagement (May *et al.*, 2004). According to Blizzard (2003), upward feedback within an organization leads to even high levels of employee engagement together with interpersonal relationships between managers and employees.

Krishnaveni and Monica (2016) found that the following three conditions influence the engagement and disengagement of employees at work:

- Psychological meaningfulness.
- Psychological safety
- Psychological availability.

The psychological meaningfulness dimension is understood as one's feeling of being useful, worthwhile and valuable. This implies that these add value to the job that they conduct. Kahn (1990) elaborates that meaningfulness displays the strongest correlation with engagement. Furthermore, it plays a crucial role in engaging employees and managers must seek the enhancement of meaningfulness via the effective job design.

According to Kahn (1990), an employee perceives a situation as being safe only when the freedom for expressing oneself free without behavioral consequences among co-workers and managers exist. Monesson (2013) states that environments which encourage and sustain relational elements, are built on the concepts like support, cooperation, partnership and trust. One of the key factors for enabling engagement to happen is leadership (Kahn, 1990). According to Monesson (2013), a leader should be instrumental and must have done various roles such as task oriented or relational leadership for effective performance.

Organizational employees perform better when they are supported by their managers. A leader plays a crucial role for promoting an environment for the organization within which core and noncore tasks are valued. Good managers and co-workers that help in building pleasant relations are pivotal in harnessing an employee's self in emotional, physical and cognitive dimensions to manifest his/her self within the workplace (Kahn, 1990). In a study conducted by Alfes, Truss, Soane, Rees and Gatenby (2013) for examining the role which is played by line managers, individual performance outcomes and Human Resources Management (HRM), it was found that the

perceptions of employees regarding the line manager's behavior and practices of HRM are related positively to the employee engagement.

Furthermore, companies which are able to promote a climate of reciprocity will extract the positive behavioral and attitudinal outcomes from the employees (Alfes *et al.*, 2013). Kataria, Garg and Rastogi (2013) mention that the engaged employees perform better when they experience practices which are positive at their places of work. These practices for instance would be among others:

- When they are treated with respect.
- Being provided with the opportunities to develop themselves when it comes to their careers.
- Rewarded adequately and recognized for high performance

In addition, employees desire the positive feeling about their experiences of work which go beyond commitment or global attitudes of job satisfaction (Kataria *et al.*, 2013). Bakker and Schaufeli (2008) add further that the contribution of employees regarding task proficiency, mental resilience, proactivity and commitment is fundamental and acts as the building block for the growth and sustainability of any organization. According to Kennedy and Daim (2010) employees who are engaged experience great passion for the work they do, produce superior quality goods and feel that the contribution they make help the organization to move forward.

According to Akhtar, Nawaz, Mahmood and Shahid (2016), high performance practices of work like training, rewards and empowerment increase the skills, abilities, knowledge and skills of employees and also encourage them to achieve even higher productivity levels. Christensen and Rog (2008) elaborates further by stating that collective pressure of rewards, empowerment and training leads to synergy within an organization and generates employee engagement.

In a study conducted by Akhtar *et al.* (2016) for finding the impact of high performance work practices on the performance of employees through a mediating role of employee engagement within the Pakistan banking sector, it was found that engagement enhances the performance of employees and engaged employees are

motivated for providing extra services than their normal job requirements. Also, when shop floor employees are extra focused and attentive to their jobs, they can deal with any request or complaint effectively which leads to high level of quality output. Megha (2016:86) mentions that the “following drivers of engagement are key in increasing the level of engagement within an organization: two way communication, good focus on employee development, good quality of line management, effective internal cooperation, commitment to employee well-being, visible commitment by managers across all levels and clear, accessible HR policies and practices”.

Jha and Kumar (2016) comment that engagement in a strategic sense enhances the performance, well being and productivity of an employee. It should also be viewed as a vital strategy that involves all levels of the organization. However, Jha and Kumar (2016) caution that for attracting, retaining committed and good employees, the following needs to happen:

- Management should have an approach that is inclusive and participatory and also leadership qualities for resolving employee concerns on a satisfactorily timely manner.
- Management should support and integrate growth of employees for the enhancement of their careers
- Management must also handle employee grievances in an ethical manner.

Jha and Kumar (2016) also state that workforce that is satisfied and inclusive leads to an environment that is productive and efficient in the long run. Therefore, management should possess the right capabilities for managing the employees in the manner that is nourishing. These capabilities include being responsive, respectful, participative, sociable, empathetic and proactive towards the employees. Medlin and Green (2014) support Jha and Kumar (2016) by stating further that organizational managers who operate their companies in accordance with good management processes and principles can expect highly improved employee engagement. Such adherence to the management processes and principles represents actions that the managers can take with the view of enhancing the engagement.

According to Aon Hewitt (2013) report on global employee engagement, there is a trend which is positive in engaging employees across the world and approximately 60% of employees are engaged. Table 2.1 shows global employee engagement and regionally.

Table 2.1: Trends in global employee engagement (%).

Source : Aon Hewitt (2013:5)

Region/Year	2008	2009	2010	2011	2012
Global	57	60	56	58	60
Latin America	71	71	72	71	74
North America	63	67	64	64	63
Asia Pacific	56	59	55	58	58
Europe	52	55	51	52	57

The engagement scores in Latin America and Europe improved as highlighted on Table 2.1. Global, Asia and North American trends did not improve significantly. The report also outlines that globally, the employee disengagement and dissatisfaction has been increasing. In another report by Economic Times (2014), it was highlighted that 9% of employees in India are engaged with their employers. India is cited as having challenges in employee engagement which impact directly on the productivity of its workforce. Table 2.2 shows the global trends in the level of employee engagement.

Table 2.2: Global trend in level of employee engagement (%).

Source: Aon Hewitt (2013)

Region/Engagement level	Highly engaged	Moderately engaged	Passive	Actively disengaged
Global	20	40	23	17
Latin America	33	41	17	10
North America	24	39	20	17
Asia Pacific	16	42	25	17
Europe	18	39	25	19

It is clear from Table 2.2 that Latin America leads the way when it comes to the level of engagement. It has the highly engaged workforce compared to Global, North America, Asia Pacific and Europe. Europe on the other hand has the highest level of actively disengaged employees compared to Global, Latin America, North America and Asia Pacific. Gill (2012) asserts that modern employees are more educated, connected and aware. These employees who are engaged are therefore a source of innovation, continuous improvement and competitive advantage for the organization (Gill, 2012).

It is of utmost importance that leaders within the organizations are aware of these dynamics and the impact of various management or leadership styles must be understood for affecting these dynamics (Dennis, 2007). These trends are a clear indication of how important the engagement of employees is and the impact thereof on strategy execution. This is noted by the employee engagement challenges in India and their negative impact on the productivity in this country as outlined from the Economic Times (2014) report. The studies by Kahn (1990); Jha and Kumar (2016); Akhtar *et al.*, (2016); Kennedy and Daim, (2016) reveal that the benefits of employee engagement are positive as they lead to good passion, energy levels, motivated work force and good team work, which in turn leads to the enhancement of successful business strategy execution. As Kahn (1990) highlights that it is critical for management to engage employees in the process of crafting and executing organizational strategy.

It is also imperative to highlight that communication is at the heart of employee engagement. However, the way the manager communicates is an indication of his or her leadership style or the cultural climate prevailing within the organization. It is against this background that the researcher argues that the leadership engagement of employees in strategy execution matters leads to successful execution of business strategy.

## **2.8 Leadership Styles**

### **2.8.1 Definition of Leadership**

Many scholars have defined leadership in various ways and in different context. These definitions are outlined as follows:

- Leadership is the behavior of an individual directing the group activities towards a shared goal (Hemphill and Coons, 1957).
- Leadership is the process of influencing activities of an organized group towards the achievement of a goal (Rauch and Behling, 1984).
- Leadership is about articulating a vision, embodying values and creating the environment in which things could be accomplished (Richards and Engle, 1986)
- Leadership is the process of making sense of what the people do together so that they will understand and be committed (Drath and Palus, 1994).
- Leadership is the process of influencing other people to understand, agree about what needs to be done and also how to do so, and the process of facilitating individual together with collective efforts for accomplishing shared objectives (Yukl, 2013).

It has become clear from these definitions that they have evolved over the years and having explored them within the context of the research objectives of this study and the context of manufacturing industry wherein it rests, Yukl's (2013) definition is found more appropriate as it focuses on the following key concepts critical for effecting desired leadership outcomes:

- Influence
- People
- Goal or shared objectives

According to Fiaz, Su, Ikram and Saqib (2017), leadership styles affect the behavior, attitude and motivation of employees which in has an impact of the performance of an organization. Styles of leadership lead to engaged or disengaged employees and this result in good or poor strategy execution or increase or decrease of productivity in an organization (Fiaz *et al.*, 2017). It has therefore become prudent to understand the various leadership styles critical to effect the execution of business strategy.

### **2.8.2 Leadership Styles**

Maseko and Proches (2013:5664) explain that “leadership styles determines the success of the objectives to be delivered” which is indicative of the importance of leadership aspect towards the organizational success. Srivastava (2016) mentions the following leadership styles as common, useful to organizations and having an impact on groups of people as well:

- **Autocratic.** Autocratic leaders are typically not experienced with the leadership thrust upon them with regards to assignment or new position which involves management of people. They cause irreparable damage to the organization as they force their followers or subordinates to execute strategies in a narrow way based upon an idea which is subjective regarding what success looks like. They also do not have shared vision (Srivastava, 2016).
- **Bureaucratic.** Bureaucratic leaders are committed strongly to processes and procedures instead of people they lead. Consequently they appear highly change adverse and aloof. They also use policies to lead and ignore the greatest benefits to leadership namely developing and motivating people. Bureaucratic leaders perceive policies as coming before people and complaints are therefore met with disinterest or resistance. Both autocratic and bureaucratic leadership styles have little impact on development of people and fail to motivate them (Srivastava, 2016).
- **Democratic.** A democratic leader allows a group to lead itself. With the group being free and uncensored, these leaders become frustrated by the huge effort needed to build the consensus for sometimes the ordinary decisions together with unsuitable pace needed for leading a group. There is a huge potential for poor decision making through this leadership style and execution is significantly weak here. The fundamental problem with this style of leadership is its underlying assumption that all have equal stake when it comes to the outcome and shared expertise levels regarding decision making (Srivastava, 2016).
- **Charismatic.** Charismatic leadership style is by far the most successful trait driven within the leadership arena. Charismatic leaders have a vision and a personality which motivates subordinates to execute this vision. Consequently this style of leadership has been the most valued, highly motivational and



provides the conducive ground for innovation and creativity. The one drawback that undercuts the value regarding this leadership style is that charismatic leaders can leave the organization and once gone, the organization appears rudderless and directionless (Srivastava, 2016).

- **Situational.** Situational leaders adapt to different styles for different outcomes or situations. This style of leadership allows experienced leaders that freedom for choosing from variety of leadership iterations but a common drawback with this style is that the wrong style could be applied inelegantly. This style therefore requires a warning regarding unintended sub-optimal results when chosen. It is a very useful style of leadership especially when the situational leader chooses more effective styles like transactional, transformational and charismatic in an elegant way (Srivastava, 2016).
- **Transactional.** Transactional leaders are known for always willing to give something in return when following them. This can be anything including a raise, new responsibility, performance review, promotion or a desired change in duties performed. The problem created by this leadership style is expectations. Transactional leaders often display the behavior of a charismatic leader and this can be very effective in many circumstances while creating players who are motivated. They also make deals that are beneficial to the organization but the only issue is the one of sustainability (Srivastava, 2016).
- **Transformational.** Transformational leaders seek to change those that they are leading and while doing that they can represent self-replicating and sustainable style of leadership. They do not use force of personality (like charismatic leaders) or bargaining (like transactional leaders) to persuade the followers. They use expertise, vision and knowledge to change those who are around them in a manner that makes them followers with that buy-in which remains even when the leader who created it is no longer around. Transformational leaders give the followers the chance to transform and in the process develop themselves as contributors. From the perspective of an organization, this achieves that best outcome of leadership since the transformational leaders develop people (Srivastava, 2016).

Clearly, there is a difference between various styles of leadership discussed and there are perhaps instances where one style might be more effective. This therefore implies that there could be a need for flexibility and awareness of who might be the best leader depending on their style. According to Srivastava (2016), leadership styles are more varied in the Western world than Eastern world. Leadership styles like directive (giving direction to the entire team), charismatic (who behave and looks like a leader), empowerment (delegating), participative (or teamwork) and celebrity (boss is a superstar) are typically used in the Western world whereas Eastern world leaders are more self acknowledgeable, more authoritative and good in general management (Germano, 2010).

When it comes to the Western worldview, the dominating quality of the leader is that they constantly think about the future. They think less about where they come from and more about where they are going. They also maintain a positive attitude and think more about tomorrow's opportunities rather than problems of the past. Energy and attitude which is positive are more than attractive. Best leaders know this hence it is a major reason they are leading successfully. Positivity creates productivity and positive energy does not just happen automatically, somebody should start (Brown, 2009).

Farrell (2014) outlines that irrespective of the level of leadership position an incumbent holds, a leader will always lead from the middle. A leader should constantly balance this middle position by being accountable to the employees they supervise in an organizational unit together with those to whom the leader reports. Sethi (1999) highlights that the most effective way for managing this balance is through a transparent, direct and honest communication. Leaders in the middle are also able to integrate organizational units horizontally.

Effective middle leaders do seek to coordinate across the units of production and look further for collaborations that bring together the strengths of different units. Furthermore, leaders look for opportunities which will bring both horizontal and vertical levels in an organization to focus on the business strategy. Therefore, leaders bring together various production units to coordinate their work in supporting the business objectives (Farrell, 2014). According to Sethi (1999), the middle position occupied by the leaders can also be rewarding as they understand both the strategic

and operational levels of an organization. This therefore means it draws upon the leader's creativity to figure out how to balance the two opposing sides and also how to marry various goals with the daily operations (Sethi, 1999).

Ramchunder and Martins (2014) highlight the importance of emotions in leadership which led to questions being raised on whether the emotional intelligence concept provides insight into the differences between below-par leadership levels and outstanding performance. Goleman (1998) define emotional intelligence as the capacity to recognize one's own feelings and those of other people in order to motivate one's self for managing one's own emotions together with one's relationships as well. Ramchunder and Martins (2014) comment that the ability to identify the emotions allow the leader to be aware of his/her emotions and feelings. This ability also allows the leader to identify the group emotions accurately to differentiate between non-genuine emotional expressions and honest ones (Ramchunder and Martins, 2014).

George (2000) suggests further that the emotional intelligence plays a pivotal role in the effectiveness of leadership and can also promote the effectiveness across all levels in an organization. According to Momeni (2009), effective leaders with high level of emotional intelligence can help the people they are leading to raise their own emotional intelligence level which will result in a more effective organization overall.

Ndubueze and Akanni (2015) conducted a study to examine the relationship between leadership style and the Organizational Citizenship Behavior (OCB). Organ (1988) defines OCB as a discretionary behavior of work beyond the normal requirements of job. The results from Ndubueze and Akanni's (2015) study show that the style of transformational leadership has a significantly positive relationship with the subordinates' OCB whereas the style of transactional leadership is negatively related to the OCB. The outcome of these results indicate that the individuals working under a democratic leader are likely to express themselves by contributing towards their organizational growth owing to the flexibility of their leadership (Olasupo, 2011).

The findings from this study clearly demonstrate that the traditional leadership styles (autocratic, bureaucratic, transactional) are not preferred by the followers in recent times and employees prefer leaders who are more engaging, visionary, good communication skills and all these are typical attributes of a transformational leadership styles (Srivastava, 2016). As Ndubuenze and Akanni (2015) found, employees under the leader displaying either autocratic or bureaucratic style are less productive and subsequently rendering poor execution of business strategy.

Ruggieri and Abbate (2013) highlight that in a model of transactional leadership, leaders are agents that negotiate and conciliate. At times they compromise for obtaining a greater decision making power in a group. For achieving this goal, transactional leaders perform a series of actions which enable them to convince and influence the followers capable of providing support. The leader's activities consist of implementing interpersonal transactions within which expectations, tasks and related rewards are clarified and indicated. The aim of punishment and rewards is not to transform followers, but to ensure that the results which are expected are achieved (Ruggieri and Abbate, 2013).

According to Abbate and Ruggieri (2008), in a transformational leadership model, a leader causes followers to seek the rewards within themselves and also facilitate their self awareness and personal growth. This is contrary to the transactional leader who utilizes the individual's existing interests whereas a transformational leader changes the value system of each individual to construct a new one, which is constituted on goals that are common between both leader and a follower or employee. Furthermore, a transformational leader engages actively with the followers by obtaining their collaboration, while encouraging them to identify with vision of the organization beyond their own self-interest. As George (2000) suggests, emotional intelligence is key especially for a transformational leadership style. It is therefore argued in this study that not only should the transformational leaders be aware of their emotions as mentioned by Abbate and Ruggieri (2008) but they need to be able to control and flex their emotions as well in different engagement situation so that their influence to employees for executing the business strategy is enhanced and sustained.

Transformational leaders also encourage followers to enhance their organizational selves and group by concentrating on the long term goals (Ruggieri and Abbate, 2013). Abbate and Ruggieri (2008) state that those leaders displaying self sacrificial behaviour are considered by their followers as being more charismatic, effective and legitimate than leaders who are self benefiting. Furthermore, perceptions of effectiveness are affected positively when a leader is regarded by his/her followers as being self sacrificing (Abbate and Ruggieri, 2008).

In a study by Muller and Turner (2007) on evaluation of the leadership styles exhibited by the project managers, it was found that different project managers' leadership behavior can determine the success of the different types of projects. Fisher (2011) further elaborates that a project manager who is effective should have flexibility in behaviour and skill to manage people in projects which are of different types and situations. This is crucial, especially where differences in culture apply. Therefore, having such flexibility improves the successful delivery of projects (Fisher, 2011). Prabhakar (2005) comments that flexibility allows the project managers to adjust and apply different styles of leadership which will suit the changes in circumstances.

Baicher (2005) highlights that leaders are role models demonstrating personal commitment to the goals and values set by their organizations. They also have the ability for creating a compelling vision and achieving the personal commitment together with enthusiasm of the groups they lead. According to Zhou (2014), when people recognize that they have the support from their leaders and also learn from the behaviours of these leaders whom they perceive as being attractive, they achieve excellence. Within the context of Africa, Mbigi (2004) suggests that it is important to understand the cultural paradigms which influence the way people view leadership. Focusing on people, the collective unit, their dignity and brotherhood characterize the African leadership. These are commonly referred to as ubuntu (Mbigi, 2004).

This concept of ubuntu within the context of African leadership is pivotal as it emphasizes the collective brotherhood when it comes to humankind. It also emphasizes respect and human dignity, democracy, people, genuine care and allows consensus (Mbigi, 2004). According to Eustace and Martins (2014), African leadership has the following six values which are fundamental in nature:

- Respect for other's dignity.
- Solidarity of the group (one's injury is an injury to all).
- Teamwork is bigger than the individual effort.
- Service to others in the spirit of harmony and peace.
- Connectedness and interdependence.
- Persuasion

Greyvenstein (1982) found that altering the style of leadership within an organization does have an effect on the organizational climate. In turn, motivational levels of employees are affected and influenced their job satisfaction and performance. In a study conducted by Crawford, Hofmeyr and Price (2015) to explore the relationship between personality and the capacity to think strategically, it was found that the following are key contributors for leaders to think strategically and manage complexities:

- Flexibility
- Achievement via independence
- Dominance
- Psychological mindedness
- Self acceptance

The study by Crawford *et al.* (2015) also concluded that in order for the leader to manage complexity, all these five factors of personality must be present. Blake and Mouton (1982) explain that leadership models focused on the relationships between production and people on the one hand and organizational change on the other. Lee (2013) further elaborates that leadership has developed mostly around the concepts of charismatic and transformational leadership.

Hoffman, Bynum, Piccolo and Sutton (2011) explain transformational leadership in terms of values which emerge from the work environment and individual values. According to Keller (2006), transformational leaders create effective team environments and innovative teams by arousing strong loyalty and emotions. The organizational goals will be achieved effectively only if the self development needs of the followers are met (Ali, Katoma and Tyobeka, 2015).

Levay (2010) explain charismatic leadership as the ability to inspire action and enthusiasm in followers through personal behaviors attributes and qualities that are exemplary of the leader especially in situations which are ripe for change. Zehir, Muceldili, Altindag, Sehitoglu and Zehir (2014) state that charismatic leaders are excellent agents of organizational change. They are also seen as organizational entrepreneurs who recognize that need for change and then express it in a vision of a better future which they create for followers (Zehir et al., 2014). Levay (2010) recommends that top level management must take into account the abilities of a charismatic leader for creating a workforce that is loyal and efficient.

According to Ali *et al.* (2015), teams and individuals directed by a transformational leader tend to align their own goals with the ones of the organization which results in a greater commitment and effort towards those goals. Consequently, team and individual behaviors begin to reflect the values of the organization and thereby enhancing the individual's self concept. Ali *et al.* (2015) summarize that leadership within the context of Africa can be narrowed down to the following four factors:

- Rewards
- Achievement
- Innovativeness
- Conformity

These different factors explain the pattern of relationships among managerial or leadership values (Ali *et al.*, 2015). Wang, Ma and Zhang (2014) mention that transformational leadership is associated positively with the organizational commitment in a variety of cultures and organizational settings. According to Avolio, Bass and Jung (1999), the transformational leaders are able to recognize the needs of an individual employee for achieving his/her potential, motivate employees to get more involved in their duties, emphasize the links between goal achievement and effort which all result in higher organizational commitment level.

According to Avolio *et al.* (1999), the employees working with a transformational leader feel more empowered and comfortable to perform activities which are required

for accomplishing the tasks successfully. Wang *et al.* (2014) found that employees being supervised by a transformational leader will have strong perceptions of themselves being treated equally and in return develop commitment towards the organization and work harder. This finding is also consistent with the one from a study conducted by Eustace and Martins (2014) for exploring the relationship between organizational climate and leadership in the South African consumer goods organization, it was revealed that leadership styles do impact on the organizational culture and leadership within the context of Africa is necessary for improving the organizational climate.

The inference drawn from these studies (Wang *et al.*, 2014; Eustace and Martins, 2014) show that the transformational leadership style within the context of an organization creates a good organizational culture which also signals the positive relationship between this leadership style and organizational culture. Likewise, an autocratic leadership style creates an unconducive organizational culture that is detrimental to the performance of an organization.

Surijah (2016) mentions that the good leaders are valuable human capital as they lead the organization towards the achievement of strategic goals by applying leadership styles which are effective. The application of high effective leadership results in good corporate performance, highly satisfied and motivated subordinates. Ulrich, Smallwood and Sweetman (2009) introduced five leadership rules for making leadership styles effective and these are:

- Rule 1. Shape the future is reflected by the style of a strategist. This style requires a leader to have a vision that is future based. A leader should know what the organization needs for succeeding and also how it should be managed to face the challenges of the future.
- Rule 2. Making things happen is reflected by the executor style. This style requires the leader to execute his/her strategic plan properly.
- Rule 3. Engage today's talent is reflected by the talent manager's style. This style is indicating that a leader should be able to identify and develop the competencies of his/her subordinates. Furthermore should be able to attract talented employee candidates, develop and engage them



- Rule 4. Build the next generation is reflected by the human capital developer's style. This style requires that the leader prepare talented employees for achieving the organization's long-term goals and sustain them.
- Rule 5. Invest in yourself. This is reflected by personal proficiency and requires a leader to excel in his/her personal competency.

In a study conducted by Chebet (2017) with the aim of analyzing leadership styles influencing strategy execution, it was found that leadership styles do affect the execution of business strategy. It was also recommended from the study that management should ensure that employees are committed towards the execution of strategy. Surijah (2016) recommends that an effective manager must apply the transformational leadership style and practice the five rules of leadership styles outlined by Ulrich *et al.* (2009) above in order to achieve a high corporate performance.

Kihara, Bwisa and Kihoro (2016:216) concluded that “manufacturing firms interested in enhancing their performance and staying ahead of competition should endeavor to practice superior leadership style starting with transactional leadership style and progressively changing to transformational style in the entire process of strategy implementation in their firms”.

Leadership styles do have an impact on the execution of business strategy. This therefore means as a result of them, employees could be engaged or disengaged leading to an impact on the organizational performance. It is also important to note the recommendations for firms to implement or strive towards changing to a transformational leadership style in order for business strategy execution to be enhanced. Various studies (Ali *et al.*, 2015; Keller, 2006; Wang *et al.*, 2014; Avolio *et al.*, 1999) reveal that the role of a transformational leader is key in recent times and this view was corroborated by Surijah (2016) recommendations where it was recommended that for being an effective leader in an organization, apply a transformational leadership style principles and this is very important for the successful execution of business strategy.

## **2.9 Organizational Culture**

### **2.9.1 Definition of Organizational Culture**

There are numerous definitions of organizational culture outlined in strategic management literature. The following ones were found to be more appropriate given the research objectives of the study:

- Denison (1990) explain organizational culture as the underlying beliefs, principles and values which are the foundation pertaining to the management systems of the organization. Eustace and Martins (2014) explain that the behaviors and the management practices reinforce fundamental principles in organizations. Denison (1990) state further that the importance of organizational culture to employees of an organization lies in the rituals, symbolism, interpretations, myths and stories which the groups of people with whom these employees interact and associate, shape.
- Nicolescu (1999) explain organizational culture as a set of the values, aspirations, beliefs, behaviours and expectations shaped over time in every organization that predominates within it conditions indirectly and directly impacting the performance and functionality.
- Neagu and Nicula (2012) mention that organizational culture in an organization helps with the understanding of the differences which arise between what is officially and formally declared by managers and what really happens in the company. Various procedures, statements, rules and declarations are applied and interpreted through the organizational culture.

### **2.9.2 Importance of Organizational Culture**

Florentina and Georgiana (n.d) highlight that organizational culture is one which directs the employees to act the values and principles of the organization and also for understanding what is ugly, bad, and good for it. Neagu and Nicula (2012) state that the following are three major components of culture:

- **Basic postulates.** This refers to the elements involved in guiding the conduct of employees of the organization groups, the way they think, perceive or feel certain phenomena. The groups have certain behaviors with regards to decisive situation and do not only act in a particular way but also interpret the behaviour of other employees.
- **Norms and values.** These refer to the core value or beliefs of leadership. They also become a true guide of action used for dealing with problems that are new. Members of the group share the belief that these values are effective. This belief develops after tangible results are obtained and judged by the entire team as positive.
- **Cultural products.** These correspond to the visible element which are associated with the organization. They include behaviour of group members to each other, means of written and oral communication, assessment of performance and everything that relates to the performance of the organization.

Sources through which the organization creates its culture could be grouped into three categories, namely- socio cultural sources to which culture belongs and hence the national culture, factors which correspond to the sector of activity within which the organization operates and values brought by the representative person like the founder of the organization or manager (Neagu and Nicula, 2012).

According to Istochescu (2002), for the organizational culture to contribute to the performance of the organization, it should be consistent with the following:

- General situation of the company.
- The objectives which the culture seeks to achieve
- The business strategy type adopted

Therefore, within this context the organizational culture can influence the performance of an organization when it supports its business objectives, internalized deeply by the organization members and is widely shared (Istochescu, 2002). Neagu and Nicula (2012) emphasize that culture encourages loyalty to the organization as it can control its members' behaviour. An organization with a strong culture is more able to cope with the challenging and complex environments than the others. In organizations with adaptive cultures, managers initiate strategic changes and policies whenever necessary in order to satisfy the interests of shareholders, employees, customers and external stakeholders (Neagu and Nicula, 2012).

Nioata and Stancioiu (2013) comment that there is a tight connection between the business strategy and culture and this connection involves the approach of an organization when it comes to culture and it evolves to favour the execution of business strategy. This also enables the organization to realize the synergy, thereby increasing its competitive character and performance (Nioata and Stancioiu, 2013). However, Neagu and Nicula (2012) caution that managers should identify elements of culture which hinder the development of an organization and transform them into values, behaviours and attitudes which will foster the fulfillment of business objectives that are new.

According to Florentina and Georgiana (n.d), symbols are major components of an organizational culture. They provide a common meaning to the employees and therefore allowing them to be in harmony and communicate openly. The cultural symbols convey the meaning which reflects the values and philosophy, expectations which are shared by the employees, beliefs and ideas shared by the employees. For instance, Denison, Haaland and Goelzer (2004) mention that the names of companies which are competitive become symbols overtime time of what they are representing for the economy. Mercedes Benz is a symbol of top quality in the automobile sector, for example, and the logo of the company is a major symbol for both the clients and employees. Also Exxon Company's logo suggests the power respective fuel is generating and the power it holds as the most powerful oil companies across the world (Denison *et al.*, 2004).

Florentina and Georgiana (n.d) assert that managers must be aware of the fact that the organizational culture which is effective benefits only the organization on short and long terms. Organizational management leads culture and culture leads the behaviour. Leadership guides the direction which the organization is headed and they express it through organizational culture. However, Florentina and Georgiana (n.d) caution that leaders must be aware of those disturbance factors which may have influence that is negative if not controlled as they can be responsible for creating quarrels, frustrations and misunderstandings. This may all lead to a drastic decrease in organizational performance.

These disturbance factors are detrimental to the execution of business strategy and Denison *et al.* (2004) adds further that there are four important elements that need to be controlled and coordinated in order to have a conflict free situation, these are:

- Competition. Competition has been a major reason for quarrelling between employees. It can be positive for as long as it stimulates good cooperation and creativity. Internal competition could be transformed into teamwork for an organization.
- Change. As organizations change during the process of growth, employees do struggle with change and often fight between themselves due to the changes.
- Cooperation. When a group of people cooperate in a certain situation, the success is three times more than if they were all pulling in different directions.
- Control. Control can be the power which divides or unites in an organization. People should be guided in a certain direction and also controlled in what they are doing. However, it is better sometimes for employees to learn and to think for themselves without being told what to do (Denison *et al.*, 2004).

Florea and Amuza (2013) note that to form an organizational culture, it is necessary for all the groups of individuals who define the culture to have a past that is common and which involves some degree of understanding between members. Prietula (2008) explains that within an organization, aspects of culture may be different from one department to another and the main features of organizational culture are represented by the values it is promoting. In a study conducted by Florea and Amuza (2013) which aimed at emphasizing what the basic principles making the company obtain

performance in its activities are, it was concluded that a cultural analysis can reveal specific insights which are useful for obtaining employee engagement and their willingness to exert more effort in order to increase the performance of an organization.

However, Vetrakova, Sekova and Durian (2015) mention that the relationship between the practices of human resources and the organizational culture is significant because if the employees understand and also accept the culture of an organization as their own, it allows them to choose a strategy and behavior which reflects their personality. This will also correspond with the direction the organization has taken. Armstrong (2008) is of the opinion that in the case of a transnational organization operating in a different geographic environment, it is important to know the attributes of the existing culture within all the organizational units.

Attributes of the new target culture needs to be specified by using symbols, rituals assumptions and myths which underpin the desired culture. The next step will be to assess the extent to which the current culture fits into the aspired identification and where the cultural gaps are, that is, what cultural differences need to be removed. Once this is done, a management plan needs to be developed for the new organizational culture which includes the cultural changes. The final step will be to monitor the cultural changes together with the assessment of the culture management program effectiveness (Reisinger, 2009).

Reisinger (2009) mentions that during the process of shaping future culture, three approaches are manifested. These approaches are outlined as follows:

- Polycentric. This is about the confidence in the country where the organization is situated.
- Ethnocentric. It is about trust in the home country.
- Geocentric. International orientation.

Another important aspect to organizational culture is values. Simoneaux and Stroud (2014) state that culture can be evolved and strengthened by reinforcing the organization's values and mission statement. This is because the values are the

cornerstone of culture and must be part of everything that is done in an organization. Therefore, for the organization to be relevant and vibrant, its culture should be aligned with the strategy, goals and values (Simoneaux and Stroud, 2014). Google, for instance, is one of the successful companies that align its corporate culture with its strategies and goals. It is an innovative company which promotes an unconventional corporate culture and employee friendly environment. This has earned this company high ratings on Fortunes magazine's list of 100 best companies for one to work. Furthermore, the atmosphere at Google is very appealing to young, creative and energetic employees (Simoneaux and Stroud, 2014).

There are other companies which use organizational culture to their advantage. Apple's innovation strategy, for instance, is based around the idea that it knows better than the customers themselves. When the company discovers that there is need which is not developed in the market, it will be the pioneer company which will satisfy this need. Customers will inform Apple what they need. Due to its focus on the experience of a customer it earns more benefits than its rivals (Piao and Kleiner, 2016). Another example is by Samsung, which focuses on the market to follow its path for innovation. It innovates based on the competitor's products and develops new better ones than the rivals. This means that this company innovates based on the information it gets from scanning the market and its competitive environment (Piao and Kleiner, 2016).

The study by Piao and Kleiner (2016) on explaining the reasons for the success of the electronic industry concluded that Apple, Google and Samsung share something in common which is, they have distinct organizational culture that includes human resource management, organizational structure and innovative paths which are all interdependent and interacted to each other. Even though they have different business models, they all value the organizational culture and believe that for a company to stay ahead of its rivals it should design its culture wisely (Piao and Kleiner, 2016).

Tesluk, Hofmann and Quigley (2002) highlight that since each and every person comes from the different lifestyle and background, when it comes to an organizational culture each person perceives it the same way. This perception is therefore one of the shared aspects of an organizational culture in companies. Leavitt (2003) compares the traditional Japanese and American organizational cultures and suggested that in Japan,

management through cohesiveness and commitment seems to be a success formula. On the other side, tragic events like the September 11<sup>th</sup> in the United States of America demonstrated that cooperation, cohesiveness and courage of the police officers and the fire fighters rescuer teams were key for managing this emergency situation successfully. Both these examples reinforce the notion that nurturing a specific culture is pivotal for eliciting a variety of employee behaviors which range from high achievement by an individual to help and cooperation.

The study by Jain and Jain (2013) on understanding the organizational culture and leadership for enhancing efficiency and productivity concluded that the strategic leaders have the best perspective by virtue of their position within the organization for seeing the dynamics of the culture, what must remain of it and what needs to be transformed. Furthermore, effective organizations engage and empower their employees, develop their human capital capability across all levels and build their organizations around teams. This forms the basis for the strategic success (Jain and Jain, 2013). This conclusion is consistent with the role of leadership style and employee engagement in creating a positive organizational culture within which execution of business culture is enhanced. Dimba and Rugimbana (2013) indicate that culture also influences the reaction of employees to management practices.

In Kenya for instance, subordinates receive instructions from their managers and when they are in doubt, they wait for the managers to decide on the way out. Kenyan managers and the old ones in particular like to be called –boss as an expression of respect by the subordinate. According to Nyambegera, Daniels and Sparrow (2001) these practices make employees in Kenya feel fearful and powerless. It is argued in this study that these practices are typical of autocratic or beaurocratic (Srivastava, 2016) and studies (Ndubueze and Akanni, 2015; Eustace and Martins, 2014) have found that these styles of leadership create a negative culture where employees are less empowered, less productive and disengaged. Consequently, this prevailing negative organizational climate impedes the successful execution of business strategy.



Jain and Jain (2013:44) further elaborates that “an organization’s culture impact on its ability to execute its strategy and to achieve business goals and objectives”. If the work environment and culture are cultivated intentionally, the ability of an organization to execute its business strategy improves dramatically (Jain and Jain, 2013). Jain and Jain (2013) also emphasize that it has become important for the organizations to establish a culture which will drive the productivity of the employees and the performance of the organization. This will carry the organization through periods of recession and also prepare the organization for time when the economy turns.

A culture in which the employees are appreciated and recognized for their efforts helps them understand why these efforts are critical for the organization to achieve its strategic mandate (Jain and Jain, 2013). The researcher also adds that the culture within which employees are engaged through leaders applying principles of a transformational leadership style is conducive for a successful execution of business strategy.

## **2.10 Hypothesized Conceptual Framework**

Based on the previous researches on the impact of variables (work experience, leadership engagement, leadership styles and business culture) underpinning this study, it is argued that they have a positive influence on the execution of business strategy. Figure 2.5 depicts a hypothesized conceptual framework illustrating the hypotheses made on these variables and their relatedness.



Figure 2.5: Hypothesized conceptual framework for the study

Source: Researcher's own compilation

## **2.11 Chapter Summary**

This chapter outlined literature with respect to the main concepts related to the company strategy and its execution, human capital including training and work experience, employee engagement, leadership styles and organizational culture. Another important aspect pertaining to the role of employee perceptions was also outlined and discussed.

These concepts were key to answer the research question for the study and also to form basis for designing the research instrument or questionnaire to be used for collecting data. This chapter also covered the theoretical framework within which this study is conducted. Profit maximization, resource based, agency, survival based and strategic human based theories are key strategic management theories and this study followed the strategic human resource based theories due to its focus on human element for organizations to attain a sustainable competitive advantage over rivals.

The literature review confirmed the existence of a gap regarding how the shop floor employees' perceive the extent of organization culture, employee engagement, leadership styles and work experience for effective business strategy execution within the South African manufacturing sector. The hypothesized conceptual framework was also derived and presented

The following chapter (Chapter 3) will discuss the research methodology adopted for the study.

## CHAPTER 3

### RESEARCH METHODOLOGY

#### 3.1 Introduction

The previous chapter outlined the literature review and conceptual framework underpinning this study. This chapter will outline the research methods and review related literature for answering the research question for the study. Furthermore, the research design together with techniques utilized for collecting and analysing data, consideration of ethical issues, reliability and validity will be discussed as well. The main research framework and the connection of key research elements namely philosophical worldviews, research designs and research methods are presented in Figure 3.1. The framework depicted in Figure 3.1 will therefore provide a summary of key elements to be researched.

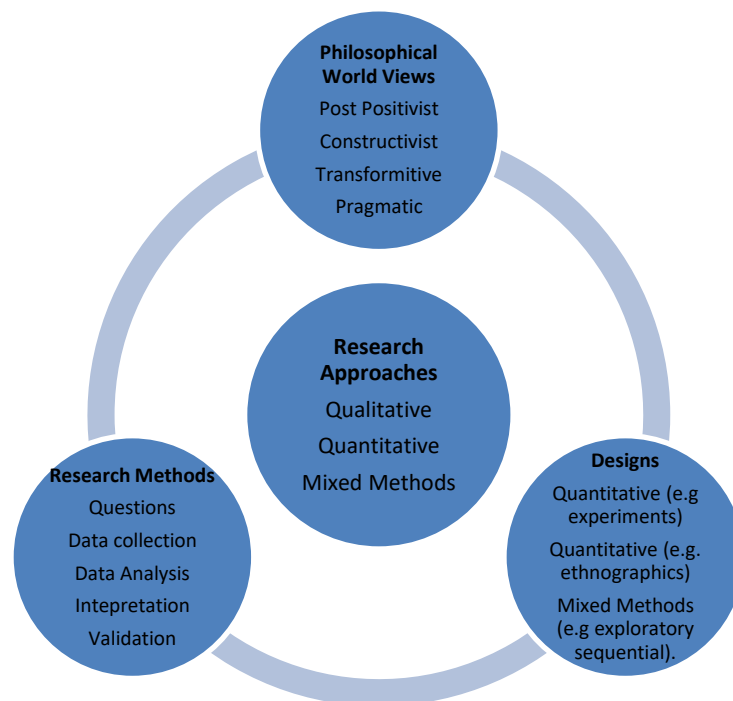


Figure 3.1: A Research Framework – A connection of Worldviews, Research Methods and Designs.

Source: (Creswell, 2013)

### 3.2 Research Paradigm

Creswell (2013) state that the process of research has three major dimensions. These are:

- Ontology
- Epistemology
- Methodology

The aspects of Ontology and epistemology aspects concern what is normally referred to as a person's worldview that has a significant influence on the perceived relative importance of the reality aspects (Bryman, 2007). Kuhn (1962) states that the term paradigm originated from the Greek word called paradeigma which means pattern. According to Kuhn (1962), a research paradigm is an all-encompassing system of interrelated thinking and practice which defines the nature of enquiry along the three dimensions mentioned. Creswell (2013) explains further that research paradigm is also referred to as philosophical worldviews. According to Creswell (2013), worldviews are general philosophical orientations about the world and the research type that the researcher brings into the study.

The research methodology literature outlines four main types of research paradigms (worldviews) and these are: postpositivism, transformative, constructivism and pragmatism (Creswell, 2013). Table 3.1 below summarises the four research paradigms.

Table 3.1: Four major research paradigms. (Creswell, 2013)

Post Positivism	Constructivism
<ul style="list-style-type: none"><li>✓ Determination</li><li>✓ Reductionism</li><li>✓ Imperial observation and measurement</li><li>✓ Theory verification</li></ul>	<ul style="list-style-type: none"><li>✓ Understanding</li><li>✓ Multiple Participant Meanings</li><li>✓ Social and historical construction</li><li>✓ Theory generation</li></ul>
Transformative	Pragmatism
<ul style="list-style-type: none"><li>✓ Political</li><li>✓ Power and justice orientation</li><li>✓ Collaborative</li><li>✓ Change-orientation</li></ul>	<ul style="list-style-type: none"><li>✓ Consequences of actions</li><li>✓ Problem centred</li><li>✓ Pluralistic</li><li>✓ Real-world practice orientation</li></ul>

**Post-positivism:** Henning, Van Rensburg and Smit (2004) explain that at the ontological level, positivists assume that the reality is measurable using properties that are independent of the researcher together with his/her research instrument and also objectively given. Furthermore, positivism is concerned with revealing the truth and presenting it by empirical means. Therefore, positivist adopt the scientific methods also systematize the process of generating knowledge with the aid of quantification for enhancing precision in description of parameters and relationship between them (Henning, Van Rensburg and Smit, 2004).

The post-positivism assumption represents the traditional form of research which is more inclined towards quantitative than qualitative approaches to research (Creswell, 2013). Widemuth (1993) explains further that the post-positivist approach is scientific, systematic, empirical, critical and controlled investigation of natural phenomena which is guided by theory and hypotheses regarding the presumed relations among such phenomena. According to Henning, Van Rensburg and Smit (2004), post-positivism claims that even though the object of enquiry exists it cannot be perceived with total accuracy by observation. Put differently, complete objectivity is almost impossible to achieve but still pursued for regulating search for knowledge. Furthermore, post-positivism hold claims that only scientific research is absolutely objective, certain, valid, and accurate (Mertens, 2014).

Gray (2013) highlights that the post-positivist ontology believes that the world is external and also that there is a single objective reality to any situation irrespective of the researcher's belief. The post-positivist therefore takes a controlled and structured approach when conducting a research by clearly identifying a research topic, constructing suitable hypotheses and also adopting a suitable research methodology (Gray, 2013). Furthermore, positivist researchers remain detached from participants of the research by creating a distance which is crucial for remaining emotionally neutral for making a clear distinction between feeling and reason (Gray, 2013).

**Constructivism:** Constructivism is perceived as a learning philosophy which is founded on the premise that we are all constructing our own understanding of the world we live in through reflection of own experiences (Creswell, 2013). Constructivists hold a positive view that the world is fundamentally and mentally constructed. People construct meaning when composing texts, read texts and hear texts. They also build their own meanings on the basis of knowledge which they bring to the task and develop when performing it (Sekaran and Bougie, 2013).

Constructivists also believe that the human reality is created by dialogue and interpretation process through which people form and modify meanings. They also maintain that there are numerous ways to structure the world and there are multiple perspectives for any event. Based on this rationale, constructivists do not search for the truth but seek to understand the rules people use to make sense of the world in which people live and work in by examining what happens in people's minds (Creswell, 2013). Constructivists' assumptions are also more inclined to the qualitative approach to research (Creswell, 2013).

**Transformative:** The transformative assumption holds that research enquiry needs to be intertwined with politics and political change confronting social oppression of people who are marginalised in our society (Creswell, 2013). Chouinard (2010) elaborate that the transformative paradigm is motivated by a strong human rights and social justice agenda which is targeted to marginalized communities like women, ethnic minorities, poor people and people with disabilities.

This paradigm emerged in response to people who were pushed to the societal margins throughout history and have found a means for bringing their voices into the research world. Transformative paradigm therefore focuses mainly on the dimensions of power, culture social justice and privilege (Chouinard, 2010).

**Pragmatism:** Pragmatism is the view which considers the real effects or practical consequences to be crucial components of both truth and meaning. Pragmatism asserts that any theory which proves itself to be more successful in controlling and predicting the world than its rivals can be considered to be closer to the truth. Pragmatists believe that the truth is not ready made but is made jointly by people and reality. Some pragmatists believe that truth is relative to a conceptual scheme (The basics of philosophy – [www.philosophybasics.com/branch\\_pragmatism.html](http://www.philosophybasics.com/branch_pragmatism.html)).

According to Sekaran and Bougie (2013), pragmatists believe that any research that is based on either objective, observable phenomenon or subjective meanings has a potential to produce valuable knowledge which depends on the research questions of the study. Furthermore, Creswell (2013) highlights that this approach advocates for the pluralist approaches to gain knowledge of the social problem and hence its usage of a mixed methods approach to research. Creswell (2013) states further that the mixed methods researchers advocate for the use of multiple methods, different worldviews and different assumptions, different forms of data collection and analysis methods.

As this research was based on the perceptions of employees on the execution of business strategy, the knowledge derived from it was valuable to answer the research question. Therefore, to answer the research question underpinning this study, a quantitative research approach was followed, guided by theory and hypotheses. Collected data was also analysed scientifically before arriving at a conclusion, hence the post-positivism approach was adopted. Ontological and epistemological concerns outlined were also taken into account

### **3.3 Research Design**

Leedy and Ormrod (2014) mention that research design provides a plan for collecting and analysing data in a manner which is relevant to the objectives of research. Furthermore, research design provides the population to be studied, measurement variables, the sample design, the information gathering technique and the strategy for data analysis. According to Creswell (2013), researchers not only select the research method, but they also decide on the type of enquiry within qualitative, quantitative and mixed methods research approaches. This study adopted a quantitative research design and this approach is explained below.



### **3.3.1 The Quantitative Research Approach**

There are three research approaches namely quantitative, qualitative and mixed methods (Creswell, 2013). According to Leedy and Ormrod (2014), these approaches occupy different positions on the research continuum, with the qualitative and the quantitative research approaches occupying the two extreme ends of the continuum. The mixed method researchers advocate for a rather balanced and complimentary research approach. Creswell (2013) states that the mixed method research approach resides at the middle of the continuum because it incorporates elements of both qualitative and quantitative research approaches in a single study.

Goertzen (2017) defines a quantitative research as a systematic investigation of phenomena by gathering data which is quantifiable and performing statistical, computational or mathematical techniques to the collected data. Creswell (2013) adds that quantitative research methods are concerned with collection and analysis of data which is structured and can be represented numerically. According to Bryman (2007), the entire quantitative study usually ends with either a confirmation or disconfirmation of the hypotheses being tested. Goertzen (2017) mentions the following as main advantages of a quantitative research:

- Data sets are large and findings are representative of population.
- Findings can also be generalized to a particular population
- The standardized approaches allows the study to be replicated over time.
- Documentation pertaining to methods and research framework can be replicated and shared.

Furthermore, Goertzen (2017) state that the main limitations regarding a quantitative research are:

- Studies can be time consuming and also the data require collection over long time periods.
- Data does not provide evidence as to why population feel, think or act in certain manner.

Bryman (2007) outlines that the process of quantitative research begins with theory followed by hypothesis. Figure 3.2 show the main steps in the quantitative research process. Research design step follows the hypothesis and it has implications on issues like validity of findings and researcher's ability to assign causality to their findings. Devising measures of the concepts which the researcher is interested in is the fourth step followed by the selection of the study or research site. The sixth step encompasses the selection of research participants from the target population and this is followed by the administration of the research instrument or questionnaire for data collection. The next steps involve processing and analysis of collected data by statistical means. The final steps in this process entail listing of findings and the conclusion drawn from the study (Bryman, 2007).

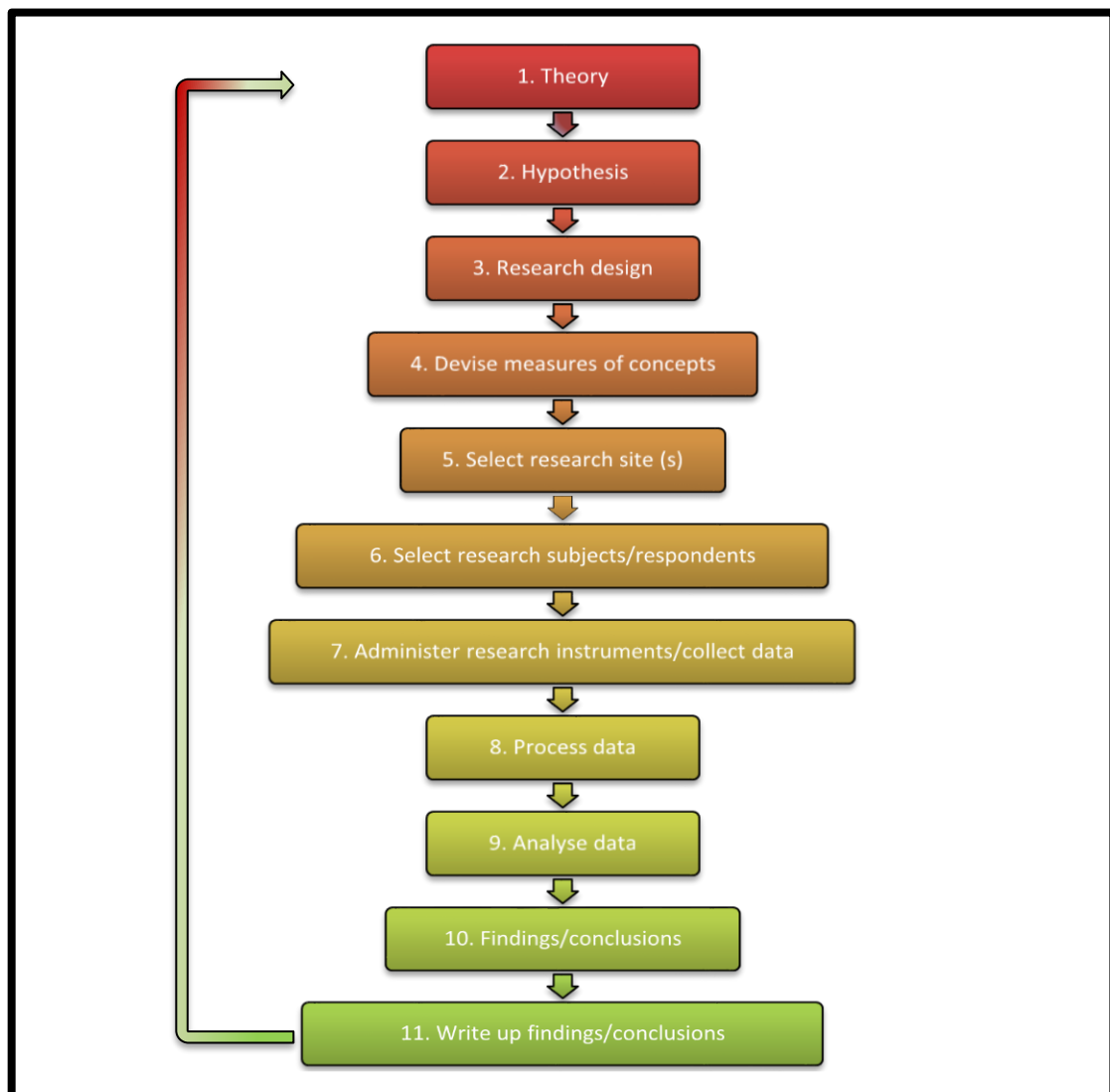


Figure 3.2: The quantitative research process (Bryman, 2007)

### **3.3.2 Quantitative Research Methods**

Leedy and Ormrod (2014) mention that there are two different methods that can be used for quantitative research approach. These are:

- Primary quantitative research methods.
- Secondary quantitative research methods.

#### **3.3.2.1 Primary Quantitative Research Methods**

According Creswell (2013), in a primary research, researchers are focussing on collecting data directly rather than relying on data which is collected from research previously done. Primary quantitative research methods are sub-divided into the following four categories:

- Survey research
- Correlational research
- Causal-Comparative research
- Experimental research

Survey research is explained as a study on a small and large populations by selecting samples which are chosen from the desired population for discovering relative distribution, incidence and interrelations. According to Bryman (2007), Its ultimate goal is to learn about the large population by surveying a sample of the population and it is also the essential tool for all the quantitative research studies and methodologies. There are two types of surveys, namely cross-sectional surveys where a researcher collects information from a target population at one point in time and longitudinal survey where a researcher collects data at different points of time for observing the changes (Leedy and Ormrod, 2014).

Surveys also used to ask questions to a sample of participants or respondents using media such as online surveys, online polls or paper questionnaires (Leedy and Ormrod, 2014). According to Bryman (2007), by conducting a survey research, a researcher can ask multiple survey questions, collect the data from the respondents and analyse the collected data for producing numerical results.

Correlational research is conducted for establishing a relationship between two entities, how one impacts the other and what changes are observed eventually. In this research method, value is given to a naturally occurring relationship and at least a minimum of two groups is required to conduct this quantitative research method successfully (Leedy and Ormrod, 2014).

Causal-Comparative method depends mainly on the comparison factor. It is used by the researchers for drawing conclusions about cause-effect equation between two or more variables where one variable is dependent on the other variable which is independent (Leedy and Ormrod, 2014).

The experimental research method on the other side is reliant on theory. It is based on one or more theories and in an experimental research, an analysis is conducted with the aim of proving or disproving the statement (Leedy and Ormrod, 2014).

### **3.3.2.2 Secondary Quantitative Research Methods**

The secondary quantitative research is a research which involves the use of existing data or secondary data. This secondary data is summarized and collated in order to increase the overall effectiveness of the research (Creswell, 2013). Secondary quantitative research method also involves the collection of quantitative data from the existing sources such as the internet, libraries, government resources and research reports (Leedy and Ormrod, 2014).

### **3.3.3 Selected Quantitative Research Method for the study**

The research method selected was the survey and cross sectional survey to be specific. This is because the researcher collected data through the use of a questionnaire at a particular point in time. However, the questionnaire survey was preceded by pilot testing of questionnaires. Edwin, Teijlingen and Vanora (2018) explain a pilot study as a preliminary small scale that a researcher conducts for helping him or her decide how best to conduct a large scale research project. According to Edwin *et al.* (2018), when a pilot study is used, a researcher can identify or refine the following:

- Research question
- Figure out what methods are best for pursuing the study

- Estimate how much time to allocate
- What resources will be necessary for completing the larger version

Leon, Davis and Kraemer (2010) elaborate further that the fundamental purpose for conducting a pilot study is to examine the feasibility of an approach which is intended for ultimately being used in a larger scale study. Leon *et al.* (2010) however cautions that this study is not used for hypothesis testing, it instead serves as an earlier phase developmental function which will eventually enhance the probability of success in the larger scale survey.

The pilot testing was therefore conducted for strengthening the research question, estimating the time allocations in completion of questionnaires by participants and working out what other resources were going to be required for ensuring hassle free completion of questionnaires during the large-scale survey. It was conducted at both study sites and there was a total of thirty respondents who participated. Based on the outcome, allocated times for questionnaire completion were worked out and highlighted on the questionnaires. Furthermore, questionnaire format was re-designed for enhancing flow and clarity. Budget was also re-adjusted accordingly. The second stage encompassed the collection of data through a questionnaire survey (quantitative). The quantitative research method adopted for this study is displayed in Figure 3.3.

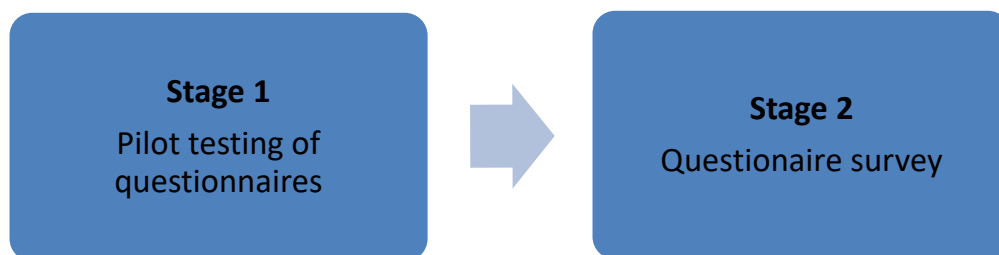


Figure 3.3: Quantitative research method followed. Source: (Researcher's own compilation)

### 3.4 Research Population

According to Creswell (2013), population refers to the entire group of people, events or things of interest that the researcher wishes to investigate. The focus of this study was on shop floor employees in the selected manufacturing companies based in Pietermaritzburg. According to Hulamini and Abedare websites, there is a total of 1050 shop floor employees employed by these companies at the time of the study.

### 3.5 Study Sample Size

Leedy and Ormrod (2014) explain a sample size as the number of elements to be included in the study. The researcher used a Krejcie and Morgan's (1970) table to determine a reasonable sample size for the study. The formula for determining the sample size according to Krejcie and Morgan (1970) is presented below:

$$s = \frac{X^2 NP(1 - P)}{d^2(N - 1) + X^2 P(1 - P)} \dots (1)$$

$s$  = required sample size

$X^2$  = the table value of chi-square for 1 degree of freedom at the desired confidence level (3.841)

$N$  = the population size

$P$  = the population proportion (assumed to be .50 since this would provide the maximum sample size).

$d$  = the degree of accuracy expressed as a proportion (.05).

Source: (Bryman, 2007))

The study population ( $N$ ) was 1050 shop floor employees. Using a 95% confidence level and 5% margin of error, the required sample size is 320 participants when substituting into (1). In view of the fact that the study was conducted at two study sites, the breakdown of the sample is presented in Table 3.2.

Table 3.2: Breakdown of the sample size by the study sites.

Source: Researcher's own compilation

Phase of Data Collection	Type of Data Collection	Targeted Sample Size
Questionnaire Survey at Hulamin	Quantitative Data	220
Questionnaire Survey at Aberdare	Quantitative Data	100
<b>Total</b>		<b>320</b>

### 3.6 Sampling Technique

Leedy and Ormrod (2014) explain that there are two sampling methods that could be used, namely probability sampling and non-probability. Diamantopoulos and Schlegelmilch (2000) mention that probability sampling uses random sampling techniques for creating a sample and it is based on the premise that every member of a population has a known and equal chance of being selected for the sample. Its major drawback is that it is tedious and time consuming. On the other side, techniques of non-probability sampling use non-random processes and chances of elements being selected for a sample cannot be calculated. Its major advantage is that it is very time and cost effective (Diamantopoulos and Schlegelmilch, 2000).

In a method of simple random sampling, sample members are randomly chosen for being included in the sample. Each element of population has equal probability of being selected (Leedy and Ormrod, 2014). According to Bryman (2007), results from the application of simple random sampling can be generalized due to representativeness of this sampling technique and a little relevance of bias. Simple random sampling was therefore the sampling method utilized for the purpose of this study.

The list of shop floor employees both at Hulamin and Aberdare was used as a sampling framework from which a sample size was established. From each sample framework, a number was assigned to each employee and after the entire population was numbered, participants were then randomly selected until a required sample size was attained.

### 3.7 Data Collection Methods

The researcher used both primary and secondary data collection methods. These methods are explored further below.

#### 3.7.1 Primary Data

Bryman (2007) explain that primary data refers to the original data that the researcher collects for the purpose of study being conducted. This study made use of a questionnaire survey under primary data collection. This instrument is displayed in Figure 3.4.

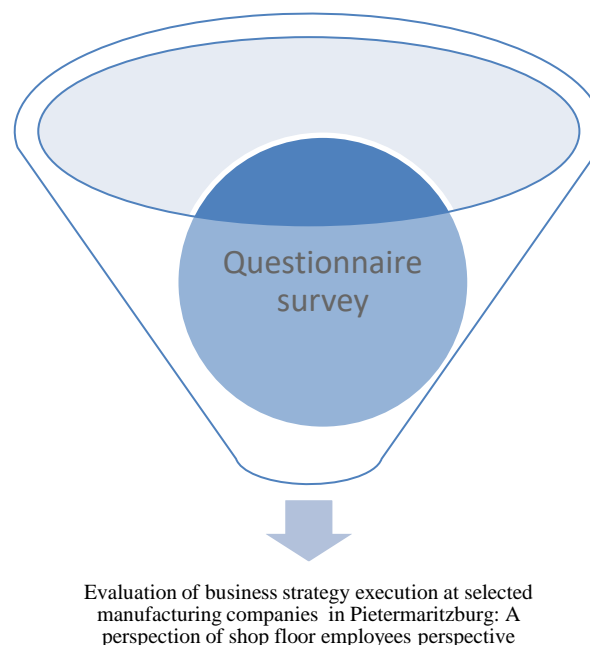


Figure 3.4: Data collection instrument used.

Source: Researcher's own compilation



### **3.7.1.1 Questionnaire**

Bryman (2007) explain a questionnaire as a research instrument that consists of a pre-formulated written set of questions to which the respondents record their answers. According to Leedy and Ormrod (2014), questionnaires are an efficient method for collection of data especially when the researcher has identified the variables of interest key for the study. Geuens and De Pelsmacker (2017) mention the following advantages with respect to the use of questionnaires:

- Practical
- Can be carried out by numerous people or researcher with limited effect to its reliability and validity.
- Large amounts of information can be collected from many people in a cost effective way and over a short period of time.
- The results of the questionnaires can be easily and quickly quantified by using a computer software package.
- Can be analysed more objectively and scientifically than other research forms.
- After quantifying data, it can be used for contrasting and comparing other research and may also be used for measuring change.

### **3.7.1.2 Questionnaire Design**

Slavek and Drnovšek (2012) highlight ten steps for development of a questionnaire. These steps are depicted in Figure 3.5 and are also grouped into three phases as depicted as on this as well.

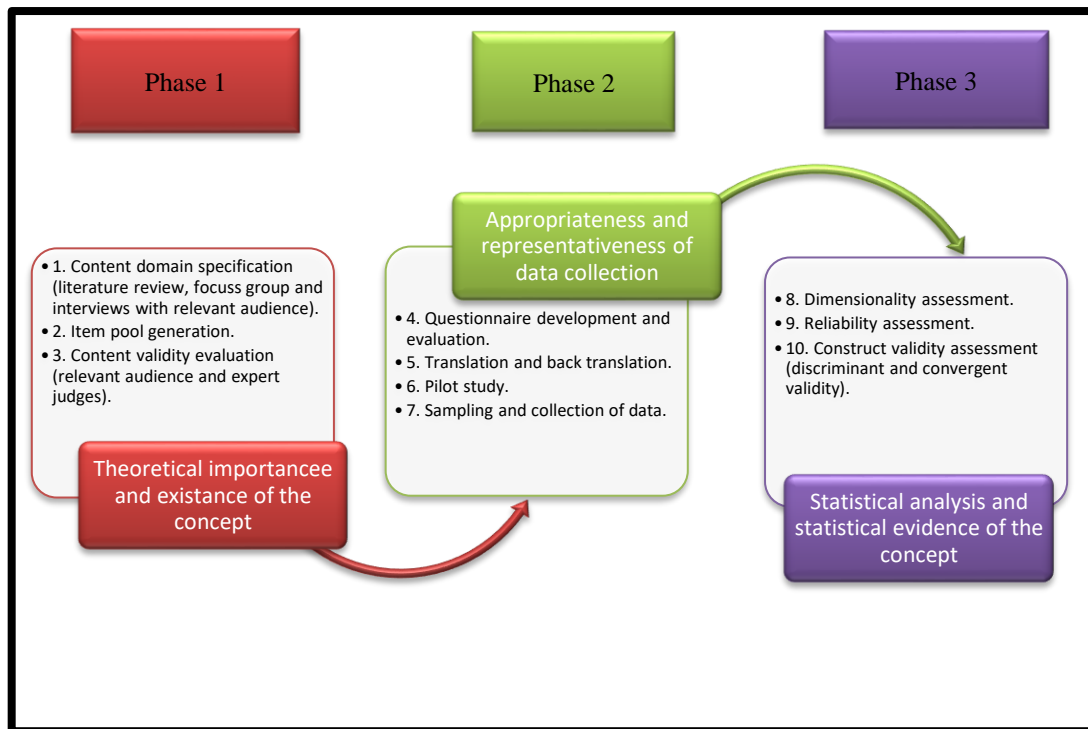


Figure 3.5: Ten steps and three phases in a questionnaire development.

Source: (Slavek and Drnovšek 2012:5)

The first phase pertains to the theoretical importance and the existence of the concepts or construct under study. The second phase deals with the appropriateness and representativeness of data collection whilst the third phase relates to the statistical analysis and evidence of the concept.

According to Slavek and Drnovšek (2012), the first three steps represent the first phase of questionnaire development, that is the theoretical importance and existence of the concept. The fourth to seventh steps outline the data collection and pilot study for instance which is step number six is recommended to test the proposed questionnaire for identifying potential problems with the questionnaire. The final steps constitute the third phase and all entail the statistical analysis and evidence of the concept under study (Slavek and Drnovšek, 2012).

The questionnaire was therefore designed, pilot tested and used for data collection following the three phases outlined by Slavek and Drnovšek (2012). The questionnaire for this study was also made up of closed or pre-coded questions and was also distributed to shop floor employees employed in the manufacturing companies participating in this study. It is important to emphasize that the questionnaire items were evolved by the researcher. The reliability and validity of these were subsequently tested. Bryman (2007) explain that closed questions ask the respondents to make choices among a set of alternatives given by the researcher.

According to Leedy and Ormrod (2014), questionnaires can be administered personally, electronically distributed or mailed to respondents. Bryman (2007) state that there are two main reasons why people do not respond to questionnaires, these are:

- They did not receive the questionnaire.
- They are simply not interested in responding to the questionnaire.

Leedy and Ormrod (2014) emphasise that careful preparation and application of the right methodology can improve the response rate. In order to improve the response rate, the researcher personally administered the questionnaires. Bryman (2007) refers to personally administered questionnaires as a “forced” process. This was not the case since researchers are encouraged to uphold good ethical standards in conducting research.

According to Leedy and Ormrod (2014), upholding good ethical standards in research requires the researcher to explain the objective of the study to the participants and the respondent or participant is left to decide whether to participate or not. Voluntary participation by the respondent is usually confirmed by the signing of the informed consent form. The respondent also has the liberty to pull out of the researcher process even after signing the informed consent form.

The designed questionnaire was divided into seven sections in line with the research objectives. These sections are discussed as outlined below:

**Section A:** This section provides that demographic information of the participant for the study. The data required include gender, age, race, educational level and work experience.

**Section B:** This section relates to data collected pertaining to perceptions of employees training level. Key information required in this section covers the training policy applicable to respondents, training levels, training opportunities, commitment of management to training.

**Section C:** Section C presents information related to business culture. It highlights important information related to values of the organization, impact of the organizational culture on business performance and personal growth, commitment of organizations to culture.

**Section D:** Information related to leadership engagement is outlined in this section. Aspects on the role of leadership engagement with employees, understanding of engagement in general and engagement peer to peer are covered in this section.

**Section E:** This section covers information related to leadership styles. Leadership style information was crucial to identify which styles of leadership is crucial from the respondent's perspective when it comes to business strategy execution.

**Section F:** In this section information pertaining to work experience was covered. This information outlined the impact of work experience and formal education. This information also assisted in assessing the role of work experience on the execution of business strategy.

**Section G:** This section outlined ways of improving the business strategy execution from the perspectives of shop floor employees.

A copy is attached under Appendix A. Cover letters outlining objectives for the study, title and informed letters of consent for participants and researcher are provided in Appendix B and C.

### **3.7.1.3 Administration of Questionnaire Survey**

The questionnaires were personally administered by the researcher together with two research assistants. These two assistants were carefully selected by the researcher based on their work experience, knowledge of the respective company (Hulamin and/or Aberdare) and proficiency in both Zulu and English. These assistants were trained by the researcher and all the 320 questionnaires were also delivered to them.

Since the researcher is employed at Hulamin in a management position, the likelihood of bias by employees when completing the questionnaires in his presence was high and could compromise the quality of results. Therefore, the researcher did not administer the questionnaires at Hulamin himself and ensured that the trained research assistant fulfils the role in that regard. Furthermore, to ensure a good response rate, quality and consistency during data collection, the following was done:

- Questionnaire was designed in such a way that it includes information such as the questionnaire number, name of research assistant, date and place where data was collected from.
- Research assistants checked all collected questionnaires on a daily basis to avoid errors being carried over. Checklist was also used to track issuing and returning of these questionnaires.

The questionnaire were written in English and as some if not most of the shop floor employees in the manufacturing companies selected speak Zulu, both the researcher and the assistants were readily available to explain or clarify any issue brought up.

### **3.7.2 Secondary Data**

Leedy and Ormrod (2014) explain that secondary data refers to data that has already been gathered by other researchers; and this data is usually published in journal articles, books and other sources that might be useful to the researcher. For this study, secondary data was gathered from relevant information which includes peer reviewed journal articles, textbooks, e-books, databases and other relevant sources.

### 3.8 Data Collection for this Study

All data collection methods which were adopted for the study are summarised in Table 3.3

Table 3.3: Data Collection Summary for the study.

Source: Researcher's own compilation

Research phase	Sampling technique	Data collection method	Targeted sample size
<b>Phase 1: Literature review</b>			
<b>Purpose:</b> To assist the researcher in understanding the key issues for this study.	n/a	Literature survey	n/a
<b>Phase 2: Data collection stage – Questionnaire survey</b>			
<b>Purpose:</b> Main data collection of the study.	Simple random sampling	Questionnaire survey	320
<b>Total sample size</b>			<b>320</b>

### 3.9 Data Analysis

The use of a quantitative research approach allowed the researcher to use statistical approaches for data analysis and interpretation for the data sets outlined under respective sections below.

#### 3.9.1 Quantitative Data

Data preparation was carried out before the analysis of data. This process entailed checking the quality (correctness and completeness) of collected data (Bryman, 2007) and converting the data into a format which enables analysis and interpretation to take place. For the purpose of this study, the questionnaires were cross checked for accuracy by supervisor and two peer students. Pre-coding of questionnaires was done during

questionnaire design. Thereafter, quantitative data was captured and analyzed using Statistical Package for Social Sciences (SPSS) version 23.

Data was analyzed using both the descriptive and inferential statistics. Descriptive statistics used include frequency distribution such as bar charts and pie charts and; statistical measures of location and tendencies such as the mean. This was utilized to describe and summarize data in a useful and meaningful way.

Inferential statistics used include Correlation Analysis, Analysis of Variance (ANOVA) T-tests and Multiple Regression.

### **3.9.1.1 Correlation Analysis**

According to Bryman (2007), correlation is a technique for investigating the relationship between interval/ratio variables and or ordinal variables that seeks to assess the strength and direction of the relationship between the variables concerned. Pearson's  $r$  and Spearman's  $\rho$  are both methods used to assess the level of correlation between variables (Bryman, 2007). This study used Pearson's  $r$  method

Kreinovich, Nguyen and Wu (2013) explain that Pearson's correlation is used for describing the dependence between random variables, i.e.  $X$  and  $Y$ . Furthermore, it measures the relationship between these two variables. Pearson's correlation coefficient ( $r$ ) for continuous (interval level) data ranges from -1 to +1 (Bryman, 2007). A value of +1 represents a positive perfect correlation, while a value of -1 represents a perfect negative correlation. A value of 0 means that the variables are perfectly independent. The closer the absolute value is to 1, the stronger the relationship (Bryman, 2007).

### **3.9.1.2 Analysis of Variance (ANOVA)**

Analysis of Variance (ANOVA) analyses variance which is the spread of data values within and between groups of data by comparing means (Bryman, 2007). Orme and Yamagata (2014) elaborate that ANOVA is used for testing whether groups are significantly different or not and F-statistics represents these differences.

Anders (2017) explains that ANOVA uses the  $F$ -statistics to statistically test the equality of means and also test the following:

- The overall significance of a regression model.
- Comparing the fits of other different models.
- Testing the specific regressing terms.
- Testing the equality of means.

If the likelihood of any difference between groups occurring by chance is low, this is represented by a large  $F$  ratio with a probability of less than 0.05. This is referred to as statistically significant (Bryman, 2007).

According to Leedy and Ormrod (2014) the following are different types of ANOVAs: (a) one-way between groups, (b) one-way repeated measures, (c) two-way between groups, and (d) two-way repeated measures. These different types of ANOVA reflect the different experimental designs and situations for which they have been developed.

The study used one-way between groups analysis of variance. This involved only one categorical variable which will tell if there are any differences among the means of two groups or more.

### **3.9.1.3 T-tests**

Kim (2015) explains that a  $t$ -test is a type of statistical test which is used for comparing the means of two groups. According to Leedy and Ormrod (2014), the independent-samples  $t$ -test evaluates the difference between the means of two independent or unrelated groups. Therefore, a  $t$ -test was used to test whether the means of the two groups are significantly different.

Bryman (2007) explain further that it is a statistical test used to determine the probability (likelihood) that the values of a numerical data variable for two independent samples or groups are different. Table 3.4 summarises how the data analysis methods were applied for addressing the research objectives.



#### **3.9.1.4 Multiple Regression Analysis**

Diamantopoulos and Schlegelmilch (2000) mentions that the multiple regression analysis is used for analysing the relationship between one dependent variable and a number of independent variables. However, both the dependent and the independent variables should be metric which means that they must be measured at ratio or interval level. Bryman (2007) adds that the independent variables could also be in the form of dummies.

According to Creswell (2013), multiple regression analysis could be used for identifying the strength of the effect that the independent variables have on a dependent variable. Bryman (2007) also add that this analysis enhances the understanding of how much the dependent variable changes when the independent variables change as well. Furthermore, the multiple regression analysis predicts the trends or future values which means it can be used to get the point estimates (Bryman, 2007). In this study, the dependent variable was business strategy execution and the independent variables were work experience, leadership engagement, leadership styles, business culture, demographics and training level.

The multiple regression analysis was therefore conducted to understand the nature of the relationship between the work experience, leadership engagement, leadership styles, business culture, training level and demographics which are the variables or concepts under this study in as far as the execution of business strategy is concerned.

Table 3.4 summarises how the data analysis methods were applied for addressing the research objectives.

Table 3.4: Data analysis methods summary.

Source: Researcher's own compilation

RESEARCH OBJECTIVE	DATA SOURCES	METHOD OF ANALYSIS
<b>1. To determine the shop floor employees' perceptions of the influence of their training level on the execution of business strategy.</b>	Questionnaire survey.	1. Correlation analysis 2. Analysis of Variance 3. T-test 4. Multiple Regression
<b>2. To determine the shop floor employees' perceptions of the influence of business culture on the execution of business strategy.</b>	Questionnaire survey.	1. Correlation analysis 2. Analysis of Variance 3. T-test 4. Multiple Regression
<b>3. To determine the shop floor employees' perceptions of the influence of leadership engagement with them on the execution of business strategy.</b>	Questionnaire survey.	1. Correlation analysis 2. Analysis of Variance 3. T-test 4. Multiple Regression
<b>4. To determine the shop floor employees' perceptions of the influence of their work experience on execution of business strategy.</b>	Questionnaire survey.	1. Correlation analysis 2. Analysis of Variance 3. T-test 4. Multiple Regression
<b>5. To determine the shop floor employees' perceptions of the influence of leadership style on execution of business strategy.</b>	Questionnaire survey.	1. Correlation analysis 2. Analysis of Variance 3. T-test 4. Multiple Regression

### **3.10 Reliability and Validity**

#### **3.10.1 Reliability**

Reliability is concerned with the questions of whether the results of a study are repeatable (Bryman and Bell, 2007). Leedy and Ormrod state further that reliability refers to the extent to which your data collection or analysis procedure can yield consistent findings. According to Bryman (2007), threats to reliability of results are:

- Subject or participant error.
- Observer error.
- Subject or participant bias.
- Observer bias.

To ensure reliability, the Cronbach's alpha (coefficient) statistic was used to check the reliability of all variables used in the questionnaire. Kabak, Yakut, Cetin and Duger (2016) highlight that Cronbach's alpha determines the internal consistency or average correlation of items in a survey instrument to gauge its reliability. A Cronbach's alpha value of 0.7 to 0.8 is generally acceptable. A Cronbach's alpha value of 0.4 is not acceptable, while a value higher than 0.9 reflects potential for possible similarities among the items (Leedy and Ormrod, 2007).

#### **3.10.2 Validity**

Validity refers to the degree to which the research instruments measure its intended purpose in solving the research objectives (Leedy and Ormrod, 2014). Factor analysis (using Principal Component Analysis) was also carried out to establish validity of the questionnaire. According to Eeva-Mari and Lili-Anne (2011), threats to validity include:

- History,
- Mortality,
- Maturation,
- Testing.

Bryman (2007) distinguish between the different types of validity which are:

- Measurement validity.
- Internal validity.

- Ecological validity.
- External validity.

According to Haynes, Richards and Kubany (1995), content validity is another type of validity that is important in research. It is the degree to which elements of an assessment instrument are relevant and also representative of the targeted variable or attribute for a particular assessment purpose (Haynes et al., 1995). The different types of validity mentioned above are explained as follows:

### **3.10.2.1 Measurement Validity**

This type of validity has to do with the question of whether or not a measure that is developed for a particular concept really reflects the concept it is supposed to be representing (Adcock and Collier, 2001). To ensure measurement validity for the current study, the questionnaire was subjected to pre-testing during the pilot study phase in order to determine whether the constructs were indeed measuring what they were intended to measure. According to Leedy and Ormrod (2014) pre-testing may include between four and thirty participants and is carried out before the actual data collection takes place. A total of thirty respondents took part in this phase of the study.

### **3.10.2.2 Internal Validity**

Bryman (2007) explain that this type of validity relates mainly to the issue of causality and is concerned with the question of whether a conclusion that incorporates a causal relationship between two or more variables holds water. If it is suggested that  $x$  causes  $y$ , then the researcher needs to be sure that  $x$  is responsible for variations in  $y$  and that not something else is producing that causal relationship.

### **3.10.2.3 Ecological Validity**

Ecological validity relates to the question of whether or not social scientific research is applicable to people's every day, natural social settings, i.e. do the instruments capture the daily life conditions, values, attitudes and knowledge base (Crist, 2015). The researcher has a vast experience in the manufacturing sector and resides in Pietermaritzburg. This means he understands how the research study links and is applicable to the everyday way of life of the shop floor manufacturing employees.

#### **3.10.2.4 External Validity**

This is concerned with the question of whether the results of a study can be generalised beyond the specific research context (Bryman, 2007). Crist (2015) adds further that external validity reflects how the findings from the study will apply to other people or settings. External validity is one of the reasons why quantitative researchers are keen to generate representative samples (Bryman and Bell, 2007). The results of this study were generalized as probability-sampling technique was used.

#### **3.10.2.5 Content Validity**

Content validity measures the extent at which the measuring tools adequately cover the objectives of the study (Leedy and Ormrod, 2014). To ensure content validity, the researcher reviewed literature on the subject matter. The pilot study information was also used to strengthen the design of the questionnaire before the large-scale questionnaire survey.

### **3.11 Ethical Considerations**

Akaranga and Makau (2016) emphasis that ethical behaviour is of utmost importance in research. It also enables the researcher to carry out the research in a dignified manner with respect for human rights and honesty (Akaranga and Makau, 2016). Connelly (2014) adds that the issue of plagiarism in research should be treated with high priority. Akaranga and Makau (2016) explain plagiarism as a practice where a researcher has to ensure that any piece of work that is written should be original and free of texts or results of the author without acknowledging where the information was obtained from.

Connelly (2014) highlight that the major ethical issues when conducting a research are:

- Informed consent
- No causing harm
- Respect for anonymity and confidentiality
- Respect for privacy

Leedy and Ormrod (2014) add further that the critical ethical issues which need to be taken into account are

- Protection of participants from harm,
- Voluntary and informed participation in the study,
- The right to privacy,
- Honesty with professional colleagues.

An ethical clearance certificate was obtained from the University of KwaZulu-Natal Ethics committee prior to the commencement of the study and its copy is attached in Appendix E. Ethical considerations have therefore formed an integral part of this research project. The researcher also notified the participant about the objectives of the study and that their participation was solely on a voluntary basis. Participants were also requested to complete a letter of informed consent before taking part in this research study.

Furthermore, for unstructured interviews, participants were requested to give consent to the researcher for recording the interview. Copies of the consent forms are attached under Appendix B and C. Participants were also assured of confidentiality and anonymity to be maintained throughout the study. The researcher's consideration of ethical issues is outlined as follows:

#### **3.11.1 Protection from Harm**

The study undertaken should not result in any form of mental or physical risk. All the respondents that participated in this study were encouraged to participate willingly in the environment where there was no risk exposure to mental or physical harm. All safety rules of the companies and employees' welfare were observed during the study.

#### **3.11.2 Voluntary and Informed Participation**

All participants were informed that if they agreed to partake in the study they had the right to withdraw from it at any time. Participation to this study was voluntarily and all the participants had the right to participate or decline participating. There was no participant forced to take part in this research.

### **3.11.3 Right to Privacy**

According to Leedy and Ormrod (2014), there should be no research presented in such a way that other people become aware of how a particular participant responded or behaved. For the purpose of this research, all questionnaires remained anonymous and the data collected was held strictly confidential. Data collected was only to be used for analysis purpose.

### **3.11.4 Honesty With Professional Colleagues**

Researchers must report their findings in a manner that is complete and honest without misrepresenting what they have done (Leedy and Ormrod, 2014). Regarding this research, all credit was given where it is due. Furthermore, any other person's words or ideas were acknowledged. All the collected data would be used solely for research purposes. It would also be kept for 5 years and destroyed thereafter. Furthermore, Confidentiality and anonymity of finished thesis would be maintained by the researcher and the School of Management, IT & Governance at the University of KwaZulu-Natal.

### **3.12 Chapter Summary**

The research methodology adopted for the study was discussed in this chapter. All aspects pertaining to the research methods, research design together with techniques used for collecting and analysing data, population and sampling techniques were also discussed. The chapter concluded by discussing all ethical issues considered for the study.

Chapter 4 will present and discuss the empirical findings of the study.



## **CHAPTER 4**

### **PRESENTATION AND INTERPRETATION OF RESULTS AND DATA ANALYSIS**

#### **4.1 Introduction**

The results from the study are presented and analyzed in this Chapter. Bar graphs (graphical statistics) and frequency tables were calculated using SPSS (version 25) to gain an overview of the perceptions of the respondents with respect to perceptions about training level influence, business culture influence, leadership engagement influence, leadership style influence and work experience influence on the execution of business strategy. The descriptive statistics included the mean, mode, median and standard deviation. These statistics serve to confirm the results of the graphical statistics and frequency tables.

The Kolmogorov Smirnov test was used to test the data to ascertain if it comes from a normal distribution or not. Once confirmed, appropriate statistical tests (parametric and non-parametric) were used. Parametric tests such as sample t-tests, Analysis of Variance (ANOVA) was used and non-parametric tests such as the Mann-Whitney test and Kruska-Wallis were also used.

The hypotheses were tested using the Chi square goodness of fit test. Cronbach's Alpha was calculated for establishing the reliability or integrity of the results. Multi regression was used for examining the relationship between the variables using the regression models and correlation was also calculated using Pearson's  $r$  method to establish the nature of the relationship between variables selected for this study (training level influence, business culture influence, leadership engagement influence, leadership style influence and work experience).

Results were outlined and discussed in sections per objective of the study and as per relevant sections of the questionnaire.

## 4.2 Section One Results – Demographics

This section outlines the results on all demographics variables covered on the questionnaire for the study. These are gender, age, race, education level and work experience.

### 4.2.1 Gender

Bar graph for gender as well as the corresponding frequency table are shown on Figure 4.1 and Figure 4.2 respectively.

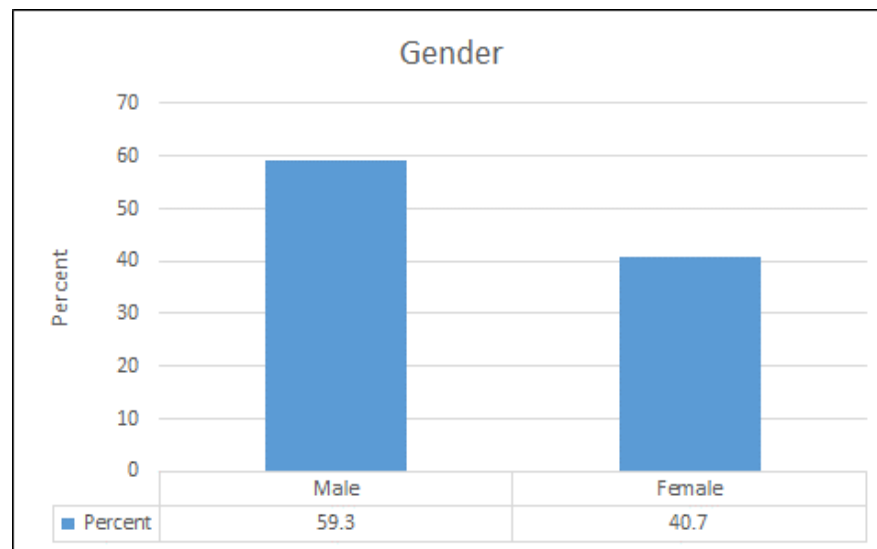


Figure 4.1: Gender bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	185	57.8	59.3	59.3
	Female	127	39.7	40.7	100.0
	Total	312	97.5	100.0	
Missing	System	8	2.5		
Total		320	100.0		

Figure 4.2: Frequency table for gender

These results indicate that there were more males (59.3%) than females (40.7%) in this sample.

#### 4.2.2 Age

Figure 4.3 and Figure 4.4 show the bar graph for age together with the corresponding frequency table respectively.

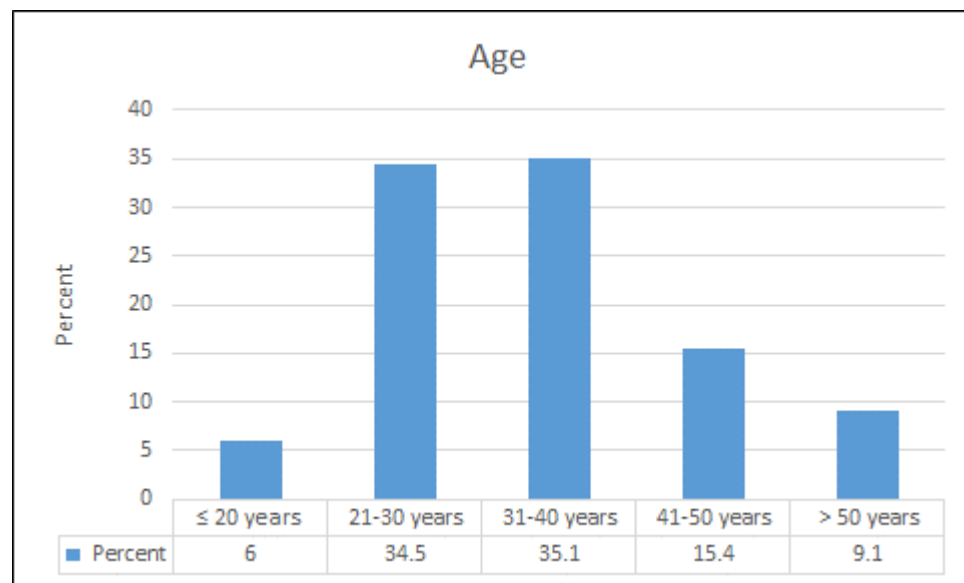


Figure 4.3: Bar graph for age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	≤ 20 years	19	5.9	6.0	6.0
	21-30 years	110	34.4	34.5	40.4
	31-40 years	112	35.0	35.1	75.5
	41-50 years	49	15.3	15.4	90.9
	> 50 years	29	9.1	9.1	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.4: Age frequency table

The distribution of age was 31-40 years (35.1%), 21-30 years (34.5%) followed by 41-50 years (15.4%), > 50 years (9.1%) and ≤ 20 years (6%). This shows that the majority of respondents were between 21 and 40 years.

### 4.2.3 Race

Bar graph for race and the corresponding frequency table are shown under Figure 4.5 and Figure 4.6 respectively.

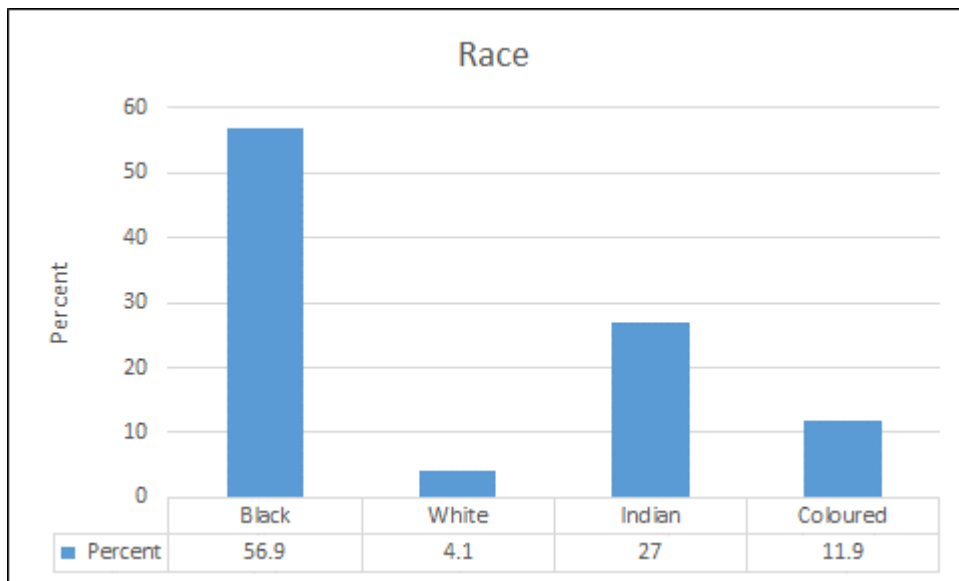


Figure 4.5: Bar graph for race

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Black	181	56.6	56.9	56.9
	White	13	4.1	4.1	61.0
	Indian	86	26.9	27.0	88.1
	Coloured	38	11.9	11.9	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.6: Frequency table for race

The modal race group was Black (56.9%) followed by Indians (27%) and Coloureds (11.9%). Whites only constituted 4.1% of the sample.

#### 4.2.4 Education Level

Education level bar graph with corresponding frequency table are shown under Figure 4.7 and Figure 4.8 respectively.

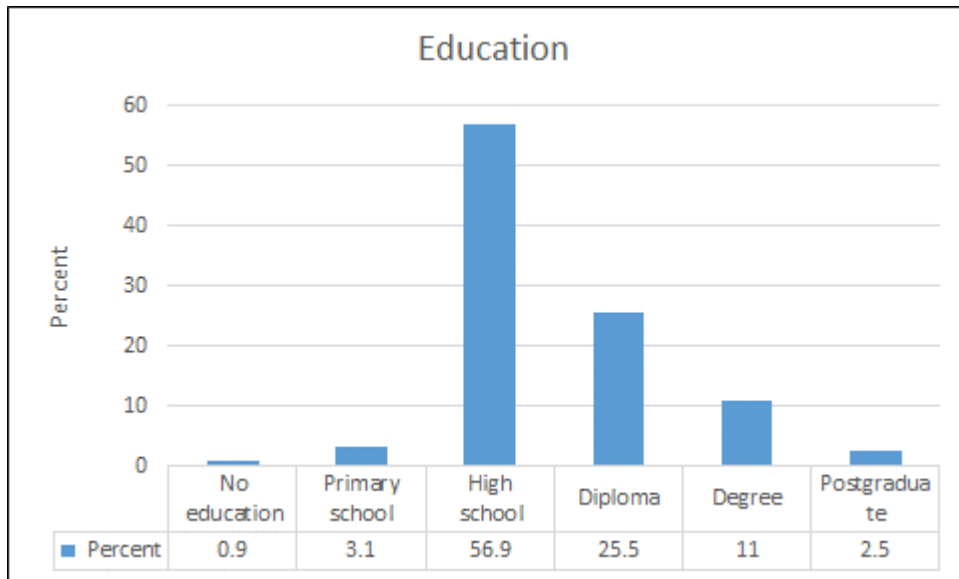


Figure 4.7: Level of education graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No education	3	.9	.9	.9
	Primary school	10	3.1	3.1	4.1
	High school	181	56.6	56.9	61.0
	Diploma	81	25.3	25.5	86.5
	Degree	35	10.9	11.0	97.5
	Postgraduate	8	2.5	2.5	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.8: Level of education frequency table

The modal education level was high school (56.9%) followed by diploma (25.5%). 11 % of the sample had university degree whilst 3.1% had primary education level. There was also a notable 0.9% of the respondents with no education at all and 2.5% with post graduate qualification.

### 4.2.5 Work Experience

The employee work experience is shown by a bar graph under Figure 4.9 and the corresponding frequency table under Figure 4.10.



Figure 4.9: Employee work experience bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	≤ 5 years	88	27.5	28.4	28.4
	6-10 years	72	22.5	23.2	51.6
	11-20 years	89	27.8	28.7	80.3
	21-25 years	28	8.8	9.0	89.4
	> 26 years	33	10.3	10.6	100.0
	Total	310	96.9	100.0	
Missing	System	10	3.1		
Total		320	100.0		

Figure 4.10: Employee work experience frequency table

The distribution of work experience for the majority of the sample was 11-20 years (28.7%), ≤ 5 years (28.4%) and 6-10 years (23.2%), ≤ 5 years (23.2%). 10.6% of the sample had more than 26 years experience.

## 4.3 Section Two Results – First Objective

### 4.3.1 Perceptions of Training Level Influence on Business Strategy Execution

This section outlines the results using both bar graphs and frequency tables for each statement or question on this section of the questionnaire. These are outlined under respective Figures.

#### 4.3.1.1 Statement B1 - My organization has a training policy applicable to shop floor employees

The results are outlined under Figure 4.11 which shows the bar graph for responses on B1. Corresponding frequency table is shown on Figure 4.12.

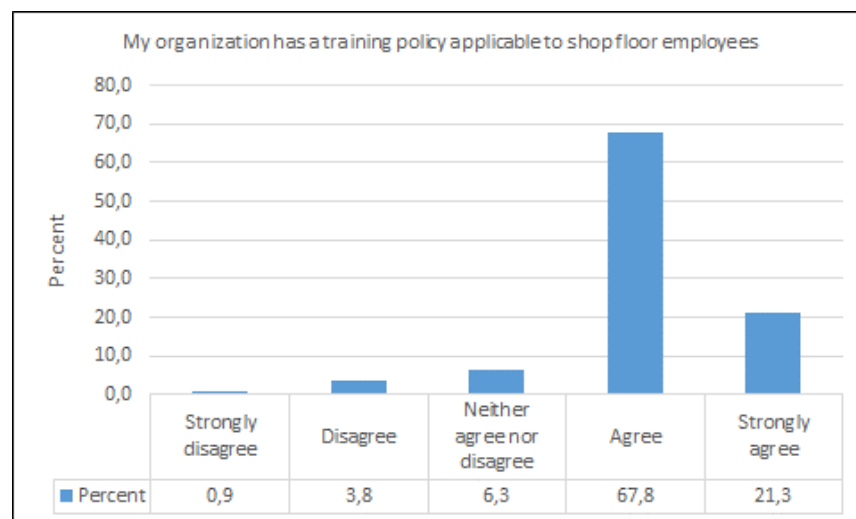


Figure 4.11: Bar graph for B1 responses

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	.9	.9	.9
	Disagree	12	3.8	3.8	4.7
	Neither agree nor disagree	20	6.3	6.3	10.9
	Agree	217	67.8	67.8	78.8
	Strongly agree	68	21.3	21.3	100.0
	Total	320	100.0	100.0	

Figure 4.12: Frequency table for B1 responses

Majority of the responses were agreeing (67.8%) and strongly agreeing (21.3%) that their organizations have training policy applicable to the shop floor employees. 3.8% disagreed though with 0.9% strongly disagreeing with the statement. It has been noted that 6.3% could neither agree nor disagree that their organizations have training policy applicable to shop floor employees.

#### 4.3.1.2 Statement B2 - Shop floor employee training levels lead to superior business results

Figure 4.13 and Figure 4.14 illustrate the bar graph and frequency table for B2.

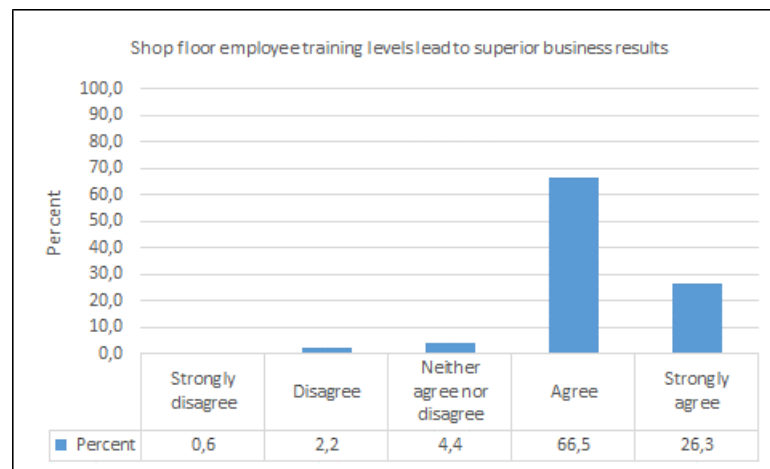


Figure 4.13: B2 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	7	2.2	2.2	2.8
	Neither agree nor disagree	14	4.4	4.4	7.2
	Agree	212	66.3	66.5	73.7
	Strongly agree	84	26.3	26.3	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.14: B2 frequency table



The modal response was agree (66.5%) followed by strongly agree (26.3%) with the statement. Only a total of 2.8% disagreed that the training levels lead to superior business results. However, 0.6% of the respondents strongly disagreed with 4.4% neither agreeing nor disagreeing.

#### 4.3.1.3 Statement B3 - My training level is very important for shop floor employees to progress higher within our organization

The bar graph and frequency tables for statement 3 are shown under Figure 4.15 and Figure 4.16 respectively.



Figure 4.15: Bar graph for B3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	.9	.9	.9
	Disagree	7	2.2	2.2	3.1
	Neither agree nor disagree	16	5.0	5.0	8.2
	Agree	202	63.1	63.5	71.7
	Strongly agree	90	28.1	28.3	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.16: B3 frequency table

The modal class was agree (63.5%) followed by strongly agree (28.3%) to the statement that their training level is very important for them to progress higher within their organizations. A total 3.1% of the sample disagreed and strongly disagreed. A further 5% could not agree nor disagree that their training level is very important for progressing higher within the organization.

#### 4.3.1.4 Statement B4 - My organization links training with our company business strategy

Figure 4.17 and Figure 4.18 outline the bar graph and frequency table respectively for statement B4.

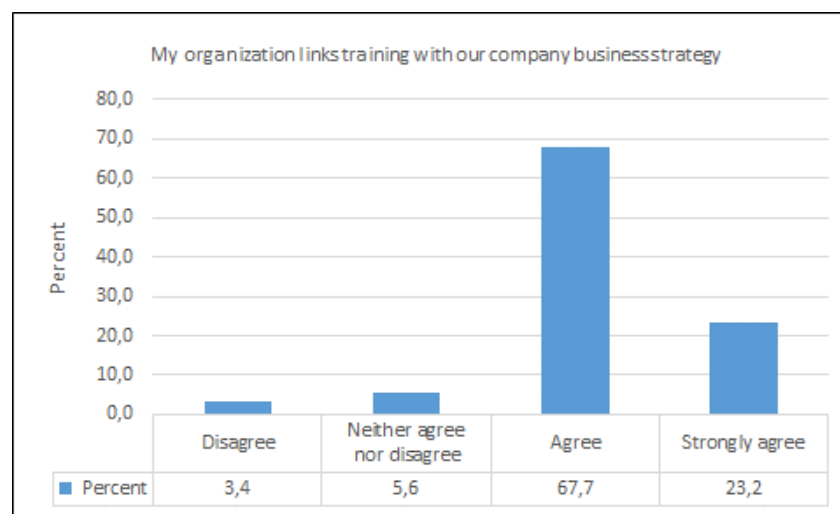


Figure 4.17: Bar graph for B4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	11	3.4	3.4	3.4
	Neither agree nor disagree	18	5.6	5.6	9.1
	Agree	216	67.5	67.7	76.8
	Strongly agree	74	23.1	23.2	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.18: B4 frequency table

The modal response to this question was agree (67.7%). 23.2% of the sample strongly agreed which indicates that a total of whilst 90.9% of the respondents agreed and strongly agreed that their organizations link training with business strategy. Only 3.4% disagreed with 5.6% neither agreeing nor disagreeing.

#### 4.3.1.5 Statement B5 - Shop floor employees training is taken seriously by my organization

Bar graph and corresponding frequency table are outlined under Figure 4.19 and Figure 4.20 respectively.

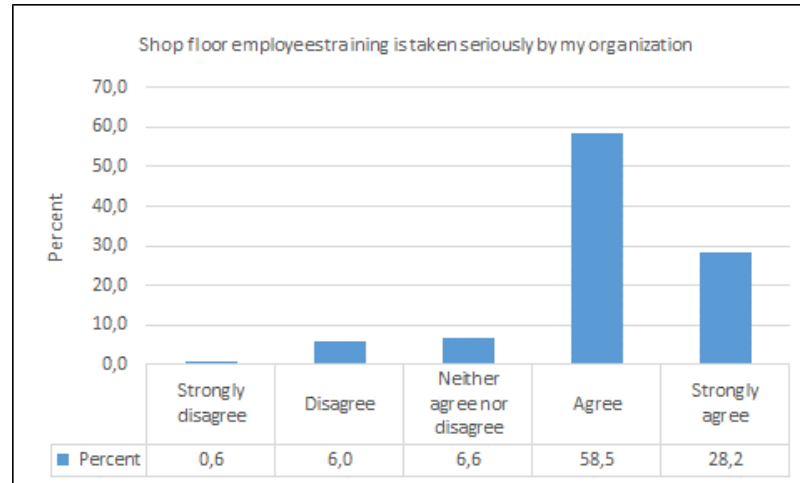


Figure 4.19: B5 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	19	5.9	6.0	6.6
	Neither agree nor disagree	21	6.6	6.6	13.3
	Agree	185	57.8	58.5	71.8
	Strongly agree	89	27.8	28.2	100.0
	Total	316	98.8	100.0	
Missing	System	4	1.3		
Total		320	100.0		

Figure 4.20: Frequency table for B5

Majority of the respondents agreed (58%) followed by those who strongly agree (28.2%). 6% of them disagreed that shop floor employees training is taken seriously by their organizations. 6% disagreed though with the statement and a further 0.6% of the respondents strongly disagreeing. However, 6.6% did not agree nor disagree that shop floor employees are taken seriously by their organizations.

#### 4.3.1.6 Statement B6 - My organization provide us with more training in order for us to achieve good business results

The results for statement 6 are presented by a bar graph and a frequency table outlined under Figure 4.21 and Figure 2.22 respectively.

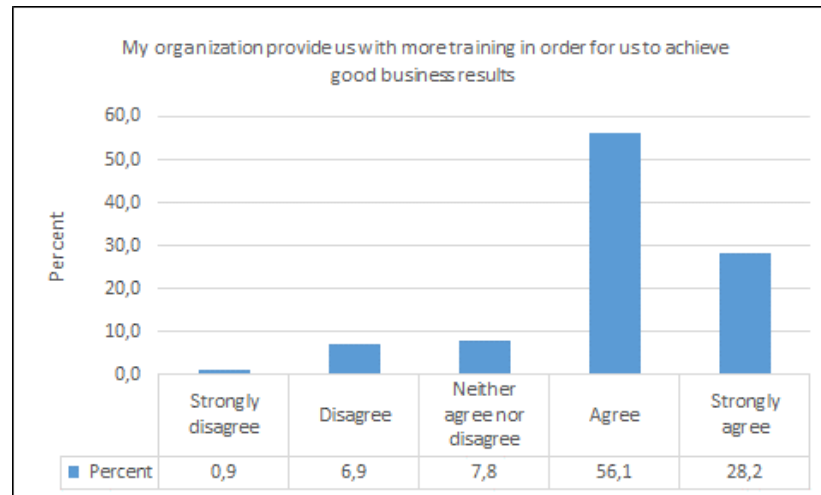


Figure 4.21: Statement B6 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	.9	.9	.9
	Disagree	22	6.9	6.9	7.8
	Neither agree nor disagree	25	7.8	7.8	15.7
	Agree	179	55.9	56.1	71.8
	Strongly agree	90	28.1	28.2	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.22: Frequency table for statement B6

Just over 55% of the respondents had a response of agree. 28.2% strongly agreed that their organizations provide them with more training in order for them to achieve the good results for the business. Almost 7% disagree with 0.9% disagreeing strongly. Almost 8% could neither agree nor disagree with the statement.

#### 4.3.1.7 Statement B7 - There are rewards in my organisation for high shop floor employees training level

The bar graph and frequency table for B7 are covered on Figure 4.23 and Figure 4.24 respectively.

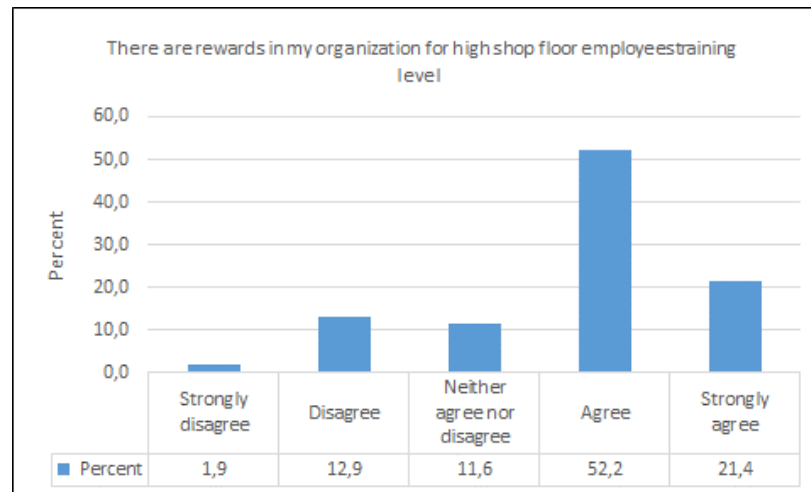


Figure 4.23: B7 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	6	1.9	1.9	1.9
	Disagree	41	12.8	12.9	14.8
	Neither agree nor disagree	37	11.6	11.6	26.4
	Agree	166	51.9	52.2	78.6
	Strongly agree	68	21.3	21.4	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.24: B7 Frequency table

The modal response was agree (52.2%) followed by strongly agree (21.4%). There was almost 13% that disagree and 1.9% that disagree with the statement that rewards in their organisations for high levels of training for shop floor employees. 11.6% could neither agree nor disagree that their organisations offer rewards for high training levels achieved by employees.

#### 4.3.1.8 Statement B8 - Management give shop floor employees the chance to tryout their training on the job

B8 results are illustrated by the bar graph and frequency table outlined on Figure 4.25 and Figure 4.26 respectively.

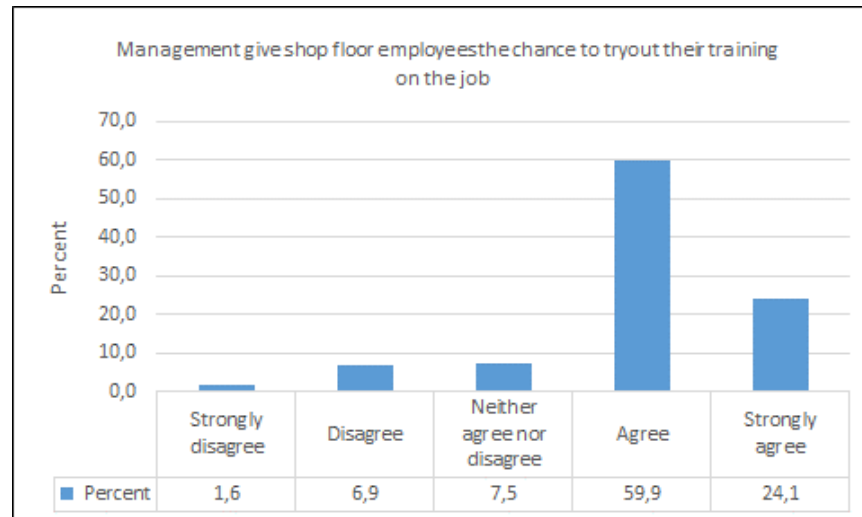


Figure 4.25: Bar graph for B8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	1.6	1.6	1.6
	Disagree	22	6.9	6.9	8.5
	Neither agree nor disagree	24	7.5	7.5	16.0
	Agree	191	59.7	59.9	75.9
	Strongly agree	77	24.1	24.1	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.26: Frequency table for B8

The collective response for agree was 84%. This is made up of agree (59.9%) and strongly agree (24.1%) with the statement mentioned that management in their organisations give shop floor employees the chance to try out their training on the job. 6.9% of the respondents disagree with 1.6% strongly disagreeing with this statement.

#### 4.3.1.9 Statement B9 - Management help shop floor employees set realistic goals for performing their work as a result of their training

The results for statement 9 are presented as bar graph and frequency table outlined under Figure 4.27 and Figure 4.28 below.

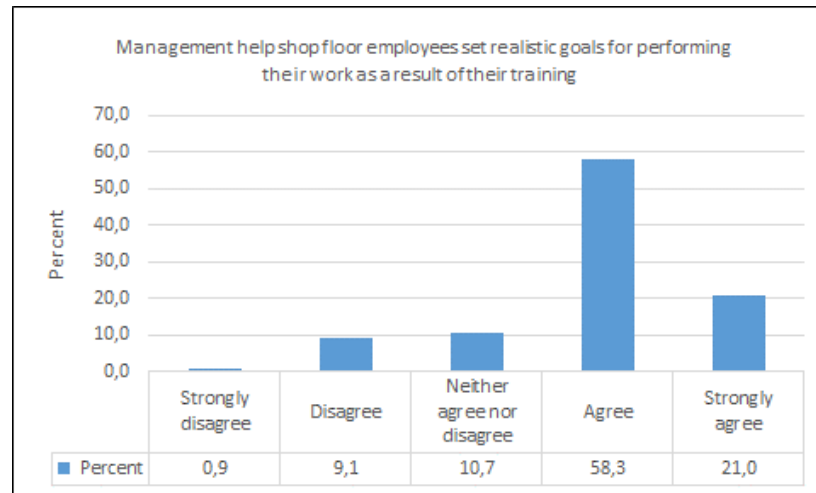


Figure 4.27: Bar graph for statement 9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	.9	.9	.9
	Disagree	29	9.1	9.1	10.0
	Neither agree nor disagree	34	10.6	10.7	20.7
	Agree	186	58.1	58.3	79.0
	Strongly agree	67	20.9	21.0	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.28: Table of frequency for statement 9

The modal class on this statement was agree (58.3%) followed by strongly agree (21%). 9.1% disagreed with just below 0.9% strongly disagreeing that management in their organisations help shop floor employees set realistic goals for performing their work as a result of their training. Just below 11% could neither agree nor disagree with the statement

#### 4.3.1.10 Statement B10 - Management ensures that shop floor employees have the opportunity to use their training immediately

Figure 4.29 and Figure 4.30 illustrate the bar graph and frequency table for statement 10 (B10) respectively. They are outlined below as follows:

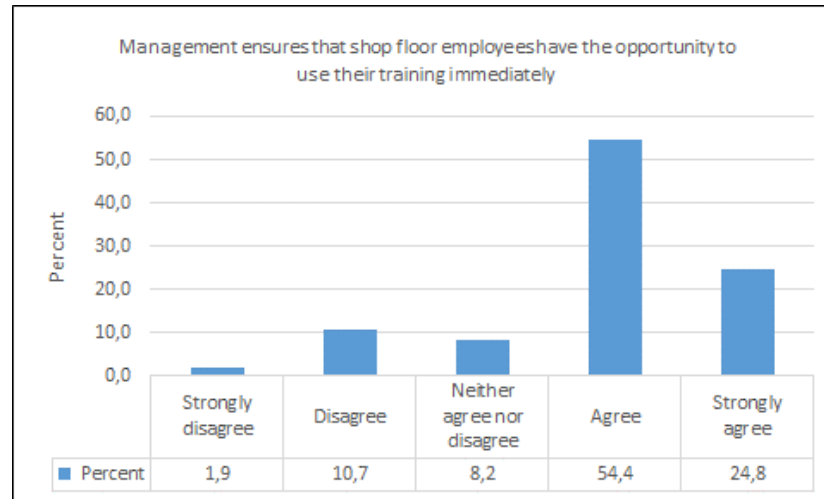


Figure 4.29: Bar graph for statement 10

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	6	1.9	1.9	1.9
	Disagree	34	10.6	10.7	12.6
	Neither agree nor disagree	26	8.1	8.2	20.8
	Agree	173	54.1	54.4	75.2
	Strongly agree	79	24.7	24.8	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.30: Frequency table for statement 10

The results show that the majority of the respondents agreed (54.4%) and strongly agreed (24.8%) that management ensures that shop floor employees have the opportunity to use their training immediately. This was followed by a 10.7% of the sample indicating disagree whilst 1.9% strongly disagreed. Those who could neither agree nor disagree accounted for 8.2% of the sample.



## 4.4 Second Objective Results

### 4.4.1 Perceptions on Business Culture's Influence on Business Strategy Execution

The bar graphs and frequency tables for each statement pertaining to this objective 2 statements will be outlined under respective Figures in this section.

#### 4.4.1.1 Statement C1 - The business culture in my organization enables shop floor employees to perform to their best ability

Figure 4.31 and Figure 4.32 show the bar graph and frequency table for statement C1 respectively. These are illustrated below.

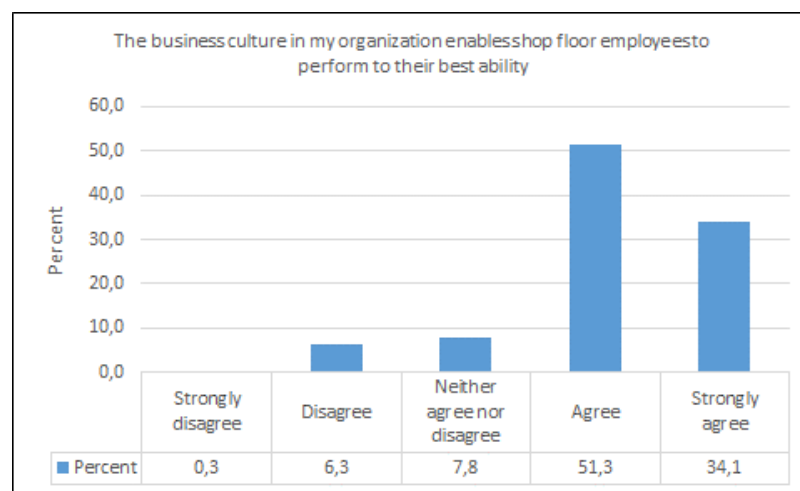


Figure 4.31: Bar graph for C1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	.3	.3	.3
	Disagree	20	6.3	6.3	6.6
	Neither agree nor disagree	25	7.8	7.8	14.4
	Agree	164	51.2	51.4	65.8
	Strongly agree	109	34.1	34.2	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.32: Corresponding frequency table for C1

The modal response was agree (51.4%) followed by strongly agree (34.2%). This means that a total of 84.4% of the respondents agreed and strongly agreed that the business culture in their organisations enables them to perform to the best of their ability. More than 6% of them disagreed with 0.3% strongly disagreeing. 7.8% could neither agree nor disagree.

#### 4.4.1.2 Statement C2 - I know the values of my organization

The results for this statement are shown as bar graphs and frequency table. Figure 4.33 and Figure 4.33 illustrate the bar graph for C2 and Figure 4.34 show C2 frequency table.

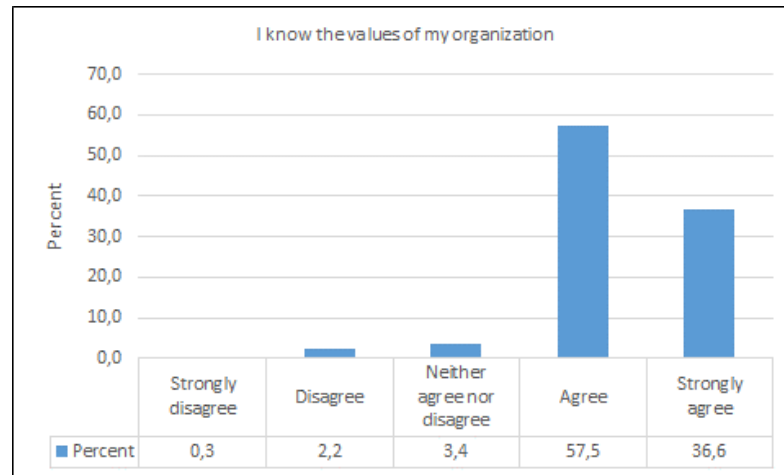


Figure 4.33: C2 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	.3	.3	.3
	Disagree	7	2.2	2.2	2.5
	Neither agree nor disagree	11	3.4	3.4	5.9
	Agree	184	57.5	57.5	63.4
	Strongly agree	117	36.6	36.6	100.0
	Total	320	100.0	100.0	

Figure 4.34: frequency graph for C2

57.5% of the respondents agreed that they know the values of their organisations. A further 36.6 of them strongly agreed with 2.2% disagreeing and 0.3% strongly disagreeing. Those who could not agree nor disagree that they know the values of their organisations accounted for 3.4% of the sample.

#### 4.4.1.3 Statement C3 - The values of my organization are very important in ensuring that the business strategy is executed

The results for C3 are shown under respective figures below. Figure 4.35 show the bar graph for C3 and Figure 4.36 show the frequency table for C3.

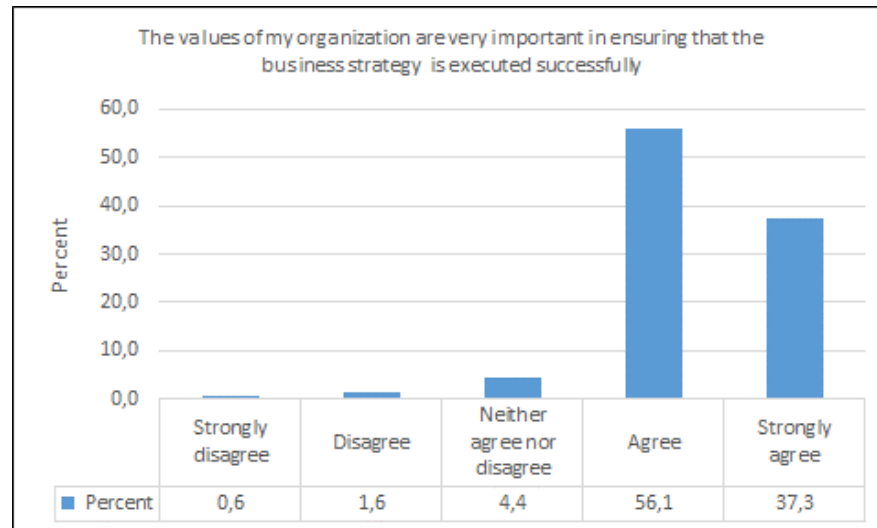


Figure 4.35: Bar graph for C3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	5	1.6	1.6	2.2
	Neither agree nor disagree	14	4.4	4.4	6.6
	Agree	179	55.9	56.1	62.7
	Strongly agree	119	37.2	37.3	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.36: C3 frequency table

There was a collective response of agree (56.1%) and strongly agree (37.3%). This equates to a total of 93.4% agreeing and some strongly that the values of their organisations are very important for ensuring the execution of business strategy successfully. 1.6% of the respondents disagreed though with a further 0.6% strongly disagreeing. Respondents who could neither agree nor disagree were at 4.4%.

#### 4.4.1.4 Statement C4 - Incorporating organizational values results in good atmosphere and working of shop floor employees at work

Figure 4.37 below show the bar graph for C4. The corresponding frequency table for C4 is shown under Figure 4.38.

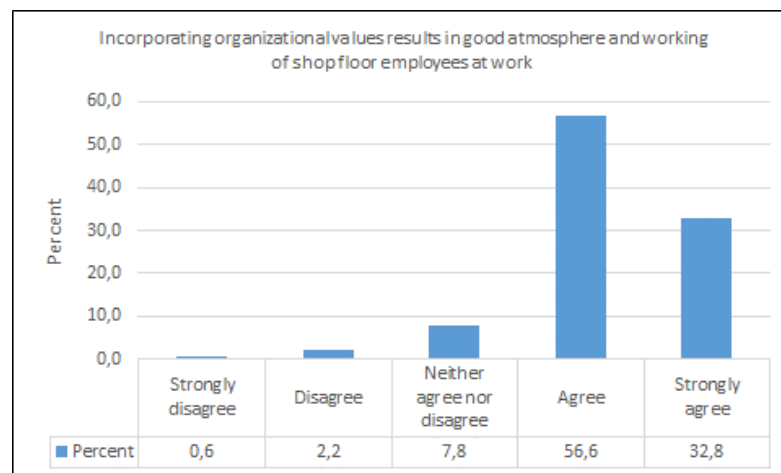


Figure 4.37: C4 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	7	2.2	2.2	2.8
	Neither agree nor disagree	25	7.8	7.8	10.6
	Agree	181	56.6	56.6	67.2
	Strongly agree	105	32.8	32.8	100.0
	Total	320	100.0	100.0	

Figure 4.38: Frequency table for C4

It can be seen that a total of 89.4% together agreed and strongly agreed that incorporating organisational values results in good atmosphere and their working within the organisation. 2.2% of the sample in this study disagreed with just below 1% strongly disagreeing. Those who did not agree nor disagree accounted for 7.8% of the sample.

#### 4.4.1.5 Statement C5 - Organizational culture in my company is strong and sustained

Bar graph and frequency table are outlined under respective figures below. These are Figure 4.39 for C5 bar graph and Figure 4.40 for C5 frequency table.

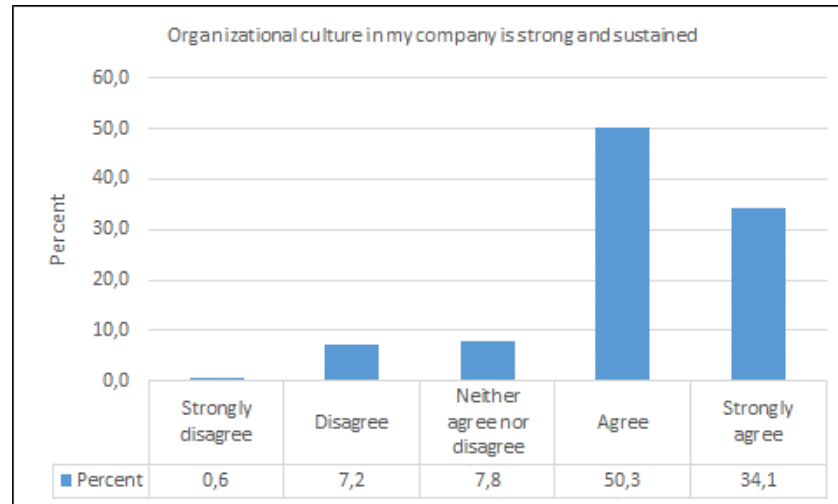


Figure 4.39: C5 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	23	7.2	7.2	7.8
	Neither agree nor disagree	25	7.8	7.8	15.6
	Agree	161	50.3	50.3	65.9
	Strongly agree	109	34.1	34.1	100.0
	Total	320	100.0	100.0	

Figure 4.40: C5 frequency table

Most of the respondents agreed (50.3%) that organisational culture in their organisations is strong and sustained followed by 34.1% that strongly agreed. There was however 7.2% of the sample disagreeing with this fact and a further 0.6% disagreeing strongly. 7.8% of the sample did not agree nor disagree with culture in their organisations being strong and sustained.

#### 4.4.1.6 Statement C6 - My organization's culture influences the behaviour of shop floor employees in a way that they want to achieve good results for the organization

Results are outlined under respective figures below. Figure 4.41 show the bar graph for statement 6 and Figure 4.42 show the frequency table for statement 6 as well.

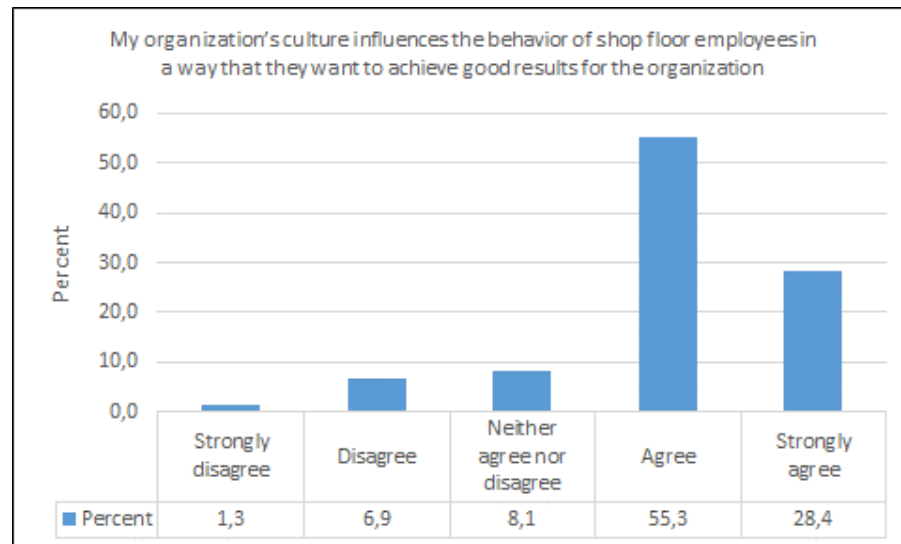


Figure 4.41: C6 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	4	1.3	1.3	1.3
	Disagree	22	6.9	6.9	8.1
	Neither agree nor disagree	26	8.1	8.1	16.3
	Agree	177	55.3	55.3	71.6
	Strongly agree	91	28.4	28.4	100.0
	Total	320	100.0	100.0	

Figure 4.42: Statement 6 frequency table

There was a collective response of 83.7% agreeing (55.3%) and strongly agreeing (28.4%) their organizations' culture influences the behaviour of shop floor employees in a way that they want to achieve good business results. Just below 7% of the respondents disagreed and 1.3% strongly disagreed with this statement. 8.1% though could neither agree nor disagree with this statement.

#### 4.4.1.7 Statement C7 - Cultural values in my organisation create excitement and motivation for shop floor employees

Results are illustrated under Figure 4.43 showing bar graph for statement C7 and Figure 4.44 showing frequency table for statement C7.

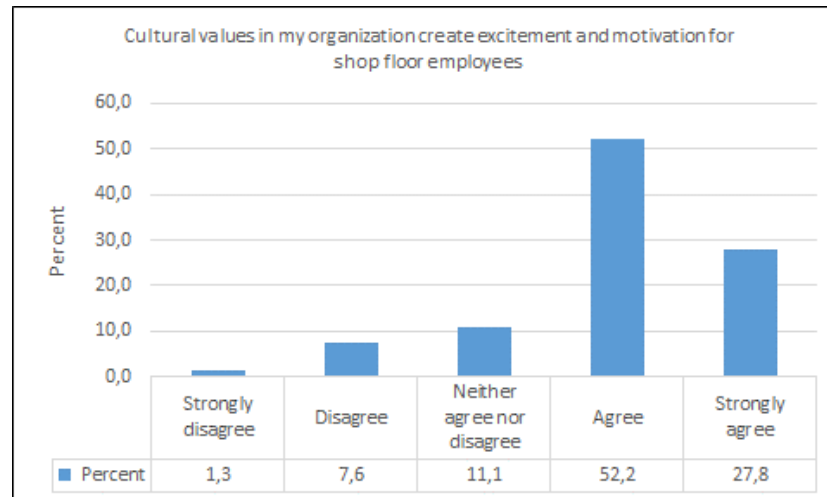


Figure 4.43: C7 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	4	1.3	1.3	1.3
	Disagree	24	7.5	7.6	8.9
	Neither agree nor disagree	35	10.9	11.1	19.9
	Agree	165	51.6	52.2	72.2
	Strongly agree	88	27.5	27.8	100.0
	Total	316	98.8	100.0	
Missing	System	4	1.3		
Total		320	100.0		

Figure 4.44: C7 frequency table

Just over half of the respondents agreed that cultural values in their organizations create excitement and motivation for shop floor employees. There was 11.1% that could neither agree nor disagree with this statement. However, a total of 8.9% disagreed and strongly disagreed with it.

#### 4.4.1.8 Statement C8 - Culture in my organization helps me grow on a personal level and professionally

Figure 4.45 below show statement 8 bar graph and Figure 4.46 show the frequency table for statement C8.



Figure 4.45: Bar graph for C8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	6	1.9	1.9	1.9
	Disagree	21	6.6	6.6	8.5
	Neither agree nor disagree	22	6.9	6.9	15.4
	Agree	188	58.8	59.1	74.5
	Strongly agree	81	25.3	25.5	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.46: C8 frequency table

The modal response was agree (59.1%) followed by strongly agree (25.5%) Collectively, it means 84.6% of the respondents agreed and strongly agreed that the culture in their organisations help them grow on a personal and professional level. A total of 8.5% from the sample disagreed and strongly disagreed respectively. It is also noted that just below 7% could neither agree nor disagree that culture in their organisations help them grow on a personal and professional level.



#### 4.4.1.9 Statement C9 - My organisation value contribution made by shop floor employees

Bar graph for statement C9 is shown under Figure 4.47 below and the frequency table for statement C9 is shown under Figure 4.48.

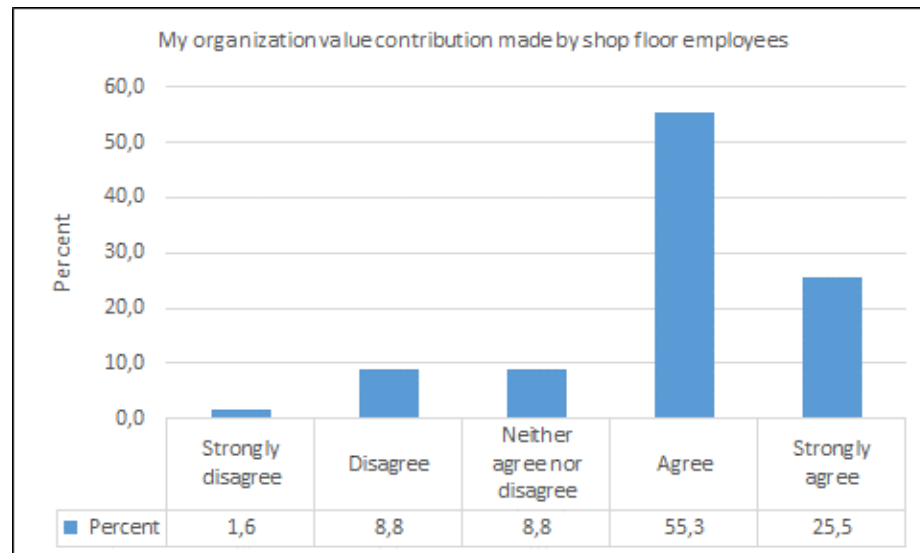


Figure 4.47: Statement C9 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	1.6	1.6	1.6
	Disagree	28	8.8	8.8	10.4
	Neither agree nor disagree	28	8.8	8.8	19.2
	Agree	176	55.0	55.3	74.5
	Strongly agree	81	25.3	25.5	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.48: C9 frequency table

Just over 80% responded with agree and strongly agree that their organizations value contributions made by shop floor employees. A total of 10.4% of the respondents disagreed and strongly disagreed with this fact whilst 8.8% neither agreeing nor disagreeing.

#### 4.4.1.10 Statement C10 - The key to high shop floor employees performance is a strong organisational culture

Results are shown under respective figures below. Figure 4.49 show the bar graph for statement C10 and Figure 4.50 show the frequency table for statement C10 as well.

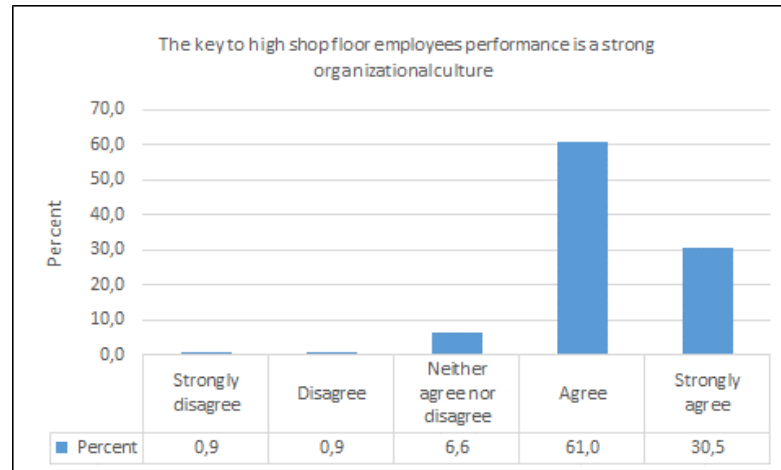


Figure 4.49: Statement C10 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	.9	.9	.9
	Disagree	3	.9	.9	1.9
	Neither agree nor disagree	21	6.6	6.6	8.5
	Agree	194	60.6	61.0	69.5
	Strongly agree	97	30.3	30.5	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.50: Frequency table for statement C10

The modal response was agree (61%) followed by strongly agree (30.5%). This works out to a total of 91.5% of the respondents agreeing and strongly agreeing that the key to shop floor employees' performance is a strong organizational culture. There was only a total of 1.8% of the respondents who disagreed and strongly disagreed with 6.6% neither agreeing nor disagreeing.

## 4.5 Third Objective Results

### 4.5.1 Perceptions on Leadership Engagement's Influence on Execution of Business Strategy Execution

The bar graphs and frequency tables for each statement pertaining to objective 3 statements will be outlined under respective figures in this section. Furthermore, discussion and synthesis of results will be done at the end of this section.

#### 4.5.1.1 Statement D1 - Leadership engagement with the shop floor employees is very important for the successful execution of business strategy

Results are illustrated under Figure 4.51 showing bar graph for statement 1 and Figure 4.52 showing frequency table for statement 1.

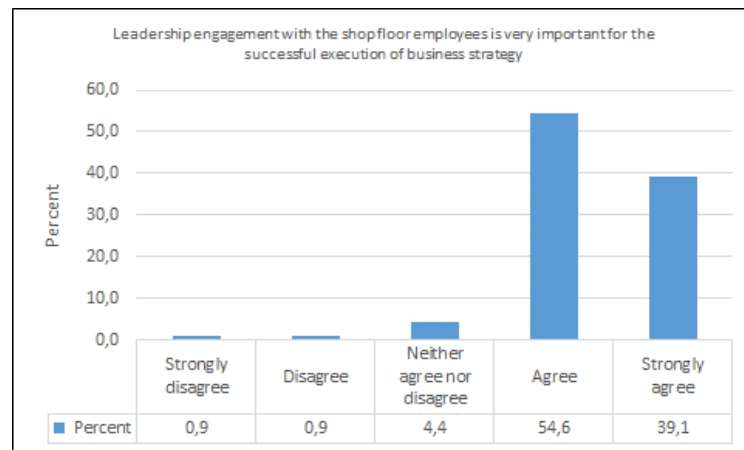


Figure 4.51: Bar graph for statement D1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	.9	.9	.9
	Disagree	3	.9	.9	1.9
	Neither agree nor disagree	14	4.4	4.4	6.3
	Agree	173	54.1	54.6	60.9
	Strongly agree	124	38.8	39.1	100.0
	Total	317	99.1	100.0	
Missing	System	3	.9		
Total		320	100.0		

Figure 4.52: frequency table for statement D1

It can be seen that 93.7% collectively agreed and strong agreed that leadership engagement with shop floor employees is very important for the successful execution of business strategy. Just below 2% of the respondents disagreed and strongly disagreed though with 4.4% neither agreeing nor disagreeing.

#### 4.5.1.2 Statement D2 - My organisation takes shop floor employee engagement seriously

Bar graph and frequency table are outlined under respective figures below. These are Figure 4.53 for statement D2 bar graph and Figure 4.54 for D2 frequency table.

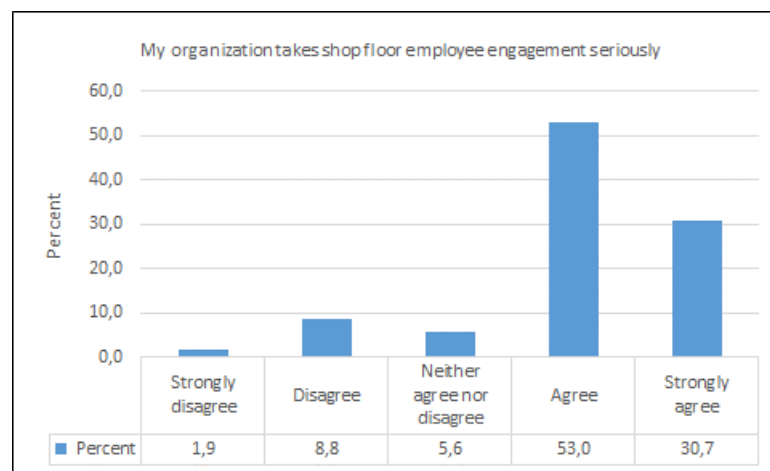


Figure 4.53: Statement D2 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	6	1.9	1.9	1.9
	Disagree	28	8.8	8.8	10.7
	Neither agree nor disagree	18	5.6	5.6	16.3
	Agree	169	52.8	53.0	69.3
	Strongly agree	98	30.6	30.7	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.54: Frequency table for statement D2

It is noted that 83.7% collectively agreed and strong agreed that their organisations take shop floor employees engagement seriously. 8.8% of the sample disagreed and 1.9% strongly disagreed with this statement. It has also been noted that 5.6% could neither agree nor disagree that their organizations take shop floor engagement seriously.

#### 4.5.1.3 Statement D3 - There is common understanding of what engagement means in my organisation

The results for statement D3 are presented by a bar graph and a frequency table outlined under Figure 4.55 and Figure 4.56 respectively.

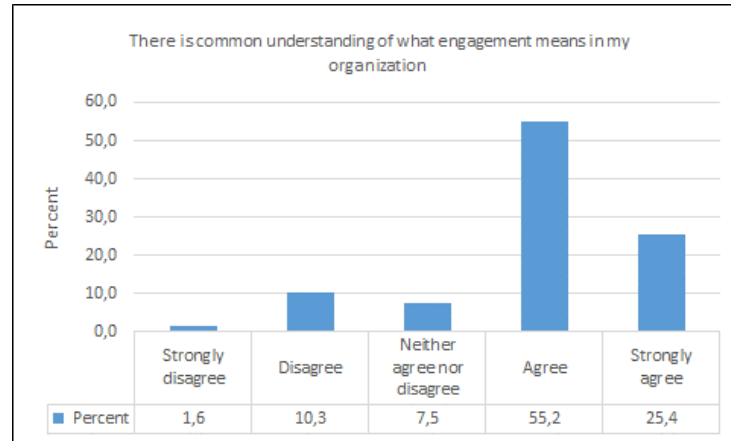


Figure 4.55: Statement D3 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	1.6	1.6	1.6
	Disagree	33	10.3	10.3	11.9
	Neither agree nor disagree	24	7.5	7.5	19.4
	Agree	176	55.0	55.2	74.6
	Strongly agree	81	25.3	25.4	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.56: Frequency table for statement D3

The modal response was agree (55.2%) followed by strongly agree (25.4%) to this fact that there is common understanding of what engagement means in their organisations. Just above 10% of the respondents disagreed with 1.6% strongly disagreeing though. However, 7.5% neither agreed nor disagreed.

#### 4.5.1.4 Statement D4 - The role of engagement in the organisation is well defined

The results for statement D4 are presented as bar graph and frequency table outlined under Figure 4.57 and Figure 4.58 below.

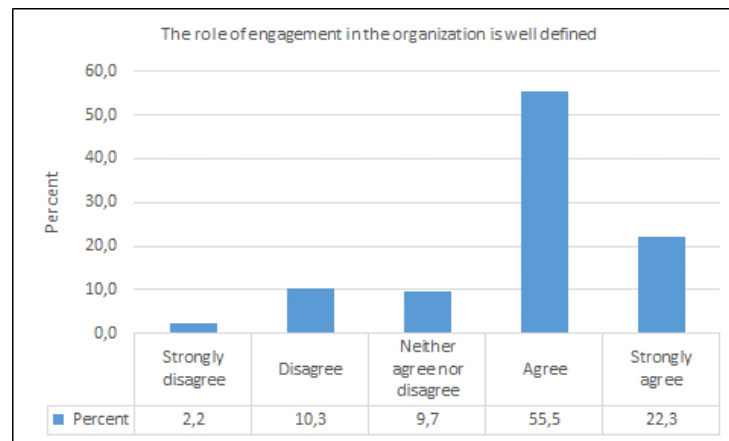


Figure 4.57: D4 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	2.2	2.2	2.2
	Disagree	33	10.3	10.3	12.5
	Neither agree nor disagree	31	9.7	9.7	22.3
	Agree	177	55.3	55.5	77.7
	Strongly agree	71	22.2	22.3	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.58: frequency table for D4

The responses were distributed as agree (55.5%) and strongly agree (22.3%). Furthermore, 10.3% disagreed whilst 2.2% strongly disagreed that the role of engagement in their organisations is well defined. Just below 10% could not agree nor disagree that the role of engagement in their organisations is well defined.

#### 4.5.1.5 Statement D5 - I understand what employee engagement is

Bar graph and frequency table have been outlined under respective figures below. These are Figure 4.59 for D5 bar graph and Figure 4.60 for D5 frequency table.

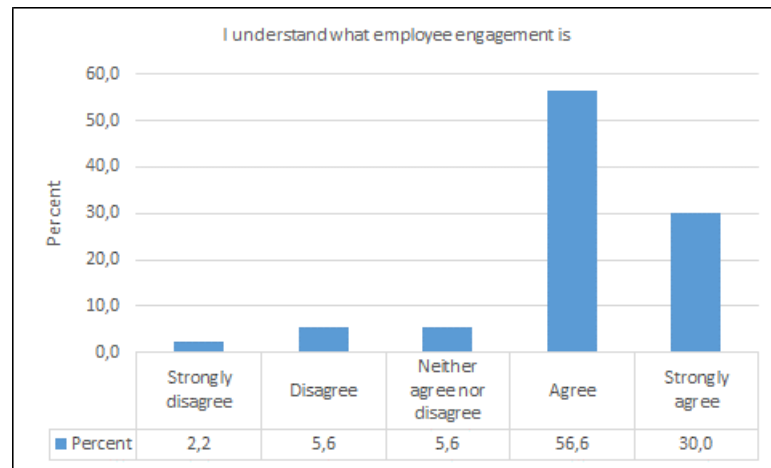


Figure 4.59: Bar graph for D5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	2.2	2.2	2.2
	Disagree	18	5.6	5.6	7.8
	Neither agree nor disagree	18	5.6	5.6	13.4
	Agree	181	56.6	56.6	70.0
	Strongly agree	96	30.0	30.0	100.0
	Total	320	100.0	100.0	

Figure 4.60: frequency table for D5

The collective responses of agree (56.6%) and strongly agree (30%) were the majority in agreeing and strongly agreeing that they understand what employee engagement is. A total of 7.6% of the sample disagreed (5.6%) and strongly disagreed (2.2%) with this statement though whilst 5.6% neither agreeing nor disagreeing with it.

#### 4.5.1.6 Statement D6 - I am maximally engaged when I am at work

The results for this statement are shown below as bar graphs and frequency table. Figure 4.61 and Figure 4.61 illustrate the bar graph for D6 and Figure 4.62 show D6 frequency table.

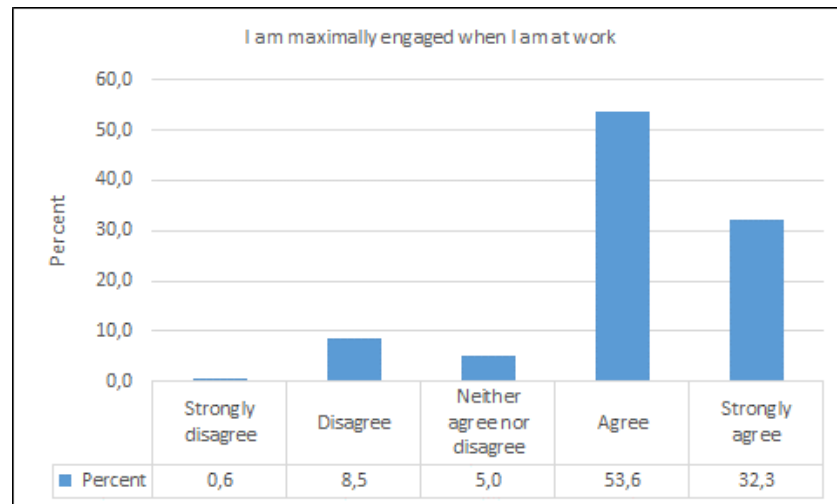


Figure 4.61: D6 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	27	8.4	8.5	9.1
	Neither agree nor disagree	16	5.0	5.0	14.1
	Agree	171	53.4	53.6	67.7
	Strongly agree	103	32.2	32.3	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.62: D6 frequency table

The modal response was agree (53.5%) followed by strongly agree (32.3%). This collectively works out to a total of 85.9% agreeing and strongly agreeing that they are maximally engaged when they are at work. 8.5% of the respondents disagreed and 0.6% disagreed strongly though. 5% of the sample could neither agree nor disagree.



#### 4.5.1.7 Statement D7 - My colleagues are maximally engaged when they are at work

The results for statement D7 are presented by a bar graph and a frequency table outlined under Figure 4.63 and Figure 4.64 below.

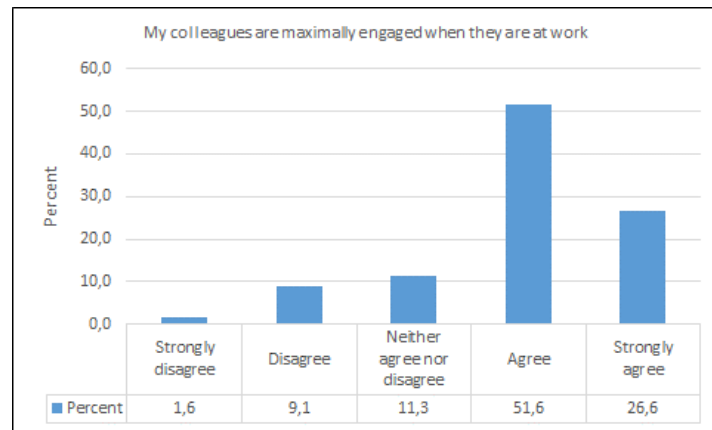


Figure 4.63: Bar graph for D7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	1.6	1.6	1.6
	Disagree	29	9.1	9.1	10.6
	Neither agree nor disagree	36	11.3	11.3	21.9
	Agree	165	51.6	51.6	73.4
	Strongly agree	85	26.6	26.6	100.0
	Total	320	100.0	100.0	

Figure 4.64: Frequency table for D7

The modal response was agree at 51.6% and it was followed by 26.6% that strongly agreed that their colleagues are maximally engaged when they are at work. Just above 9% disagreed with 1.6% strongly disagreeing. It is noted that 11.3% of the sample could not agree nor disagree with this statement.

#### 4.5.1.8 Statement D8 - I am confident that I can meet the goals of my job

Figure 4.65 and Figure 4.66 illustrate the bar graph and frequency table for statement D8 respectively. They are outlined below as follows:

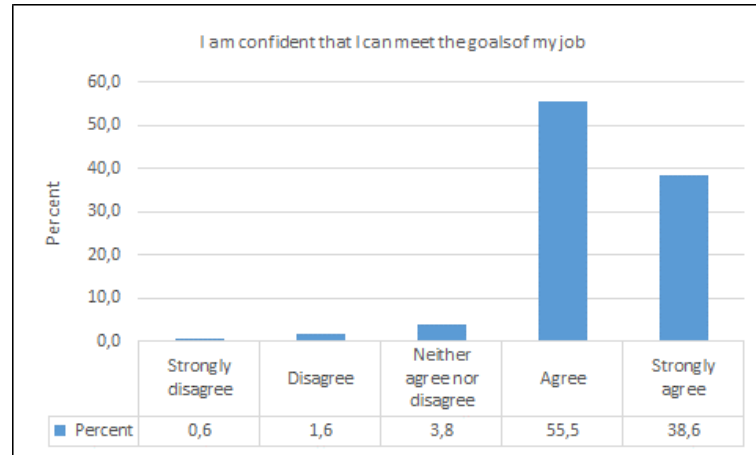


Figure 4.65: Bar graph for D8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	5	1.6	1.6	2.2
	Neither agree nor disagree	12	3.8	3.8	6.0
	Agree	177	55.3	55.5	61.4
	Strongly agree	123	38.4	38.6	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.66: D8 frequency table

Majority of the responses were clustered in agree (55.5%) and strongly agree (38.6%). This totals 94.1% of the respondents agreeing and strongly agreeing that they are confident that they can meet the goals of their jobs. However, 1.6% disagreed and below 1% disagreed strongly with 3.8% not agreeing nor disagreeing that they are confident that they can meet the goals of their organisations.

#### 4.5.1.9 Statement D9 - Management in my organisation assists me to develop confidence in my ability to do my job

Bar graph and frequency table have been outlined under respective figures below. These are Figure 4.67 for D9 bar graph and Figure 4.68 for D9 frequency table.

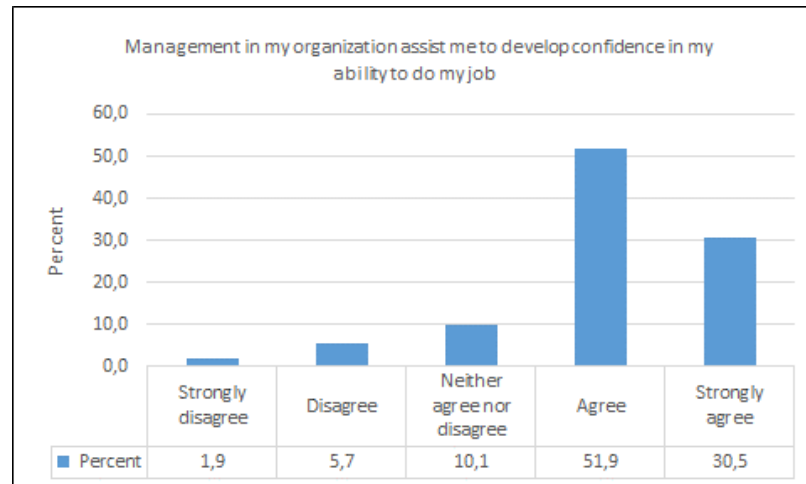


Figure 4.67: D9 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	6	1.9	1.9	1.9
	Disagree	18	5.6	5.7	7.5
	Neither agree nor disagree	32	10.0	10.1	17.6
	Agree	165	51.6	51.9	69.5
	Strongly agree	97	30.3	30.5	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.68: frequency table for D9

Majority of the respondents (51.9%) agreed that management in their organisations assist them develop confidence in their ability to do their jobs. This followed by 30.5% that strongly agreed. Just above 10.1% could neither agree nor disagree with the statement. However, 5.7% of the sample disagreed that management in their organisations assist them develop confidence in their ability to do their jobs with 1.9% strongly disagreeing.

#### 4.5.1.10 Statement D10 - Management supports my need to balance my work and personal life

D10 results are illustrated below by the bar graph and frequency table outlined on Figure 4.69 and Figure 4.70 respectively.

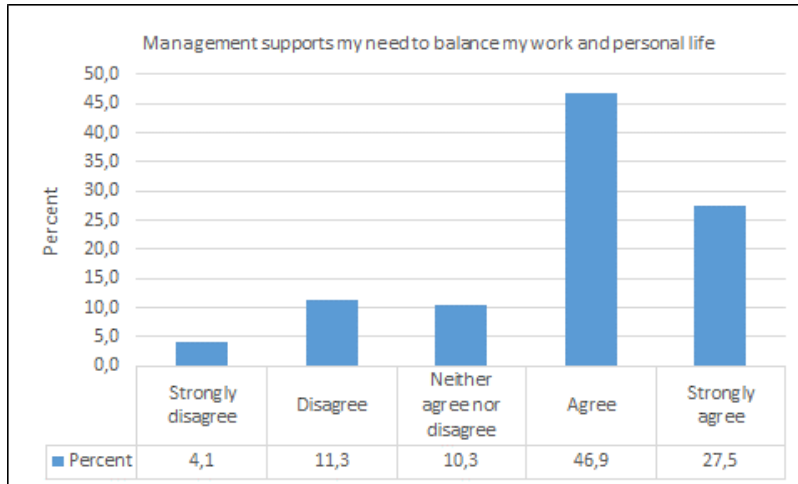


Figure 4.69: Bar graph for D10

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	13	4.1	4.1	4.1
	Disagree	36	11.3	11.3	15.3
	Neither agree nor disagree	33	10.3	10.3	25.6
	Agree	150	46.9	46.9	72.5
	Strongly agree	88	27.5	27.5	100.0
	Total	320	100.0	100.0	

Figure 4.70: D10 frequency table

The modal class was agree (46.9%) indicating that management supports their need to balance work and personal life followed by 27.5% that strongly agree. 11.3% of the sample disagreed and also 4.1% strongly disagreed with this. 10.3% neither agreed nor disagreed though.

## 4.6 Fourth Objective Results

### 4.6.1 Perceptions on Leadership Style's Influence on Business Strategy Execution

The bar graphs and frequency tables for each statement with respect to objective 4 will be outlined under respective figures in this section. Thereafter, discussion and synthesis of results will be done at the end of this section.

#### 4.6.1.1 Statement E1 - Good leadership style has positive impact on the execution of business strategy

Results are illustrated under Figure 4.71 showing the bar graph for statement E1 and Figure 4.72 showing frequency table for statement E1.

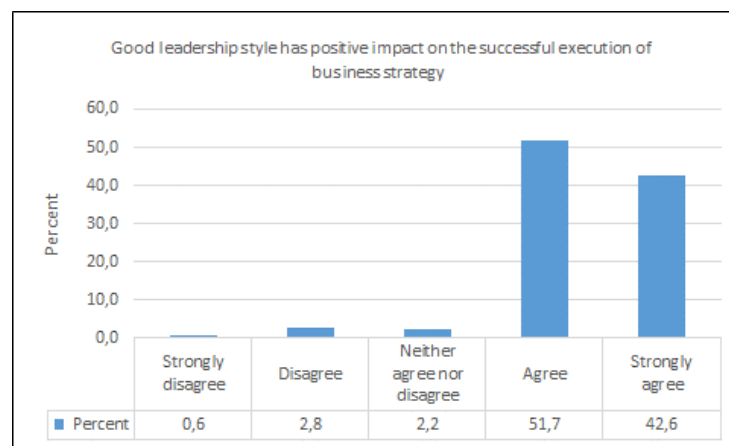


Figure 4.71: Statement E1 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	9	2.8	2.8	3.5
	Neither agree nor disagree	7	2.2	2.2	5.7
	Agree	164	51.2	51.7	57.4
	Strongly agree	135	42.2	42.6	100.0
	Total	317	99.1	100.0	
Missing	System	3	.9		
Total		320	100.0		

Figure 4.72: Statement E1 frequency table

The modal response was agree (51.7%) followed by strongly agree (42.6%). Even though the modal class was agree, there is still a significant majority at 42.6% who strongly agreed. This equates to a total of 94.3% of the sample agreeing and totally agreeing that the good leadership style has a positive impact on the execution of

business strategy. However, a total of 3.4% disagreed and strongly disagreed with the statement with 2.2% neither agreeing nor disagreeing.

#### 4.6.1.2 Statement E2 - Leaders in my organisation are role models to shop floor employees

Results are outlined under respective figures below. Figure 4.73 show the bar graph for statement E2 and Figure 4.74 show the frequency table for statement E2 as well.

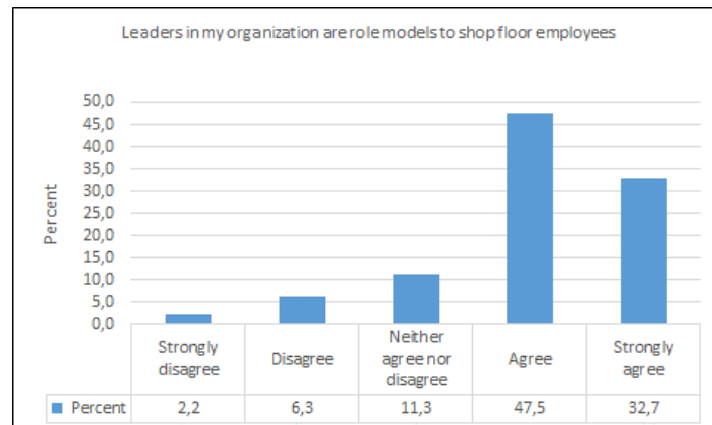


Figure 4.73: Bar graph for statement E2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	2.2	2.2	2.2
	Disagree	20	6.3	6.3	8.5
	Neither agree nor disagree	36	11.3	11.3	19.8
	Agree	151	47.2	47.5	67.3
	Strongly agree	104	32.5	32.7	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.74: Frequency table for statement E2

The modal response was agree (47.5%). This was followed by 32.7% of the sample strongly agreeing that leaders in their organizations are role models to shop floor employees. 11.3% of the respondents could neither agree nor disagree with this statement. Just above 6% disagreed and 2.2% strongly disagreed that leaders in their organizations are role models to the shop floor employees.

#### 4.6.1.3 Statement E3 - Leaders in my organisation reassure subordinates that obstacles will be overcome

The results for this statement are shown as bar graphs and frequency table. Figure 4.75 and Figure 4.76 illustrate the bar graph for statement E3 and Figure 4.34 show statement E3 frequency table.

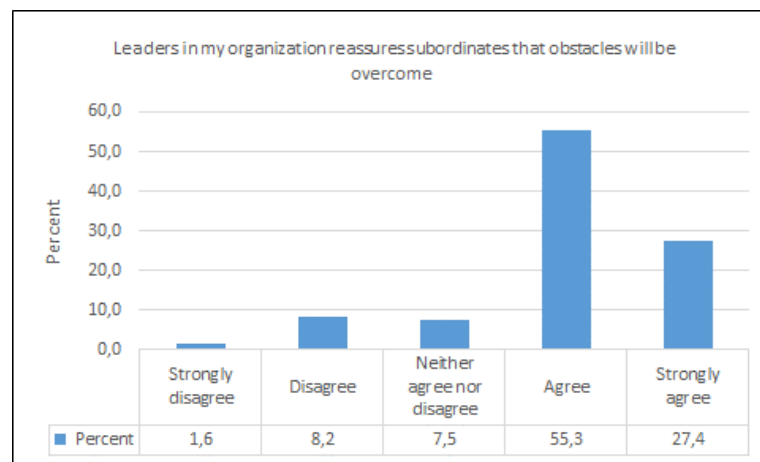


Figure 4.75: Statement E3 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	1.6	1.6	1.6
	Disagree	26	8.1	8.2	9.7
	Neither agree nor disagree	24	7.5	7.5	17.3
	Agree	176	55.0	55.3	72.6
	Strongly agree	87	27.2	27.4	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.76: Frequency table for statement E3

It can be seen that there is a collective response of 82.7% comprising of agree (55.3%) and strongly agree (27.4%). A total of 9.8% of the respondents disagree and strongly disagree that leaders in their organisations reassure subordinates that obstacles will be overcome whilst 7.5% neither agreeing nor disagreeing with this statement.

#### 4.6.1.4 Statement E4 - Leaders in my organisation draw attention to the importance of shared sense of mission

Figure 4.77 below show the bar graph for E4. The corresponding frequency table for E4 is shown under Figure 4.78.

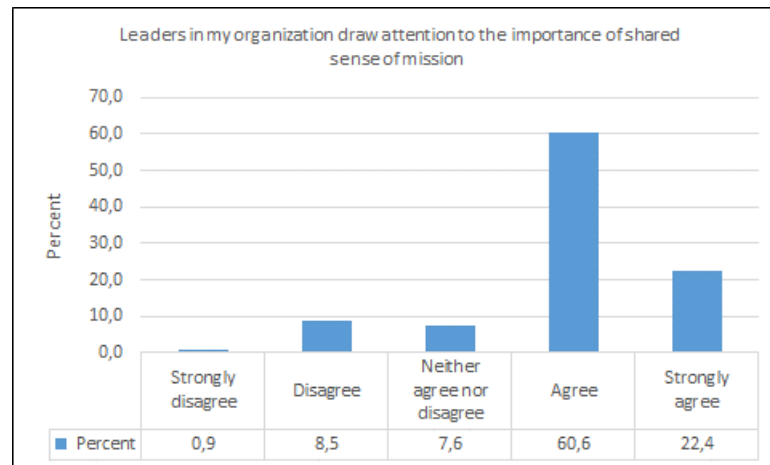


Figure 4.77: Statement E4 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	.9	.9	.9
	Disagree	27	8.4	8.5	9.5
	Neither agree nor disagree	24	7.5	7.6	17.0
	Agree	192	60.0	60.6	77.6
	Strongly agree	71	22.2	22.4	100.0
	Total	317	99.1	100.0	
Missing	System	3	.9		
Total		320	100.0		

Figure 4.78: Statement E4 frequency table

The most responses were clustered in agree (60.6%) and strongly agree (22.4%). This means that majority of respondents agreed and strongly agreed that leaders in their organisations draw attention to the importance of shared mission. However, just above 8% disagreed with 0.9% disagreeing strongly and 7.6% neither agreeing nor disagreeing that leaders in their organisations draw attention to the importance of shared sense of mission.



#### 4.6.1.5 Statement E5 - Leaders in my organisation communicate an exciting vision of the future

Figure 4.79 and Figure 4.80 illustrate the bar graph and frequency table for statement E5 respectively. They are outlined below as follows:

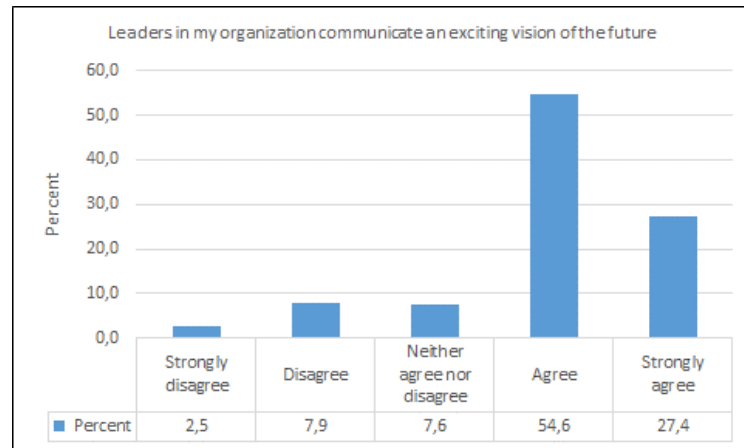


Figure 4.79: E5 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	8	2.5	2.5	2.5
	Disagree	25	7.8	7.9	10.4
	Neither agree nor disagree	24	7.5	7.6	18.0
	Agree	173	54.1	54.6	72.6
	Strongly agree	87	27.2	27.4	100.0
	Total	317	99.1	100.0	
Missing	System	3	.9		
Total		320	100.0		

Figure 4.80: E5 frequency table

The modal class was agree at 54.6% followed by strongly agree at 27.4%. This indicates that a total of 82% of the respondents agree and strongly agree that leaders in their organisations communicate an exciting vision of the future. Only 7.9% disagreed with 2.5% strongly disagreeing whilst 7.6% neither agreeing nor disagreeing.

#### 4.6.1.6 Statement E6 - Leaders display a management style of little involvement

The results for statement E6 are shown under respective figures below. Figure 4.81 show the bar graph for E6 and Figure 4.82 show the frequency table for statement E6.

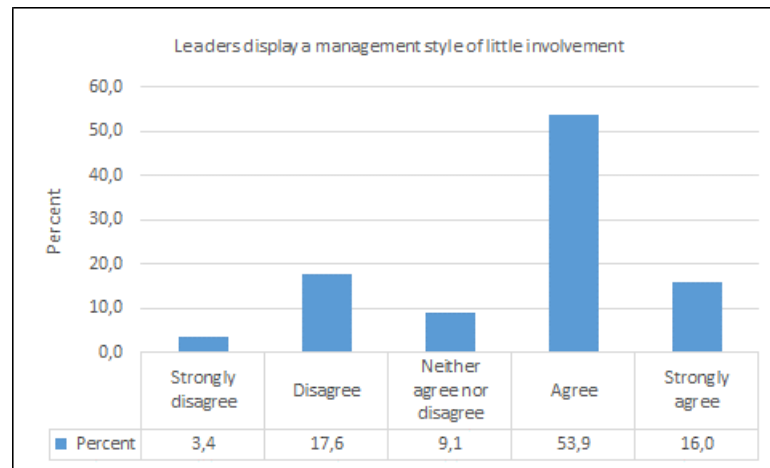


Figure 4.81: Statement E6 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	11	3.4	3.4	3.4
	Disagree	56	17.5	17.6	21.0
	Neither agree nor disagree	29	9.1	9.1	30.1
	Agree	172	53.8	53.9	84.0
	Strongly agree	51	15.9	16.0	100.0
	Total	319	99.7	100.0	
Missing	System	1	.3		
Total		320	100.0		

Figure 4.82: Statement E6 frequency table

The modal response was agree at 53.9%. This is indicative of just over half the sample. Almost 18% of the sample disagreed that leaders in their organisations display a management style of little involvement. There was almost 18% of the sample disagreeing with this statement whilst 3.4% strongly disagreeing. Furthermore, just over 9% of the sample could neither agree nor disagree as to leaders in their organisations displaying the leadership style of little involvement.

#### 4.6.1.7 Statement E7 - Leaders in my organisation discipline employees for bad performance

The results for statement E7 are presented as bar graph and frequency table outlined under Figure 4.83 and Figure 4.84 below.

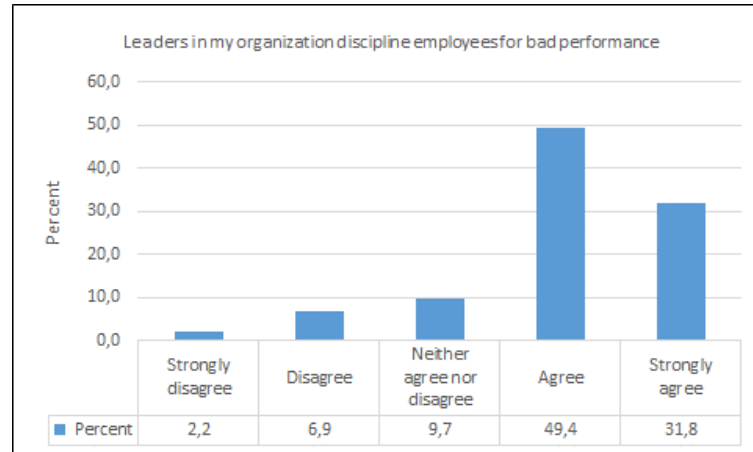


Figure 4.83: Statement E7 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	2.2	2.2	2.2
	Disagree	22	6.9	6.9	9.1
	Neither agree nor disagree	31	9.7	9.7	18.9
	Agree	157	49.1	49.4	68.2
	Strongly agree	101	31.6	31.8	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.84: Frequency table for statement E7

The modal response was agree (49.4%) followed by strongly agree (31.8%). This indicates that just below half of the respondents agree that leaders in their organisations discipline employees for bad performance and almost 32% strongly agreed. 6.9% though disagreed and 2.2% strongly disagreed that leaders in their organisations discipline employees for bad performance and almost 10% did not agree nor disagree.

#### 4.6.1.8 Statement E8 - I am happy with the leadership style in my organisation

Bar graph and frequency table have been outlined under respective figures below. These are Figure 4.85 for E8 bar graph and Figure 4.86 for E8 frequency table.



Figure 4.85: E8 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	2.2	2.2	2.2
	Disagree	29	9.1	9.2	11.4
	Neither agree nor disagree	31	9.7	9.8	21.3
	Agree	161	50.3	51.1	72.4
	Strongly agree	87	27.2	27.6	100.0
	Total	315	98.4	100.0	
Missing	System	5	1.6		
Total		320	100.0		

Figure 4.86: E8 frequency table

A total of 78.7% of the responses were collectively agreeing and strongly agreeing that they are happy with the leadership style in their organisation. 9.2% of the respondents disagreed whilst 2.2 strongly disagreed. A modal class of 51.1% shows that just above 50% of the respondents were agreeing with this statement as 9.8% neither agreeing nor disagreeing that they are happy with the leadership style in their organisations.

#### 4.6.1.9 Statement E9 - Achievement of business goals by shop floor employees in my organisation is rewarded

The results for this statement are shown below as bar graphs and frequency table. Figure 4.87 and Figure 4.88 illustrate the bar graph for E9 and E9 frequency table respectively.

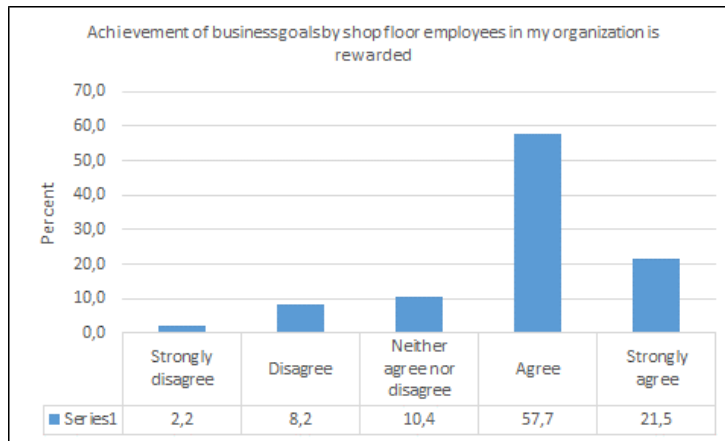


Figure 4.87: Bar graph for E9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	2.2	2.2	2.2
	Disagree	26	8.1	8.2	10.4
	Neither agree nor disagree	33	10.3	10.4	20.8
	Agree	183	57.2	57.7	78.5
	Strongly agree	68	21.3	21.5	100.0
	Total	317	99.1	100.0	
Missing	System	3	.9		
Total		320	100.0		

Figure 4.88: E9 frequency table for E9

Almost 58% of the respondents agreed that achievement of business goals by shop floor employees in their organisations is rewarded. This is followed by 21.5% that strongly agreed. A total of 10.4% disagreed and strongly disagreed with this statement but 10.4% of the sample could not agree nor disagree with the statement.

#### 4.6.1.10 Statement E10 - Leaders in my organization always consult with the shop floor employees when important decisions are to be taken

Results are outlined under respective figures below. Figure 4.89 show the bar graph for statement E10 and Figure 4.90 show the frequency table for statement E10 as well.

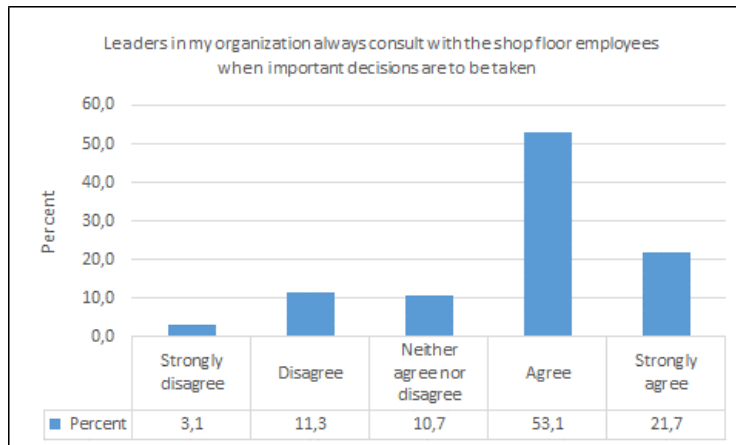


Figure 4.89: E10 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	10	3.1	3.1	3.1
	Disagree	36	11.3	11.3	14.5
	Neither agree nor disagree	34	10.6	10.7	25.2
	Agree	169	52.8	53.1	78.3
	Strongly agree	69	21.6	21.7	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.90: Frequency table for E10

Just under  $\frac{3}{4}$  of the sample i.e. 74.8% collectively agreed and strongly agreed that leaders in their organisations always consult with the shop floor employees when important decisions are to be taken. However, 11.3% disagreed with that whilst 3.1% strongly disagreed with 10.7% not agreeing nor disagreeing.

## 4.7 Fifth Objective Results

### 4.7.1 Perceptions on Work Experience's Influence on Business Strategy Execution

The bar graphs and frequency tables for each statement regarding this fifth study objective will be outlined under respective Figures in this section. Furthermore, discussions on the results will be done at the end of this section.

#### 4.7.1.1 Statement F1 - Shop floor employees work experience is very important for the execution of business strategy

Results are outlined below. Figure 4.91 show the bar graph for statement F1 and Figure 4.92 show the frequency table for statement F1.



Figure 4.91: F1 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	9	2.8	2.8	3.5
	Neither agree nor disagree	10	3.1	3.2	6.6
	Agree	172	53.8	54.3	60.9
	Strongly agree	124	38.8	39.1	100.0
	Total	317	99.1	100.0	
Missing	System	3	.9		
Total		320	100.0		

Figure 4.92: F1 frequency table

Majority of the respondents agreed that shop floor employees work experience is very important for the execution of business strategy. This is illustrated by the modal class of 54.3% followed by strongly agree at 39.1%. The collective response of agree and strongly disagree is 93.4%. Just below 3% of the respondents disagreed with 0.6% strongly disagreeing. However, 3.2% did not agree nor disagree.

#### 4.7.1.2 Statement F2 - My work experience is enabling me do my job better

Results are shown under respective figures below. Figure 4.93 show the bar graph for statement F2 and Figure 4.94 show the frequency table for statement F2 as well.

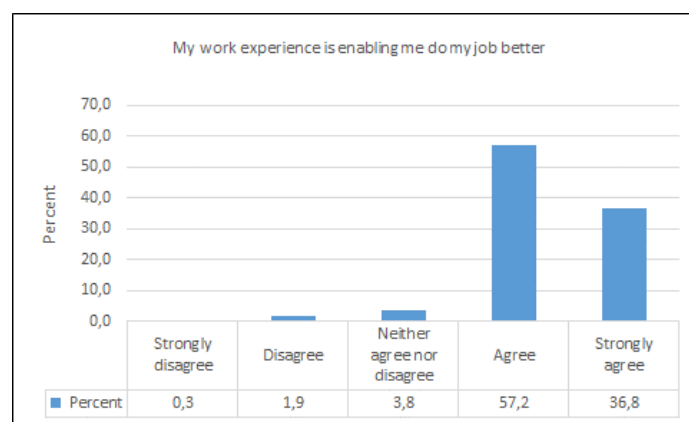


Figure 4.93: Bar graph for F2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	.3	.3	.3
	Disagree	6	1.9	1.9	2.2
	Neither agree nor disagree	12	3.8	3.8	6.0
	Agree	182	56.9	57.2	63.2
	Strongly agree	117	36.6	36.8	100.0
	Total	318	99.4	100.0	
Missing	System	2	.6		
Total		320	100.0		

Figure 4.94: Frequency table for F2

The majority of the responses were clustered as 57.2% agreeing and 36.8% and strongly agreeing. This means that a total 94% of the respondents agreed in general that their work experience enables them do their jobs better. It is also noted that just below 2 % disagreed and 0.3% strongly disagreed. This therefore indicates that a total of 2.2% from the sample in general were not in agreement with this statement whilst 3.8% not agreeing nor disagreeing.



#### 4.7.1.3 Statement F3 - My organization takes shop floor employees work experience into account when important decisions are made

Both the bar graph and frequency table have been outlined under respective figures below. These are Figure 4.95 for F3 bar graph and Figure 4.96 for F3 frequency table.

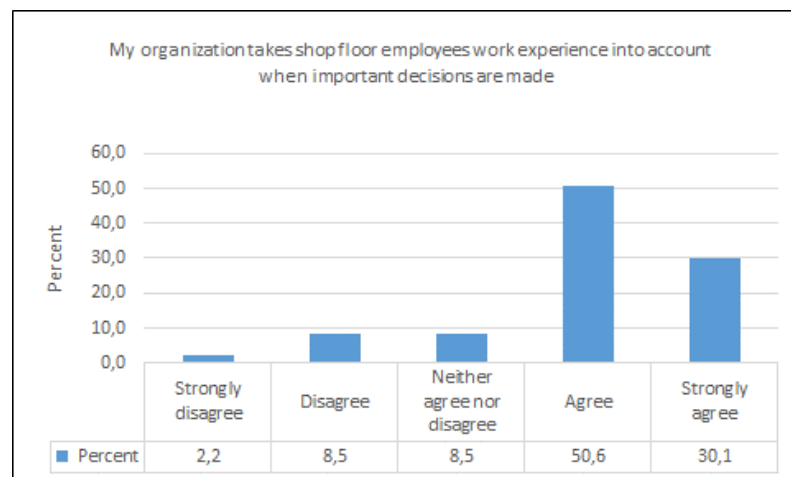


Figure 4.95: Statement F3 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	2.2	2.2	2.2
	Disagree	27	8.4	8.5	10.8
	Neither agree nor disagree	27	8.4	8.5	19.3
	Agree	160	50.0	50.6	69.9
	Strongly agree	95	29.7	30.1	100.0
	Total	316	98.8	100.0	
Missing	System	4	1.3		
Total		320	100.0		

Figure 4.96: Statement F3 frequency table

The modal response was agree (50.6%) which is just over half of the sample. This is followed by 30.1% of the sample strongly agreeing that their organisations take shop floor employees work experience into account when important decisions are made. In contrary, 8.5% disagreed and 2.2% strongly disagreed with the same percentage of respondents neither agreeing nor disagreeing. This totals 10.7% of the respondents disagreeing in general.

#### 4.7.1.4 Statement F4 - On the job training is important for shop floor employees to achieve high competence levels

Results for the above statement are illustrated under Figure 4.97 showing bar graph for statement F4 and Figure 4.98 showing frequency table for statement F4.

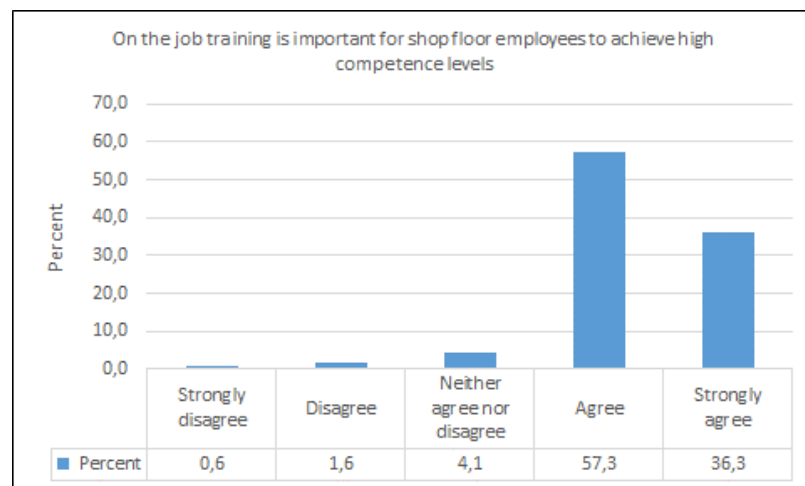


Figure 4.97: Statement F4 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	5	1.6	1.6	2.2
	Neither agree nor disagree	13	4.1	4.1	6.4
	Agree	180	56.3	57.3	63.7
	Strongly agree	114	35.6	36.3	100.0
	Total	314	98.1	100.0	
Missing	System	6	1.9		
Total		320	100.0		

Figure 4.98: Frequency table for F4

The modal response was agree (57.3%) followed by strongly agree (36.3%). This in general means that a total of 93.6% of the respondents agree that on the job training is important for the shop floor employees for achieving high competence levels. Only a total of 2.2% disagreed in general with this statement. This is indicated by 1.6% that disagreed and 0.6% strongly disagreeing. It is seen that 4.1% neither agreed nor disagreed.

#### 4.7.1.5 Statement F5 - Work experience is more important than formal education in my organisation

The results for statement F5 above are shown as bar graphs and frequency table. Figure 4.99 and Figure 4.100 illustrate the bar graph for statement F5 and the frequency table for statement F5 respectively.

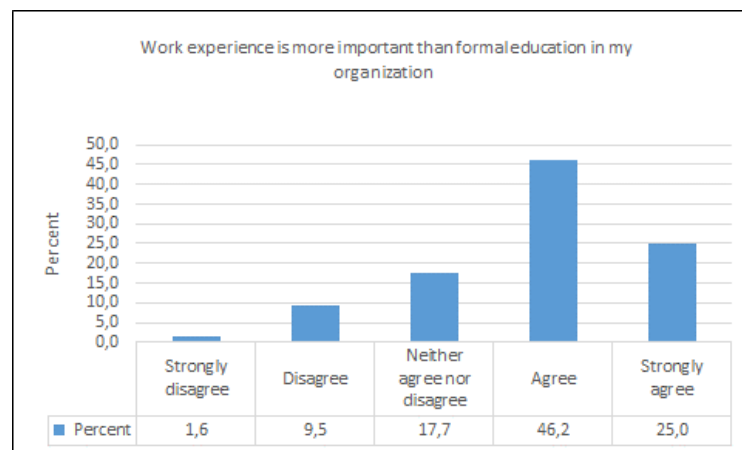


Figure 4.99: Bar graph for statement F5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	5	1.6	1.6	1.6
	Disagree	30	9.4	9.5	11.1
	Neither agree nor disagree	56	17.5	17.7	28.8
	Agree	146	45.6	46.2	75.0
	Strongly agree	79	24.7	25.0	100.0
	Total	316	98.8	100.0	
Missing	System	4	1.3		
Total		320	100.0		

Figure 4.100: Statement F5 frequency table

The majority of the responses was agreeing (46.2%) and strongly agreeing (25%). This shows that less than half of the sample agreed. In total though it means 71.2% agreed in general that work experience is more important than formal education in their organisations. Collectively, 11.1% disagreed as shown by 9.5% disagreeing and 1.6% strongly disagreeing with the statement. It is also important to note that 17.7% did not agree nor disagree that work experience is more important than formal education in their organisations.

#### 4.7.1.6 Statement F6 - Formal education is more important than work experience in my organization

Statement F6 results are illustrated below by the bar graph and frequency table outlined on Figure 4.101 and Figure 4.102 respectively.

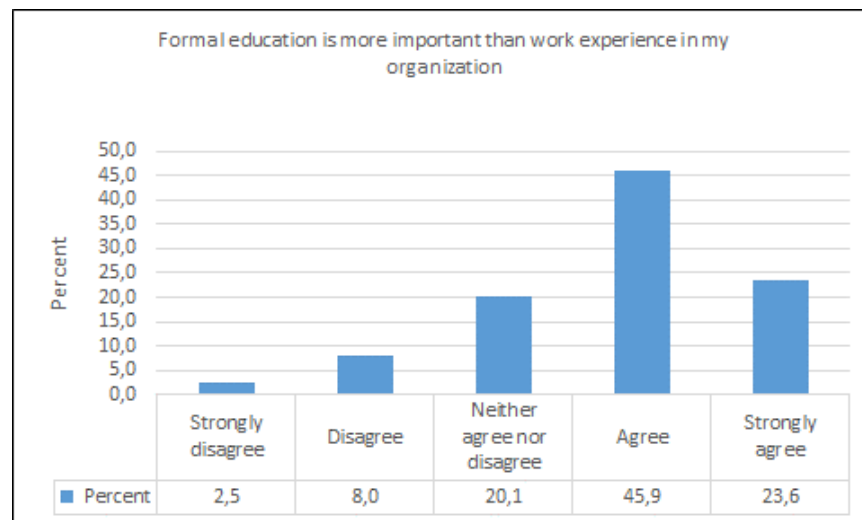


Figure: 101: Statement F6 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	8	2.5	2.5	2.5
	Disagree	25	7.8	8.0	10.5
	Neither agree nor disagree	63	19.7	20.1	30.6
	Agree	144	45.0	45.9	76.4
	Strongly agree	74	23.1	23.6	100.0
	Total	314	98.1	100.0	
Missing	System	6	1.9		
Total		320	100.0		

Figure 102: Frequency table for statement F6

The modal response was agree (45.9%) followed by strongly agree (23.6%). A collective response in this regard shows that 69.5% of the sample agreed that formal education is more important than work experience in their organizations. However, 8% followed by 2.5% disagreed and strongly disagreed. This works out to a total of 10.5% disagreeing in general. Also, 20.1% could neither agree nor disagree that formal education is more important than work experience in their organizations.

#### 4.7.1.7 Statement F7 - Both work experience and formal education are important in my organization

Results for statement F7 are outlined under respective figures below. Figure 4.103 show the bar graph for statement F7 and Figure 4.104 show the frequency table for statement F7 as well.

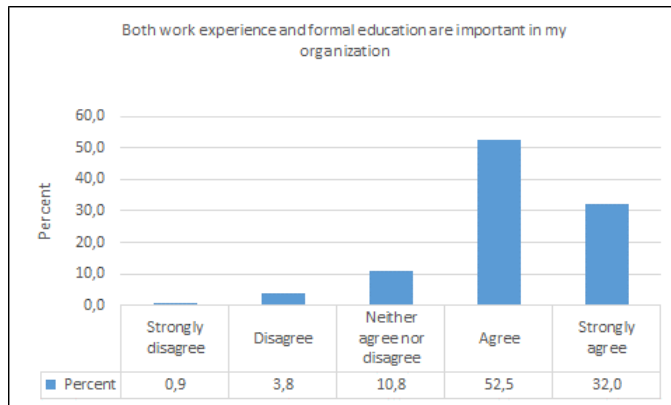


Figure 4.103: Bar graph for statement F7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	.9	.9	.9
	Disagree	12	3.8	3.8	4.7
	Neither agree nor disagree	34	10.6	10.8	15.5
	Agree	166	51.9	52.5	68.0
	Strongly agree	101	31.6	32.0	100.0
	Total	316	98.8	100.0	
Missing	System	4	1.3		
Total		320	100.0		

Figure 4.104: frequency table for statement F7

Just above half of the respondents agreed that both work experience and formal education are important in their organizations. This was also followed by 32% that strongly agreed with this statement. There was a total of 4.7% which disagreed in general with the statement. About 10.8% of the respondents could neither agree nor disagree.

#### 4.7.1.8 Statement F8 - I have made performance improvements in my organization through my work experience

Below are Figure 4.105 and Figure 4.106 illustrating the bar graph and frequency table for statement F8 respectively. They are outlined below as follows:

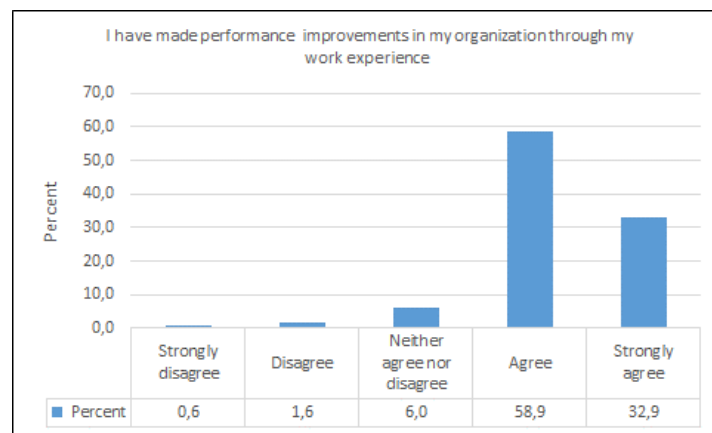


Figure 4.105: Bar graph for statement F8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	2	.6	.6	.6
	Disagree	5	1.6	1.6	2.2
	Neither agree nor disagree	19	5.9	6.0	8.2
	Agree	186	58.1	58.9	67.1
	Strongly agree	104	32.5	32.9	100.0
	Total	316	98.8	100.0	
Missing	System	4	1.3		
Total		320	100.0		

Figure 4.106: Frequency table for statement F8

The modal response was agree (58.9%) followed by strongly agree (32.9%). The total in this regard is 91.8% agreeing in general that they have made performance improvements in their organisations through their work experience. 1.6% disagreed followed by 0.6% disagreeing and this means in general, a total of 2.2% does not agree. 6% of the respondents could neither agree nor disagree with this statement.

#### 4.7.1.9 Statement F9 - My work experience enabled me get promoted in my organisation

Figure 4.107 below show statement F9 bar graph and Figure 4.108 show the frequency table for statement F9.

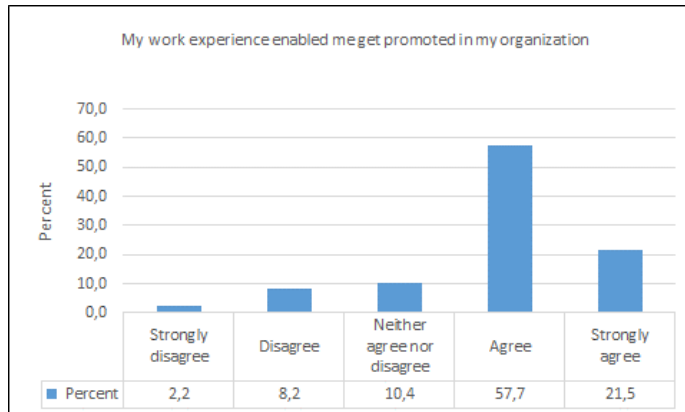


Figure 4.107: Bar graph for statement F9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	7	2.2	2.2	2.2
	Disagree	26	8.1	8.2	10.4
	Neither agree nor disagree	33	10.3	10.4	20.8
	Agree	183	57.2	57.7	78.5
	Strongly agree	68	21.3	21.5	100.0
	Total	317	99.1	100.0	
Missing	System	3	.9		
Total		320	100.0		

Figure 4.108: F9 frequency table

Majority of the respondents agreed as illustrated by the modal class of 57.7%. This is followed by strongly agree at 21.5%. Collectively, it means a total of 79.2% of the sample agreed in general that their work experience enabled them get promoted in their organizations. 10.4% of the respondents could not agree nor disagree with the statement though. 8.2% disagreed and 2.2% disagreed strongly.

#### 4.7.1.10 Statement F10 - Work experience enables me to do problem solving better in my organization

Results for statement F10 above are shown under respective figures below. Figure 4.109 show the bar graph for statement F10 and Figure 4.110 show the frequency table for statement F10 as well.

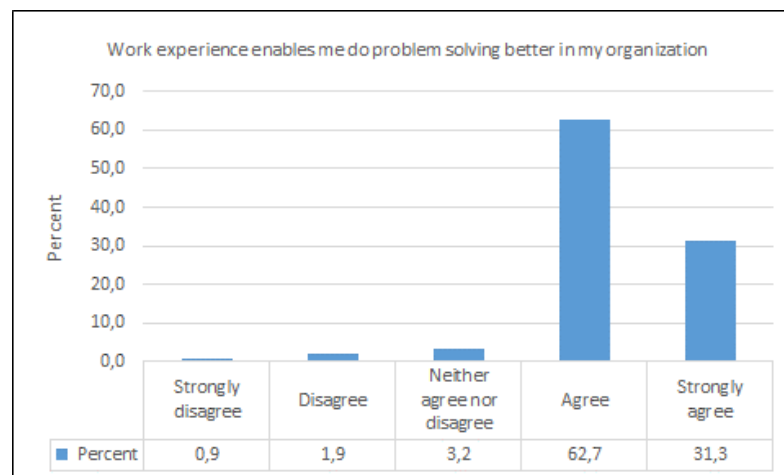


Figure 4.109: F10 bar graph

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	.9	.9	.9
	Disagree	6	1.9	1.9	2.8
	Neither agree nor disagree	10	3.1	3.2	6.0
	Agree	198	61.9	62.7	68.7
	Strongly agree	99	30.9	31.3	100.0
	Total	316	98.8	100.0	
Missing	System	4	1.3		
Total		320	100.0		

Figure 4.110: frequency table for statement F10

62.7% of the sample agreed that work experience enables them do problem solving better in their organisation followed by 31.3% that strongly agreed. The total in general equates to 94% which is high in comparison with a total of 2.8% which disagreed and strongly disagreed with the statement. There was 3.2% that could neither agree nor disagree.



#### 4.8 Further Descriptive Statistics

The descriptive statistics was only processed for the closed ended questions since the open-ended questions would have to be re-coded. This could lead to missing data and subsequently potential loss of information. This section will consider the mean, the mode, the median, the sample variance and the sample standard deviation.

According to Diamantopoulos and Schlegelmilch (2000), the sample mean is the sum of all the values divided by the sample size as shown by the equation below:

Sample mean  $\bar{X} = \frac{\sum X_i}{n}$  where,

- $\bar{X}$  = stands for the sample mean
- $\sum$  = means sum of
- $X_i$  = all of the x-values
- $n$  = number of items in the sample

The mode is the most frequent response given by the respondents. Its equation is written as:

Mode =  $L + \left( \frac{f_1 - f_0}{2f_1 - f_0 - f_2} \right) \times h$ , where:

- $L$  = lower class limit of the modal class
- $f_1$  = modal class frequency
- $f_0$  = frequency of the class before the modal class in the frequency table
- $f_2$  = frequency of the class after the modal class in the frequency table
- $h$  = class interval of the modal class (Diamantopoulos and Schlegelmilch, 2000).

The median is the middle most value when the data per variable) is arranged from highest to lowest. The formula for the sample median is:

Median =  $L + \left( \frac{\frac{n}{2}}{B} - BG \right) \times w$ , where:

- $L$  = lower boundary of the group containing the median
- $n$  = total number of values
- $B$  = cumulative frequency of the groups preceding the median group
- $G$  = median group frequency
- $w$  = width of the group (Diamantopoulos and Schlegelmilch, 2000).

The sample variance is the degree or quantity by which each observation varies one from another. The equation for the sample variance is:

Sample variance =  $\frac{\sum (X_i - \bar{X})^2}{n}$ , where

- $\bar{X}$  = sample mean
- $\sum$  = sum of

- $X_i$  = individual values
- $n$  = number of observations (Diamantopoulos and Schlegelmilch, 2000).

The sample standard deviation is the square root of the sample variance. The standard deviation is calculated by the following equation:

$$s = \sqrt{s^2} = \sqrt{\frac{\sum (X_i - \bar{x})^2}{n-1}}$$

Where:

- $S$  = standard deviation
- $X_i$  = individual values
- $\sum$  = sum of
- $\bar{x}$  = sample mean
- $n$  = number of observations (Diamantopoulos and Schlegelmilch, 2000).

The results for mean mode, median, sample variance and standard deviation after calculations are shown under Table 4.1

Table 4.1 Mean, Mode, Median, Variance and Standard deviation

	Mean	Median	Mode	Std. Deviation	Variance	Range
gender	1.4071	1.0000	1.00	.49207	.242	1.00
age	2.8715	3.0000	3.00	1.04269	1.087	4.00
race	1.9403	1.0000	1.00	1.14812	1.318	3.00
education	3.5000	3.0000	3.00	.86192	.743	5.00
Work experience	2.5032	2.0000	3.00	1.28156	1.642	4.00
b1	4.0469	4.0000	4.00	.71328	.509	4.00
b2	4.1567	4.0000	4.00	.65436	.428	4.00
b3	4.1604	4.0000	4.00	.69432	.482	4.00
b4	4.1066	4.0000	4.00	.64520	.416	3.00
b5	4.0759	4.0000	4.00	.80114	.642	4.00
b6	4.0376	4.0000	4.00	.84962	.722	4.00
b7	3.7830	4.0000	4.00	.98575	.972	4.00
b8	3.9812	4.0000	4.00	.85761	.735	4.00
b9	3.8934	4.0000	4.00	.86943	.756	4.00
b10	3.8962	4.0000	4.00	.95906	.920	4.00
c1	4.1285	4.0000	4.00	.82746	.685	4.00
c2	4.2781	4.0000	4.00	.66306	.440	4.00
c3	4.2790	4.0000	4.00	.67798	.460	4.00
c4	4.1875	4.0000	4.00	.71865	.516	4.00
c5	4.1000	4.0000	4.00	.86883	.755	4.00

c6	4.0281	4.0000	4.00	.86873	.755	4.00
c7	3.9778	4.0000	4.00	.89946	.809	4.00
c8	3.9969	4.0000	4.00	.87192	.760	4.00
c9	3.9434	4.0000	4.00	.91428	.836	4.00
c10	4.1918	4.0000	4.00	.67702	.458	4.00
d1	4.2997	4.0000	4.00	.68559	.470	4.00
d2	4.0188	4.0000	4.00	.94151	.886	4.00
d3	3.9248	4.0000	4.00	.93868	.881	4.00
d4	3.8527	4.0000	4.00	.95508	.912	4.00
d5	4.0656	4.0000	4.00	.88105	.776	4.00
d6	4.0846	4.0000	4.00	.87364	.763	4.00
d7	3.9250	4.0000	4.00	.93721	.878	4.00
d8	4.2978	4.0000	4.00	.67458	.455	4.00
d9	4.0346	4.0000	4.00	.89622	.803	4.00
d10	3.8250	4.0000	4.00	1.08017	1.167	4.00
e1	4.3281	4.0000	4.00	.71574	.512	4.00
e2	4.0220	4.0000	4.00	.94459	.892	4.00
e3	3.9874	4.0000	4.00	.90556	.820	4.00
e4	3.9495	4.0000	4.00	.85164	.725	4.00
e5	3.9653	4.0000	4.00	.94571	.894	4.00
e6	3.6144	4.0000	4.00	1.05743	1.118	4.00
e7	4.0157	4.0000	4.00	.94472	.892	4.00
e8	3.9270	4.0000	4.00	.96980	.941	4.00
e9	3.8801	4.0000	4.00	.91306	.834	4.00
e10	3.7893	4.0000	4.00	1.00924	1.019	4.00
f1	4.2839	4.0000	4.00	.71699	.514	4.00
f2	4.2830	4.0000	4.00	.65627	.431	4.00
f3	3.9778	4.0000	4.00	.96419	.930	4.00
f4	4.2707	4.0000	4.00	.67353	.454	4.00
f5	3.8354	4.0000	4.00	.96188	.925	4.00
f6	3.7994	4.0000	4.00	.97306	.947	4.00
f7	4.1076	4.0000	4.00	.80935	.655	4.00
f8	4.2184	4.0000	4.00	.68065	.463	4.00
f9	3.8801	4.0000	4.00	.91306	.834	4.00
f10	4.2152	4.0000	4.00	.67933	.461	4.00

From the table above, the majority of the questions have modes of “4” which can be translated in accordance with the responses from the scales of the relevant question i.e. “agree”. The standard deviations are consistently about ‘1’ and this indicates good consistency between the observations due to the low variability. The mean and the median values are consistent with modal values as well. These descriptive statistics also serve to confirm the graphical statistics already discussed.

#### 4.9 Kolmogorov Smirnov Test

Field and Miles (2010) highlight that before carrying out any hypothesis testing, it needs to be tested whether the statements follow a Normal distribution or not. The implication of normality is that if the variables are normally distributed then parametric tests for example such as the independent sample t-test or Analysis of Variance (ANOVA) will be permissible to use on the data.

However, if the normality assumption is violated, then nonparametric tests such as the Mann Whitney U test, Wilcoxon sign rank test and Friedman test for instance could be used to test hypotheses and infer results (Field and Miles, 2010). It is against this background that the Kolmogorov Smirnov test was conducted to test for normality on the data. Results are outlined under Table 4.2. For concluding on the test results, the following hypothesis was made:

$H_0$ : the tested variables come from a normal distribution

$H_1$ : the tested variables do not come from a normal distribution

Table 4.2: Kolmogorov Smirnov Test Results

Statement	Test Statistic	Asymp. Sig. (2-tailed)
b1	.364	.000
b2	.333	.000
b3	.327	.000
b4	.343	.000
b5	.329	.000
b6	.326	.000
b7	.323	.000
b8	.349	.000
b9	.342	.000
b10	.336	.000

c1	.294	.000
c2	.297	.000
c3	.287	.000
c4	.291	.000
c5	.298	.000
c6	.325	.000
c7	.310	.000
c8	.347	.000
c9	.333	.000
c10	.307	.000
d1	.278	.000
d2	.329	.000
d3	.338	.000
d4	.339	.000
d5	.336	.000
d6	.320	.000
d7	.313	.000
d8	.285	.000
d9	.309	.000
d10	.308	.000
e1	.267	.000
e2	.293	.000
e3	.333	.000
e4	.353	.000
e5	.335	.000
e6	.341	.000
e7	.305	.000
e8	.317	.000
e9	.344	.000
e10	.331	.000
f1	.280	.000
f2	.299	.000
f3	.316	.000
f4	.293	.000
f5	.280	.000
f6	.276	.000
f7	.292	.000
f8	.297	.000
f9	.344	.000
f10	.316	.000

At the 5% significance level,  $H_0$  is rejected for the questions/statements whose p-values are less than 0.05 and the conclusion is that the tested statements do not come from a Normal distribution. The implication for this is that as far as the scores are concerned, non-parametric statistics has to be used. Therefore, tests such as Kruskal Wallis , Mann-Whitney U Test and Chi-square were used.

#### **4.10 Kruskal Wallis Test**

According to Bryman (2007), the Kruskal Wallis test is the non parametric counterpart of the ANOVA, except that it tests for difference in the location of a categorical variable with more than 2 levels such as race (black, coloured, indian, white) with respect to a set of statements in a questionnaire.

The impact of the demographic variables that is, age, race, level of education and work experience on the variables for the study (training, business culture, leadership engagement, leadership style and work experience) were tested. Mann Whitney U test was used to check for significant differences between the males and females with respect to level of influence of training level, business culture, leadership engagement, leadership style and work experience on the business strategy execution.

##### **4.10.1 Kruskal Wallis Test – Age**

The results are listed under Table 4.3 for Age and the hypothesis is written as follows:

$H_0$ : There is no difference in the age group with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful strategy execution.

$H_1$ : There is a difference in the age group with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful strategy execution.

Table 4.3 – Age results

<b>Test Statistics<sup>a,b</sup></b>			
Statement	Kruskal-Wallis H	df	Asymp. Sig.
b1	1.478	4	.831
b2	2.326	4	.676
b3	4.290	4	.368
b4	3.411	4	.492
b5	1.210	4	.877
b6	.870	4	.929
b7	2.463	4	.651
b8	2.136	4	.711
b9	.834	4	.934
b10	4.133	4	.388
c1	1.650	4	.800
c2	1.351	4	.853
c3	3.554	4	.470
c4	3.686	4	.450
c5	.733	4	.947
c6	1.043	4	.903
c7	4.440	4	.350
c8	1.889	4	.756
c9	1.023	4	.906
c10	4.119	4	.390
d1	1.597	4	.809
d2	6.572	4	.160
d3	13.914	4	.008
d4	7.708	4	.103
d5	7.077	4	.132
d6	1.249	4	.870
d7	12.907	4	.012
d8	6.690	4	.153
d9	1.411	4	.842
d10	5.696	4	.223
e1	1.523	4	.823
e2	2.670	4	.614
e3	7.114	4	.130
e4	6.835	4	.145
e5	4.212	4	.378
e6	9.269	4	.055
e7	2.837	4	.585
e8	3.037	4	.552

e9	10.058	4	.039
e10	2.272	4	.686
f1	9.193	4	.056
f2	3.751	4	.441
f3	8.384	4	.078
f4	3.072	4	.546
f5	.547	4	.969
f6	14.183	4	.007
f7	7.663	4	.105
f8	4.202	4	.379
f9	.402	4	.982
f10	3.896	4	.420

a. Kruskal Wallis Test

b. Grouping Variable: age

### Decision:

At the 5% significance level,  $H_0$  is rejected for all of the statements whose p-values are less than 0.05. These statements are shaded in the table above and the conclusion is that for these statements, there is a difference in the age group with respect to, leadership engagement, leadership style influence and work experience influence on successful strategy execution of business strategy as perceived by shop floor employees. For the rest of the statements, since the p-values are greater than 0.05,  $H_0$  is accepted and the conclusion is that there are no differences in the age group with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful execution of business strategy for those questions.

### 4.10.2 Kruskal Wallis Test – Race

The results for race are listed under Table 4.4 and the hypothesis is written as follows:

$H_0$ : There is no difference in the race group with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful strategy execution.

$H_1$ : There is a difference in the race group with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful strategy execution.



Table 4.4 – Race results

<b>Test Statistics<sup>a,b</sup></b>			
	Kruskal-Wallis H	df	Asymp. Sig.
b1	5.098	3	.165
b2	2.797	3	.424
b3	1.837	3	.607
b4	1.091	3	.779
b5	3.071	3	.381
b6	1.585	3	.663
b7	1.056	3	.788
b8	7.504	3	.057
b9	5.297	3	.151
b10	1.518	3	.678
c1	.713	3	.870
c2	6.233	3	.101
c3	.708	3	.871
c4	4.273	3	.233
c5	2.299	3	.513
c6	5.899	3	.117
c7	.289	3	.962
c8	2.853	3	.415
c9	.985	3	.805
c10	1.454	3	.693
d1	2.000	3	.572
d2	1.448	3	.694
d3	.144	3	.986
d4	1.779	3	.619
d5	1.834	3	.608
d6	2.822	3	.420
d7	4.862	3	.182
d8	1.591	3	.661
d9	2.469	3	.481
d10	4.541	3	.209
e1	.634	3	.889
e2	.731	3	.866
e3	2.317	3	.509
e4	2.716	3	.437
e5	2.569	3	.463
e6	4.112	3	.250
e7	1.319	3	.725
e8	2.202	3	.532
e9	6.731	3	.081

e10	4.343	3	.227
f1	5.569	3	.135
f2	1.966	3	.579
f3	5.431	3	.143
f4	3.098	3	.377
f5	3.072	3	.381
f6	13.676	3	.003
f7	6.549	3	.088
f8	.608	3	.895
f9	.987	3	.804
f10	1.252	3	.741

a. Kruskal Wallis Test

b. Grouping Variable: race

### Decision:

At the 5% significance level,  $H_0$  for is rejected for all of the statements with p-values less than 0.05. These statements are shaded in Table 4.4 and the conclusion is that for these statements, there is a difference in the race group with respect to study variables influence. For the rest of the statements since the p-values are greater than 0.05,  $H_0$  is accepted and the conclusion is that there is no difference in the race group with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on strategy execution.

#### 4.10.3 Kruskal Wallis Test – Education level

The results for the level of education are listed under Table 4.5 and the hypothesis is written as follows:

$H_0$ : There is no difference in the education level with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful strategy execution.

$H_1$ : There is a difference in the education level with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful strategy execution.

Table 4.5 – Education level results

<b>Test Statistics<sup>a,b</sup></b>			
	Kruskal-Wallis H	df	Asymp. Sig.
b1	.174	5	.999
b2	3.981	5	.552
b3	3.524	5	.620
b4	7.776	5	.169
b5	4.613	5	.465
b6	5.753	5	.331
b7	13.550	5	.019
b8	9.878	5	.079
b9	8.383	5	.136
b10	15.128	5	.010
c1	11.741	5	.039
c2	9.578	5	.088
c3	3.335	5	.649
c4	8.983	5	.110
c5	8.652	5	.124
c6	5.420	5	.367
c7	11.571	5	.041
c8	11.220	5	.047
c9	4.358	5	.499
c10	2.041	5	.843
d1	3.409	5	.637
d2	7.942	5	.159
d3	16.545	5	.005
d4	9.307	5	.097
d5	11.116	5	.049
d6	4.897	5	.429
d7	11.957	5	.035
d8	1.138	5	.951
d9	10.522	5	.062
d10	7.408	5	.192
e1	3.144	5	.678
e2	11.740	5	.039
e3	11.677	5	.039
e4	13.243	5	.021
e5	11.998	5	.035
e6	2.164	5	.826
e7	1.215	5	.943
e8	8.078	5	.152
e9	8.525	5	.130

e10	8.035	5	.154
f1	2.932	5	.710
f2	.459	5	.994
f3	2.004	5	.849
f4	15.518	5	.008
f5	9.795	5	.081
f6	19.748	5	.001
f7	6.071	5	.299
f8	7.425	5	.191
f9	8.854	5	.115
f10	7.049	5	.217

a. Kruskal Wallis Test

b. Grouping Variable: education

### Decision:

At the 5% level of significance,  $H_0$  is rejected for all of the statements whose p-values are less than 0.05. These statements are shaded in Table 4.5 above and the conclusion is that for them, there is a difference in the education level with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on business strategy execution. As for the rest of the statements since the p-values are greater than 0.05,  $H_0$  is accepted and the conclusion is that there is no difference in the education level with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on business strategy execution.

#### 4.10.4 Kruskal Wallis Test – Work Experience

The results for work experience are listed under Table 4.6 and the hypothesis is written as follows:

$H_0$ : There is no difference in the work experience category with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful strategy execution.

$H_1$ : There is a difference in the work experience group with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful strategy execution.

Table 4.6 – Work experience results

<b>Test Statistics<sup>a,b</sup></b>			
	Kruskal-Wallis H	df	Asymp. Sig.
b1	4.083	4	.395
b2	3.547	4	.471
b3	2.738	4	.603
b4	4.307	4	.366
b5	2.240	4	.692
b6	2.165	4	.705
b7	.741	4	.946
b8	.892	4	.926
b9	.513	4	.972
b10	.370	4	.985
c1	.535	4	.970
c2	8.486	4	.075
c3	4.165	4	.384
c4	2.207	4	.698
c5	1.310	4	.860
c6	3.382	4	.496
c7	1.381	4	.847
c8	1.638	4	.802
c9	2.518	4	.641
c10	2.929	4	.570
d1	2.420	4	.659
d2	6.356	4	.174
d3	2.792	4	.593
d4	.380	4	.984
d5	.936	4	.919
d6	7.355	4	.118
d7	4.849	4	.303
d8	3.848	4	.427
d9	.468	4	.977
d10	5.571	4	.234
e1	1.386	4	.847
e2	.688	4	.953
e3	5.069	4	.280
e4	3.996	4	.406
e5	2.515	4	.642
e6	14.926	4	.005
e7	7.144	4	.128
e8	.925	4	.921
e9	5.649	4	.227

e10	3.421	4	.490
f1	3.608	4	.462
f2	9.657	4	.047
f3	4.842	4	.304
f4	3.892	4	.421
f5	6.029	4	.197
f6	18.620	4	.001
f7	3.658	4	.454
f8	.977	4	.913
f9	8.716	4	.069
f10	1.478	4	.830

a. Kruskal Wallis Test

b. Grouping Variable: work experience

### Decision:

At the 5% significance level,  $H_0$  is rejected for all of the statements with p-values below 0.05. These statements are shaded in Table 4.6 above and the conclusion is that for these statements, there is a difference in the work experience with respect to leadership style influence and work experience influence on business strategy execution. For the rest of the statements since the p-values are greater than 0.05,  $H_0$  is accepted and the conclusion is that there is no difference in the work experience with respect to training level influence, business culture influence, leadership engagement, leadership style influence and employee work experience influence on business strategy execution.

### 4.11 Mann Whitney U test

The results for gender are listed under Table 4.7 and the hypothesis is written as follows:

$H_0$ : There is no difference in gender with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful strategy execution.

$H_1$ : There is a difference in gender with respect to training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence on successful strategy execution.

Table 4.7 – Gender results

	Test Statistics <sup>a</sup>			
	Mann-Whitney U	Wilcoxon W	Z	Asymp. Sig. (2-tailed)
b1	11280.000	19408.000	-.724	.469
b2	11633.500	19634.500	-.033	.973
b3	11561.500	28766.500	-.002	.999
b4	11284.500	19285.500	-.574	.566
b5	11289.000	18915.000	-.131	.896
b6	11285.500	19286.500	-.529	.597
b7	11284.000	19285.000	-.431	.666
b8	11575.000	28780.000	-.117	.907
b9	10745.000	18746.000	-1.309	.191
b10	10687.500	18688.500	-1.284	.199
c1	10495.500	27515.500	-1.675	.094
c2	11635.000	28840.000	-.164	.870
c3	11078.500	28283.500	-.971	.332
c4	10056.500	27261.500	-2.433	.015
c5	10720.000	27925.000	-1.433	.152
c6	10766.000	27971.000	-1.391	.164
c7	10574.000	27410.000	-1.226	.220
c8	11494.500	19495.500	-.142	.887
c9	10344.500	27364.500	-1.779	.075
c10	10634.000	27654.000	-1.424	.154
d1	11410.000	19285.000	-.132	.895
d2	10478.500	27683.500	-1.660	.097
d3	11359.500	28379.500	-.459	.646
d4	11448.500	19449.500	-.292	.770
d5	11081.500	19209.500	-.951	.342
d6	11304.500	19432.500	-.538	.591
d7	10886.500	28091.500	-1.195	.232
d8	9902.500	18030.500	-2.596	.009
d9	11477.000	19478.000	-.162	.871
d10	9943.000	27148.000	-2.460	.014
e1	11282.000	19283.000	-.361	.718
e2	11443.500	19444.500	-.207	.836
e3	11209.500	28229.500	-.546	.585
e4	10948.000	27968.000	-.815	.415
e5	11006.000	27842.000	-.748	.455
e6	10638.500	27843.500	-1.425	.154
e7	10578.000	27598.000	-1.422	.155
e8	10618.000	27454.000	-1.036	.300

e9	10641.000	27661.000	-1.244	.214
e10	11397.500	28602.500	-.232	.816
f1	11234.000	19109.000	-.390	.697
f2	11443.000	19318.000	-.176	.860
f3	10099.500	27119.500	-1.853	.064
f4	11241.500	19116.500	-.199	.842
f5	10278.000	27483.000	-1.646	.100
f6	9522.500	26727.500	-2.457	.014
f7	11369.500	28389.500	-.186	.852
f8	11456.000	19331.000	-.065	.948
f9	11514.500	28719.500	-.069	.945
f10	10872.500	27892.500	-.952	.341

a. Grouping Variable: gender

### Decision:

At the 5% level of significance,  $H_0$  is rejected for all of the statements whose p-values are less than 0.05. These statements are shaded as seen in Table 4.7. It is therefore conclude that for these statements, there is a difference in gender with respect to business culture influence, leadership engagement influence and work experience influence on business strategy execution whilst for the rest of the statements,  $H_0$  is accepted since the p-values are greater than 0.05 and the conclusion is that there is no difference in gender with respect to training level influence, business culture influence, leadership engagement influence, leadership style influence and work experience influence on business strategy execution for those statements.



#### 4.12 Hypotheses Testing

Bryman (2007) stated that there are two main types of chi-square test for hypothesis testing. These are the Chi-square test for the goodness of fit applies to the analysis of a single categorical variable, and the Chi-square test for independence or relatedness applies to the analysis of the relationship between two categorical variables. The Chi-square test for the goodness of fit will be used in this regard. This for instance means that when testing whether business culture does influence the successful execution of business strategy, it would be expected that the responses for question 1-10, Section B of the questionnaire would tend towards the “agree” and “strongly agree” category more than they would to the other categories.

##### 4.12.1 First hypothesis – Training level influence

First hypothesis is stated as follows:

H<sub>0</sub>: Training level does not influence the extent of the successful execution of business strategy.

H<sub>1</sub>: Training level does influence the extent of the successful execution of business strategy

The Chi-square results are outlined under Table 4.8

Table 4.8 – Chi-square results for first hypothesis (training level)

Test Statistics									
	b1	b2	b3	b5	b6	b7	b8	b9	b10
Chi-Square	4856.830	4899.799	4606.317	3960.111	3718.898	2951.293	3946.179	3621.875	3340.546
df	4	4	4	4	4	4	4	4	4
Asymp. Sig.	.000	.000	.000	.000	.000	.000	.000	.000	.000

#### Decision:

At the 5% significance level, H<sub>0</sub> is rejected since all the p-values are less than 0.05 and we conclude that training level influences the execution of business strategy.

#### 4.12.2 Second hypothesis – Business culture influence

The second hypothesis is stated as follows:

H<sub>0</sub>: Business culture does not influence the extent of the successful execution of business strategy.

H<sub>1</sub>: Business culture does influences the extent of the successful execution of business strategy

The Chi-square results are outlined under Table 4.9

Table 4.9 – Chi-square results for second hypothesis (business culture)

Test Statistics										
	c1	c2	c3	c4	c5	c6	c7	c8	c9	c10
Chi-Square	304.871	425.563	408.696	374.750	288.750	317.281 <sup>b</sup>	266.057	355.994	297.252	428.918
df	4	4	4	4	4	4	4	4	4	4
Asymp. Sig.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

#### Decision:

At the 5% level of significance, H<sub>0</sub> is rejected since all the p-values are less than 0.05 and we conclude that business culture influences the successful execution of business strategy.

#### 4.12.3 Third hypothesis – Leadership engagement influence

The third hypothesis is stated as follows:

H<sub>0</sub>: The leadership engagement of the employees in strategy execution does not lead to successful execution of business strategy.

H<sub>1</sub>: The leadership engagement of the employees in strategy execution leads to the successful execution of business strategy.

The Chi-square results for third hypothesis above are outlined under Table 4.10.

Table 4.10 – Chi-square results for the third hypothesis (leadership engagement)

Test Statistics										
	d1	d2	d3	d4	d5	d6	d7	d8	d9	d10
Chi-Square	400.965	297.129	295.843	283.962	346.781	321.110	252.063	411.893	279.767	192.469
df	4	4	4	4	4	4	4	4	4	4
Asymp. Sig.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

**Decision:**

At the 5% significance level,  $H_0$  is rejected since all the p-values are less than 0.05 and it is concluded that the leadership engagement of the employees in strategy execution leads to the successful execution of business strategy.

**4.12.4 Fourth hypothesis – Leadership style influence**

The fourth hypothesis is stated below as follows:

$H_0$ : The leadership style within an organization does not determine the successful execution of business strategy.

$H_1$ : The leadership style within an organization does determine the successful execution of business strategy.

The Chi-square results are outlined under Table 4.11 below

Table 4.11 – Chi-square results for the fourth hypothesis (leadership style)

Test Statistics										
	e1	e2	e3	e4	e5	e6	e7	e8	e9	e10
Chi-Square	396.801	238.006	308.132	364.688	294.404	249.699	253.447	245.968	312.763	246.057
df	4	4	4	4	4	4	4	4	4	4
Asymp. Sig.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

**Decision:**

At the 5% significance level,  $H_0$  is rejected since all the p-values are less than 0.05 and conclude that the leadership style within an organization determines the successful execution of business strategy.

**4.12.5 Fifth hypothesis – Work experience influence**

The fifth hypothesis is stated as outlined below:

$H_0$ : The shop floor employees' level of work experience does not determine successful execution of business strategy.

$H_1$ : The shop floor employees' level of work experience does determine the successful execution of business strategy.

The results of Chi-square are outlined under Table 4.12.

Table 4.12 – Chi-square results for the fifth hypothesis (work experience)

Test Statistics										
	f1	f2	f3	f4	f5	f6	f7	f8	f9	f10
Chi-Square	395.06	420.89	255.70	412.01	184.28	177.56	302.13	408.71	312.76	461.69
df	6	9	9	9	5	1	3	5	3	0
Asymp. Sig.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000

**Decision:**

At the significance level of 5%,  $H_0$  is rejected since all the p-values are less than 0.05. It is concluded that the level of work experience determines the successful execution of business strategy.

The null hypotheses for all the variables researched in this study were rejected and the alternatives were accepted. This is indicative of the level of significance these variables have on the successful execution of business strategy. The important question now is how they correlate with each other in terms of the business strategy execution. The answer to this is outlined in section 4.14 where the correlation analysis was conducted.

### 4.13 Multiple Regression and Correlation Analysis

In this section, multi regression analysis results together with the models are presented. Correlation analysis results is presented at the end of the section.

#### 4.13.1 Multiple Regression Analysis

Several researchers (Draper and Smith,1998; Chatterjee and Price, 1991) state that multiple regression is a good model building tool for exploring the relationships between an independent (y) variable against a group or set of dependent, explanatory (x) variables. In view of the aforementioned, the data was put into a multiple regression model. The relationships and dependencies between the respective variables allowed for the identification of a response/dependent variable as well as independent/explanatory variables. The variables considered were the average of the variables in the study i.e. training level influence, business culture influence, leadership engagement, leadership style influence and work experience influence.

##### 4.13.1.1 Training Level Influence

The first fitted model for training level influence is stated as follows:

$$\begin{aligned} \text{Average training level influence} = & \beta_0 + \beta_1 * \text{Average business culture influence} + \\ & \beta_2 * \text{Average leadership engagement} + \beta_3 * \\ & \text{Average leadership style influence} + \beta_4 * \text{Average work experience influence} \end{aligned} \quad [1]$$

The model was fitted using the stepwise regression procedure, as according to Lind, Marchal and Wathen (2006), It gives the best fitting parsimonious model that also overcomes the problem of multicollinearity. The regression model summary results are summarized under Table 4.13.

Table 4.13: Regression model summary - average training level influence

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Durbin-Watson
2	.765	.584	.582		.33680	1.695

The chosen model was found to include the explanatory variables - average business culture influence and average leadership engagement as significant predictors of average training level influence. These variables account for 58.2% of variation in average training level influence as illustrated on Table 4.13. The ANOVA results are outlined under Table 4.14.

Table 4.14: ANOVA – average training level influence

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	50.578	2	25.289	222.936	.000
	Residual	35.960	317	.113		
	Total	86.538	319			

The ANOVA table tests the hypothesis that the coefficients of average business culture influence and average leadership engagement are zero i.e.

$H_0: \beta_1 = \beta_2 = 0$  against the alternative that  $H_1$ : either  $\beta_1$  or  $\beta_2 \neq 0$

Since the p-value from the ANOVA is less than 0.05 we reject  $H_0$  and we conclude that at least one of the  $\beta_i$  is not equal to zero.

The results for the regression coefficients are outlined under Table 4.15 below.

Table 4.15: Regression coefficients table – average training level influence

Coefficients <sup>a</sup>		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
2	(Constant)	.978	.147		6.666	.000		
	Average leadership engagement	.426	.039	.496	10.926	.000	.636	1.573
	Average business culture influence	.321	.041	.355	7.810	.000	.636	1.573

The histograms of the residuals show a normal curve as outlined in Figure 4.111 whilst the P-P plot on Figure 4.112 show a flattened S-shaped curve. The residual plot show a random scattering of the residuals about zero as depicted on Figure 4.113

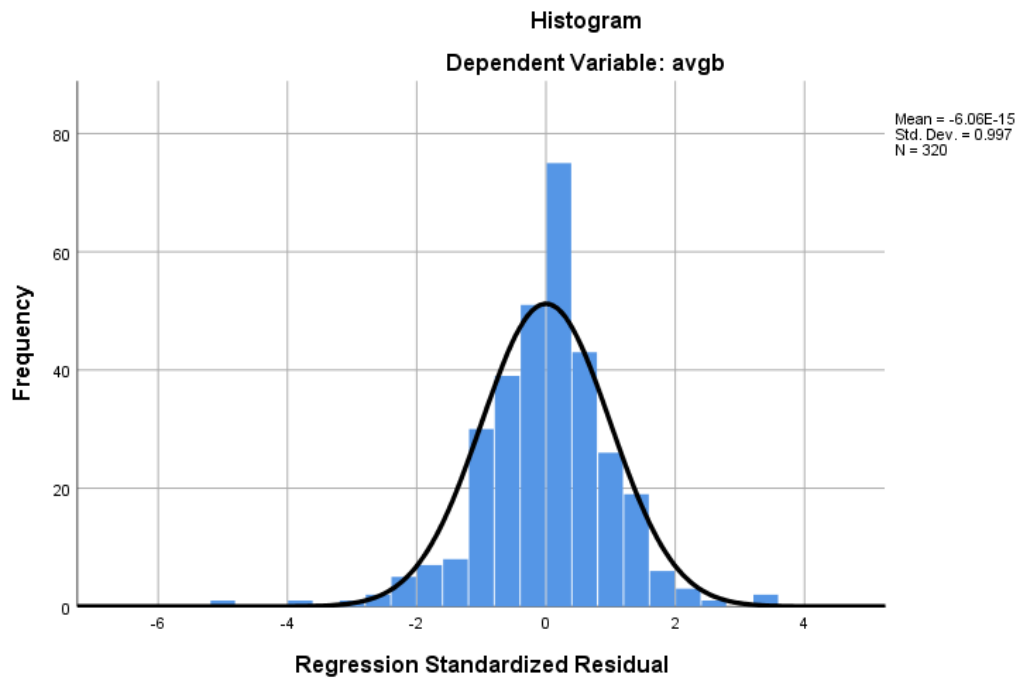


Figure 4.111: Histogram – average training level influence

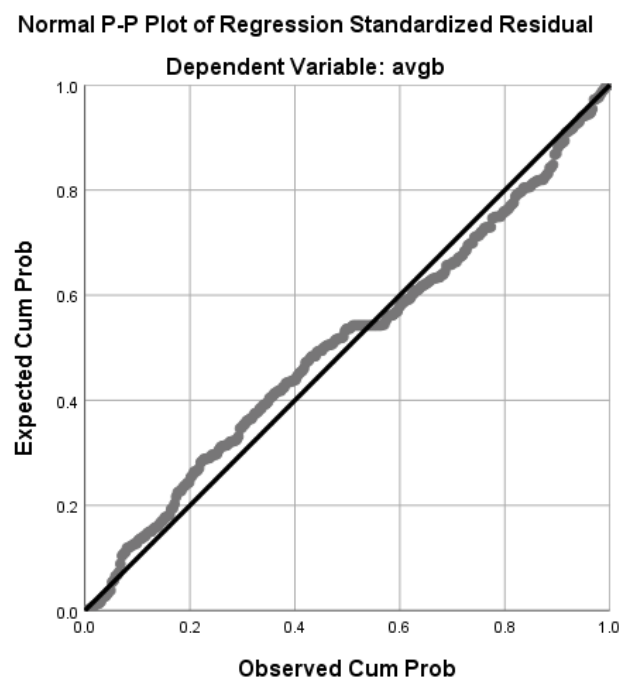


Figure 4.112: P-P residual plot (average training level influence)

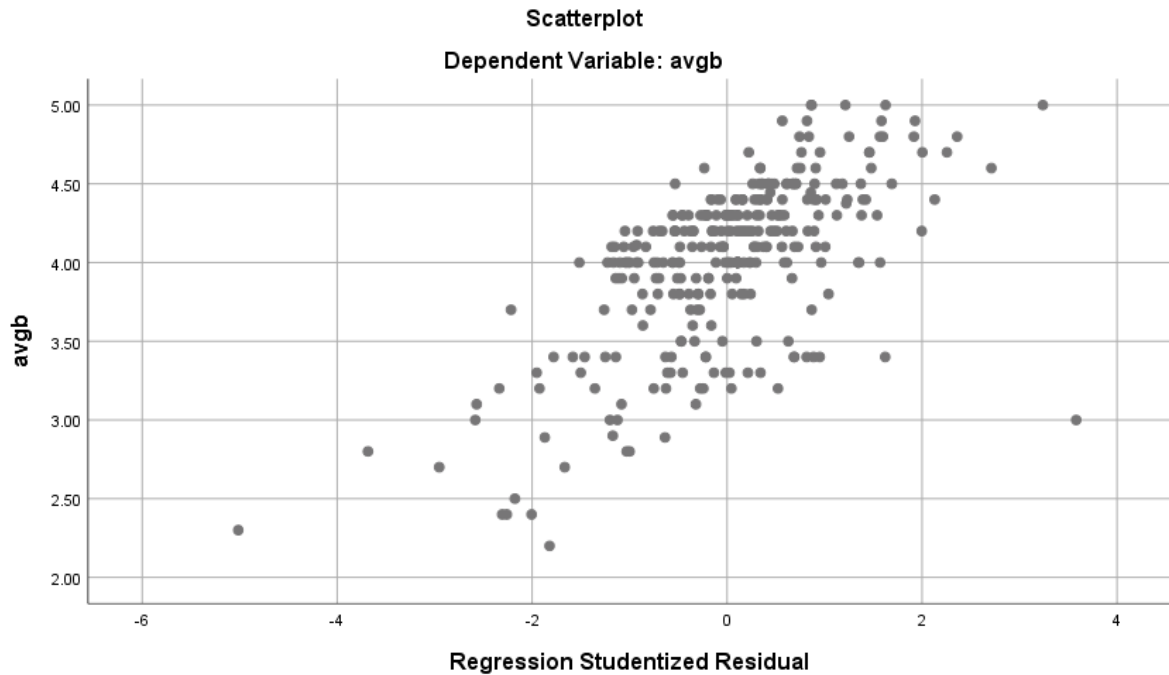


Figure 4.113: Scatterplot - average training level influence

From Table 4.15, fitting the coefficients and constant values [1], the resultant model is therefore presented as follows:

$$\text{Average training level influence} = 0.978 + 0.321 * \text{Average business culture influence} + 0.426 * \text{Average leadership engagement}$$

The interpretation of the fitted model is that for a unit increase in average business culture influence, keeping all the other variables constant, the average training influence level will increase by 0.321 units whilst a unit increase in average leadership engagement, keeping the other variables constant, the average training influence level will increase by 0.426 units. The variance inflation factors (VIF) for the independent variables are both less than 10. This implies that there was no multi-collinearity present in the model. The diagnostics of this model also showed that none of the assumptions of multiple regression were violated.



#### 4.13.1.2 Business Culture Influence

The second model was fitted using stepwise regression as follows:

$$\begin{aligned} \text{Average business culture influence} = & \beta_0 + \beta_1 * \text{Average training level influence} + \\ & \beta_2 * \text{Average leadership engagement} + \beta_3 * \\ & \text{Average leadership style influence} + \beta_4 * \text{Average work experience influence} \\ & [2] \end{aligned}$$

The chosen model was found to include the explanatory variables - average training level influence, average leadership style and average work experience influence. These variables account for 59.8% of variation in average business culture influence as shown in Table 4.16. The ANOVA results are given under Table 4.17 as well.

Table 4.16: Regression model summary – average business culture influence

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Durbin-Watson
3	.776 <sup>c</sup>	.602	.598		.36482	1.527

Table 4.17: ANOVA – average business culture influence

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	63.650	3	21.217	159.409	.000
	Residual	42.058	316	.133		
	Total	105.708	319			

The ANOVA under Table 4.17 tests the hypothesis that the coefficients of average business culture influence and average leadership engagement are zero i.e.

$H_0: \beta_1 = \beta_2 = \beta_3 = 0$  against the alternative that  $H_1$ : either  $\beta_i \neq 0$

Since the p-value from the ANOVA is less than 0.05 we reject  $H_0$  and we conclude that at least one of the  $\beta_i$  is not equal to zero. The regression coefficients are outlined under Table 4.18 below:

Table 4.18: Regression coefficients – average business culture influence

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
3	(Constant)	.152	.188		.808	.420		
	Average work experience influence	.448	.057	.373	7.893	.000	.565	1.771
	Average training level influence	.292	.055	.264	5.297	.000	.507	1.973
	Average leadership style influence	.244	.049	.259	4.997	.000	.468	2.137

The histograms of the residuals show a normal curve as depicted in Figure 4.114 whilst the corresponding P-P plot in Figure 4.115 show a flattened S-shaped curve. The residual plot show a random scattering of the residuals about zero as outlined in Figure 4.116..

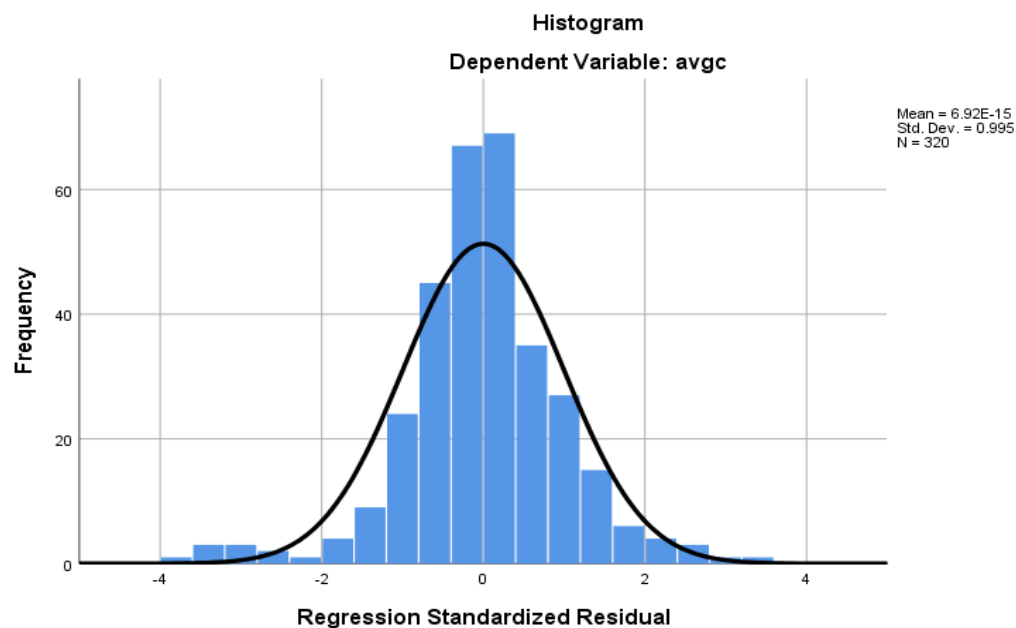


Figure 4.114: Histogram – average business culture influence

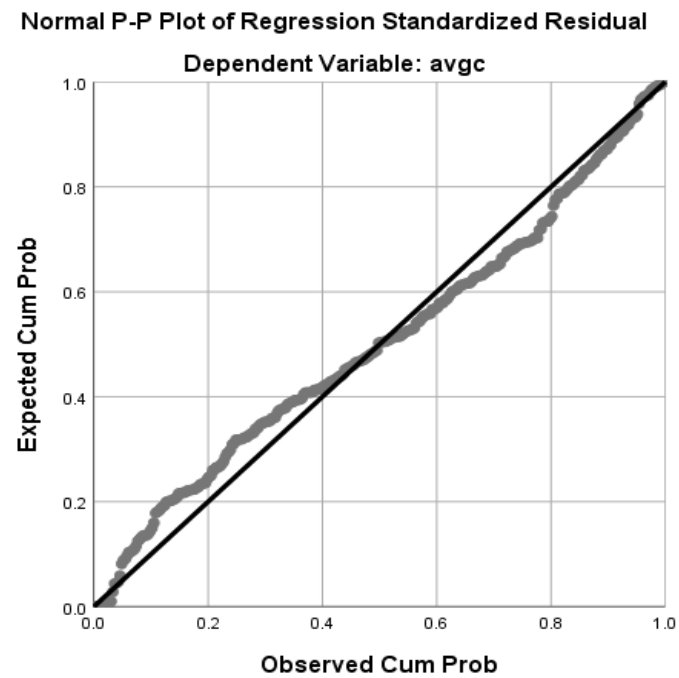


Figure 4.115: P-P residual plot (average business culture influence)

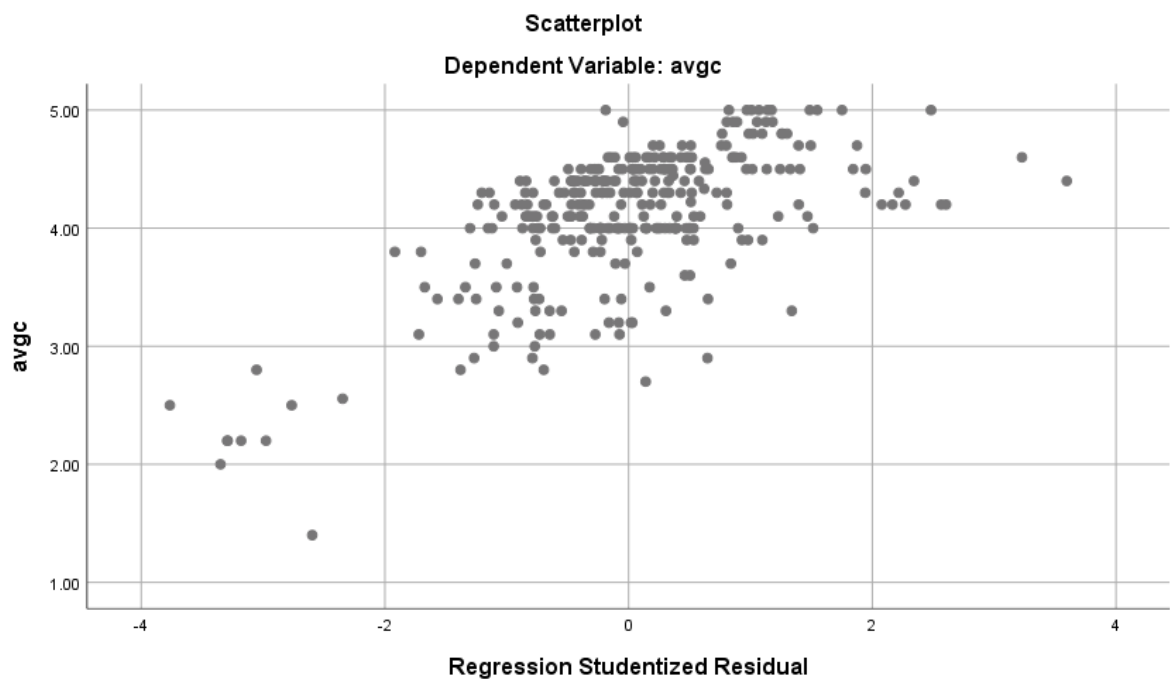


Figure 4.116: Scatterplot – average business culture influence

From Table 4.18, fitting the coefficients and constant values [2], the resultant model is therefore presented as follows:

The fitted model is:

$$\begin{aligned} \text{Average business culture influence} = & 0.152 + 0.448 * \\ & \text{Average work experience influence} + 0.292 * \\ & \text{Average training level experience} + 0.244 * \\ & \text{Average leadership style influence} \end{aligned}$$

The interpretation of the fitted model is that for a unit increase in average work experience influence, keeping all the other variables constant, the average business culture influence level will increase by 0.448 units whilst a unit increase in average training influence, keeping the other variables constant, the average business culture influence level will increase by 0.292 units. For a unit increase in the average leadership style influence, keeping all the other variables constant, the average business culture influence will increase by 0.244 units. The VIF for the independent variables are both less than 10, implying that there was no multi-collinearity present in the model. The diagnostics of the model also revealed that none of the assumptions of multiple regression were violated.

#### 4.13.1.3 Leadership Engagement Influence

The third model was fitted using stepwise regression as follows:

$$\begin{aligned} \text{Average leadership engagement} = & \beta_0 + \beta_1 * \text{Average training level influence} + \\ & \beta_2 * \text{Average business culture influence} + \beta_3 * \\ & \text{Average leadership style influence} + \beta_4 * \text{Average work experience influence} \end{aligned}$$

[3]

The chosen model was found to include the explanatory variables Average training level influence, average leadership style and average work experience influence. As outlined in Table 4.19, these variables account for 69.8% of variation in average leadership engagement influence. The ANOVA under Table 4.20 is given as:

Table 4.19: Regression model summary – average leadership engagement

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Durbin-Watson
3	.837 <sup>c</sup>	.701	.698		.33385	1.745

Table 4.20: ANOVA – average leadership engagement

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	82.397	3	27.466	246.423	.000 <sup>d</sup>
	Residual	35.221	316	.111		
	Total	117.618	319			

The ANOVA under Table 4.20 also tests the hypothesis that the coefficients of Average leadership style influence, Average training level and Average work experience influence are zero i.e.

$H_0: \beta_1 = \beta_2 = \beta_3 = 0$  against the alternative that  $H_1$ : either  $\beta_i \neq 0$

Since the p-value from the ANOVA is less than 0.05 we reject  $H_0$  and we conclude that at least one of the  $\beta_i$  is not equal to zero. The regression coefficients are outlined under Table 4.21.

Table 4.21: Regression coefficients – average leadership engagement influence

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
3	(Constant)	.002	.172		.013	.990		
	Average leadership style influence	.530	.045	.534	11.872	.000	.468	2.137
	Average training level influence	.330	.050	.283	6.539	.000	.507	1.973
	Average work experience influence	.151	.052	.119	2.909	.004	.565	1.771

The histograms of the residuals show a normal curve as indicated on Figure 4.117 whilst the P-P plot on Figure 4.118 show a flattened S-shaped curve. The residual plot show a random scattering of the residuals about zero and this is also outlined under Figure 4.119

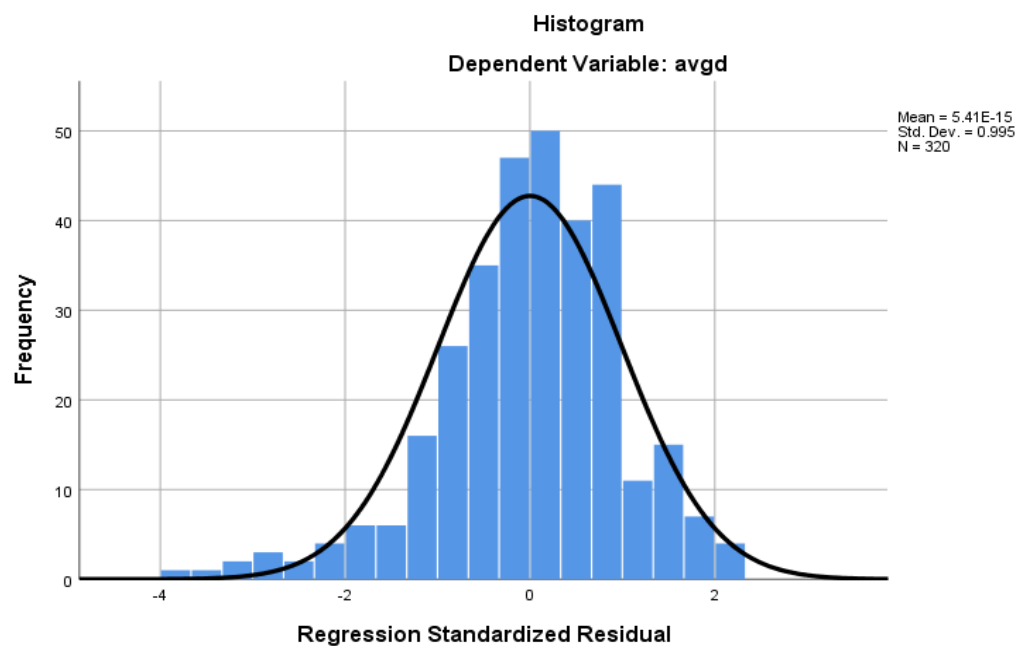


Figure 4.117: Histogram – average leadership engagement influence

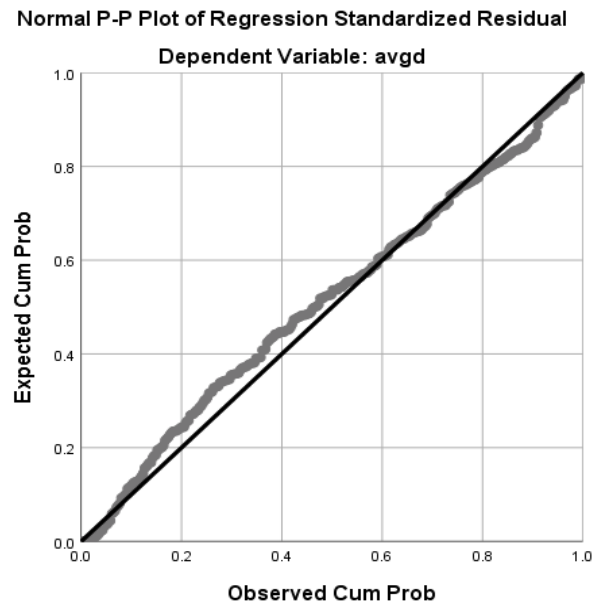


Figure 4.118: P-P residual plot (average leadership engagement influence)

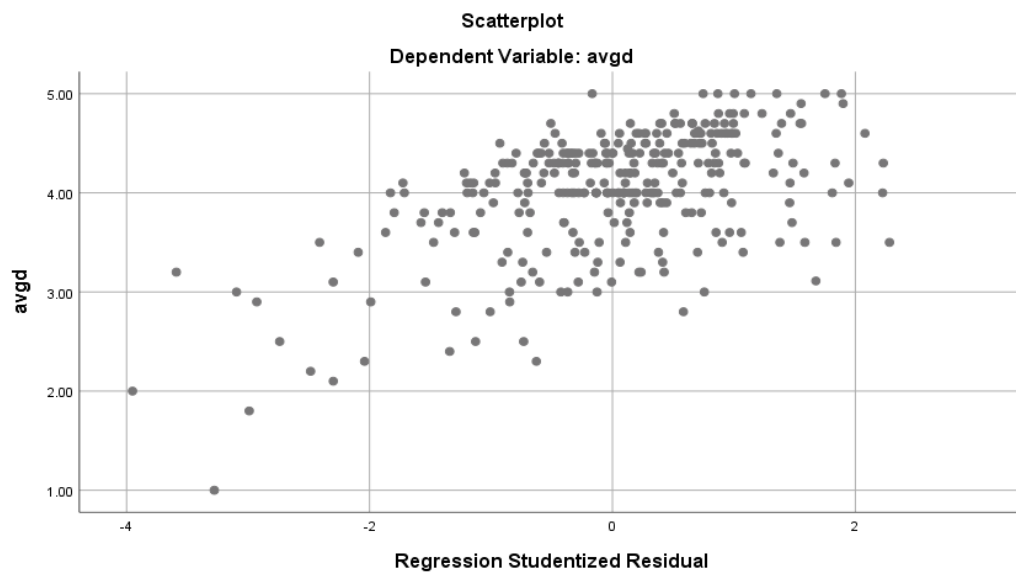


Figure 4.119: Scatterplot – average leadership engagement influence

From Table 4.21, fitting the coefficients and constant values [3], the resultant model is therefore presented as follows:

The fitted model is:

$$\begin{aligned} \text{Average leadership engagement} = & 0.002 + 0.530 * \\ & \text{Average leadership style influence} + 0.330 * \\ & \text{Average training level experience} + 0.151 * \\ & \text{Average work experience influence} \end{aligned}$$

The interpretation of the fitted model is that for a unit increase in average leadership style influence, keeping all the other variables constant, the average leadership engagement level will increase by 0.530 units whilst a unit increase in average training level influence, keeping the other variables constant the average leadership engagement level will increase by 0.330 units. For a unit increase in the average work experience influence, keeping all the other variables constant, the average leadership engagement will increase by 0.151 units. The VIF for the independent variables were less than 10, this means that there were no multi-collinearity present in the model. The diagnostics of the regression model showed that none of the assumptions of multiple regression were violated.



#### 4.13.1.4 Leadership Style Influence

The fourth model was fitted using stepwise regression as follows:

$$\begin{aligned} \text{Average leadership style influence} = & \beta_0 + \beta_1 * \text{Average training level influence} + \\ & \beta_2 * \text{Average business culture influence} + \beta_3 * \\ & \text{Average leadership engagement} + \beta_4 * \text{Average work experience influence} \end{aligned} \quad [4]$$

The chosen model was found to include the explanatory variables Average business culture influence and average leadership engagement. These variables account for 69% of variation in Average business culture influence depicted on Table 4.22. The ANOVA table for average leadership style influence is given as Table 4.23

Table 4.22: Regression model summary – average leadership style influence

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate	Durbin-Watson
2	.832 <sup>b</sup>	.692	.690	.34091	1.758

Table 4.23: ANOVA – average leadership style influence

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	82.645	2	41.323	355.553	.000 <sup>c</sup>
	Residual	36.842	317	.116		
	Total	119.487	319			

The ANOVA under Table 4.23 tests the hypothesis that the coefficients of Average business culture influence and Average leadership engagement are zero i.e.

$H_0: \beta_1 = \beta_2 = 0$  against the alternative that  $H_1$ : either  $\beta_i \neq 0$

Since the p-value from the ANOVA is less than 0.05 we reject  $H_0$  and we conclude that at least one of the  $\beta_i$  is not equal to zero. The regression coefficients are shown on Table 4.24.

Table 4.24: Regression coefficients – average leadership style influence

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
2	(Constant)	.139	.149		.934	.351		
	Average leadership engagement	.626	.039	.621	15.872	.000	.636	1.573
	Average business culture	.312	.042	.293	7.503	.000	.636	1.573

The histograms of the residuals show a normal curve as indicated on Figure 4.120 whilst the P-P plot on Figure 4.121 show a flattened S-shaped curve. The residual plot show a random scattering of the residuals about zero and this is also outlined under Figure 4.122

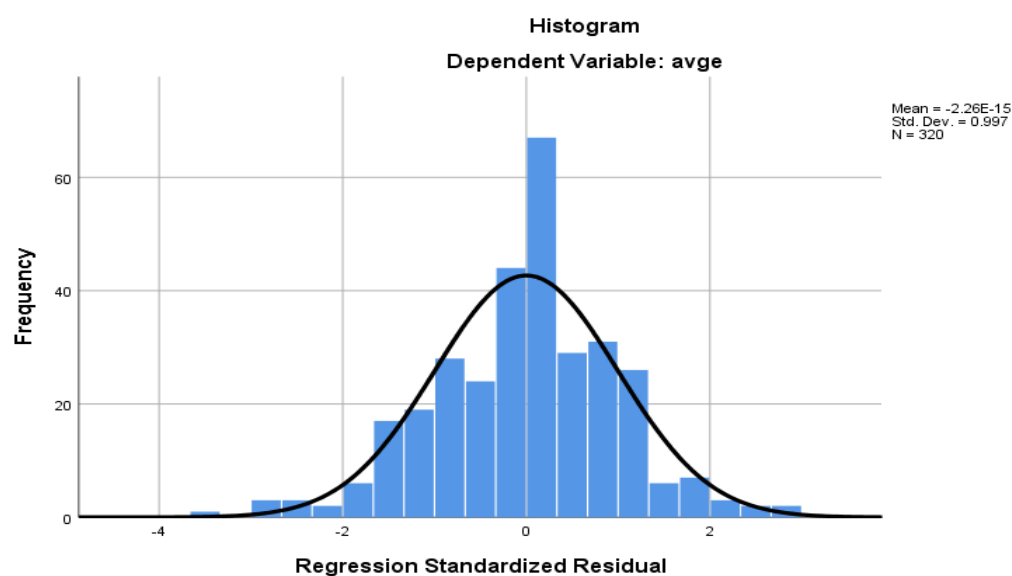


Figure 4.120: Histogram – average leadership style influence

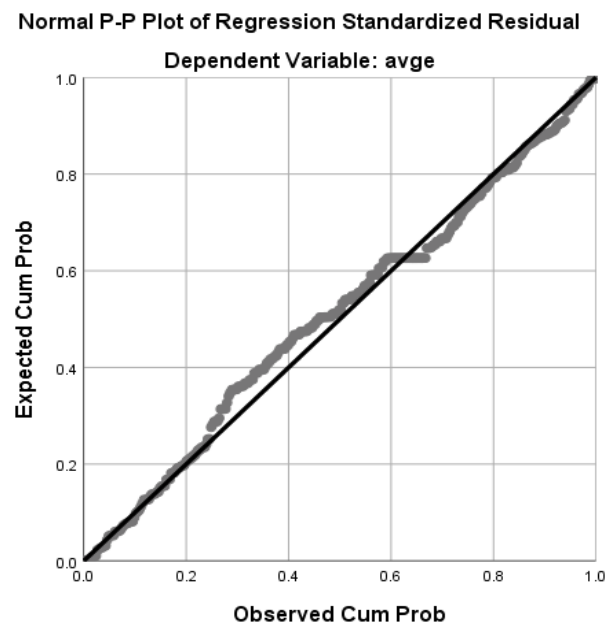


Figure 4.121: P-P residual plot (average leadership style influence)

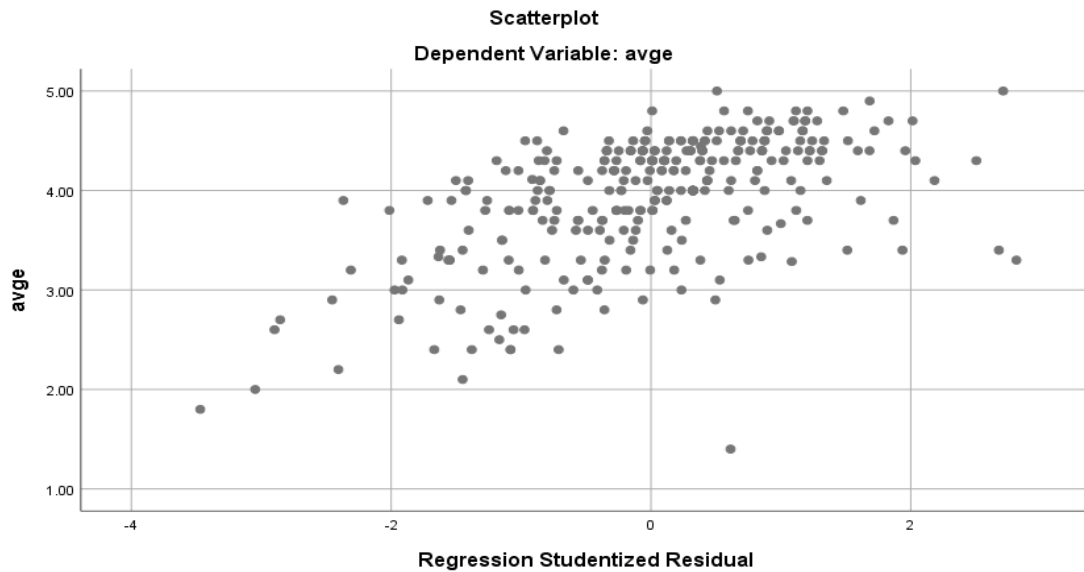


Figure 4.122: Scatterplot – average leadership style influence

As shown under Table 4.27, fitting the coefficients and constant values [4], the resultant model is presented as follows:

The fitted model is:

Average leadership style influence =  $0.139 + 0.626 *$

*Average leadership engagement + 0.312 \* Average business culture*

The interpretation of the fitted model is that for a unit increase in average leadership engagement, keeping all the other variables constant, the average leadership style influence will increase by 0.626 units whilst a unit increase in average business culture, keeping the other variables constant, the average leadership style influence will increase by 0.312 units. The VIF for the independent variables were both less than 10 which indicates that there was no multi-collinearity present in the model and also, there was no violation of the assumptions of multiple regression.

#### 4.13.1.5 Work Experience Influence

The fifth model was fitted using stepwise regression as follows:

$$\begin{aligned} \text{Average work experience influence} = & \beta_0 + \beta_1 * \text{Average training level influence} + \\ & \beta_2 * \text{Average business culture influence} + \beta_3 * \\ & \text{Average leadership engagement} + \beta_4 * \text{Average leadership style influence} \end{aligned}$$

[5]

The chosen model was found to include the explanatory variables Average business culture influence and average leadership engagement. These variables account for 53.3% of variation in average work experience influence depicted on Table 4.25.

Table 4.25: Regression model summary – average work experience influence

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
2	.732	.536	.533	.32765	1.733

Table 4.26: ANOVA – average work experience influence

	Model	Sum of Squares	df	Mean Square	F	Sig.
2	Regression	39.282	2	19.641	182.95	.000 <sup>c</sup>
	Residual	34.032	317	.107		
	Total	73.314	319			

The ANOVA under Table 4.26 tests the hypothesis that the coefficients of Average business culture influence and Average leadership engagement are zero i.e.

$H_0: \beta_1 = \beta_2 = 0$  against the alternative that  $H_1$ : either  $\beta_i \neq 0$

Since the p-value from the ANOVA is less than 0.05 we reject  $H_0$  and we conclude that at least one of the  $\beta_i$  is not equal to zero. Table 4.27 shows the regression coefficient from the model

Table 4.27: Regression coefficients – work experience influence

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
2	(Constant)	1.374	.143		9.628	.000		
	Average business culture	.413	.040	.497	10.344	.000	.636	1.573
	Average leadership engagement	.249	.038	.316	6.584	.000	.636	1.573

The histograms of the residuals also show a normal curve as indicated on Figure 4.123 whilst the P-P plot on Figure 4.124 show a flattened S-shaped curve. The residual plot show a random scattering of the residuals about zero and this is also outlined under Figure 4.125

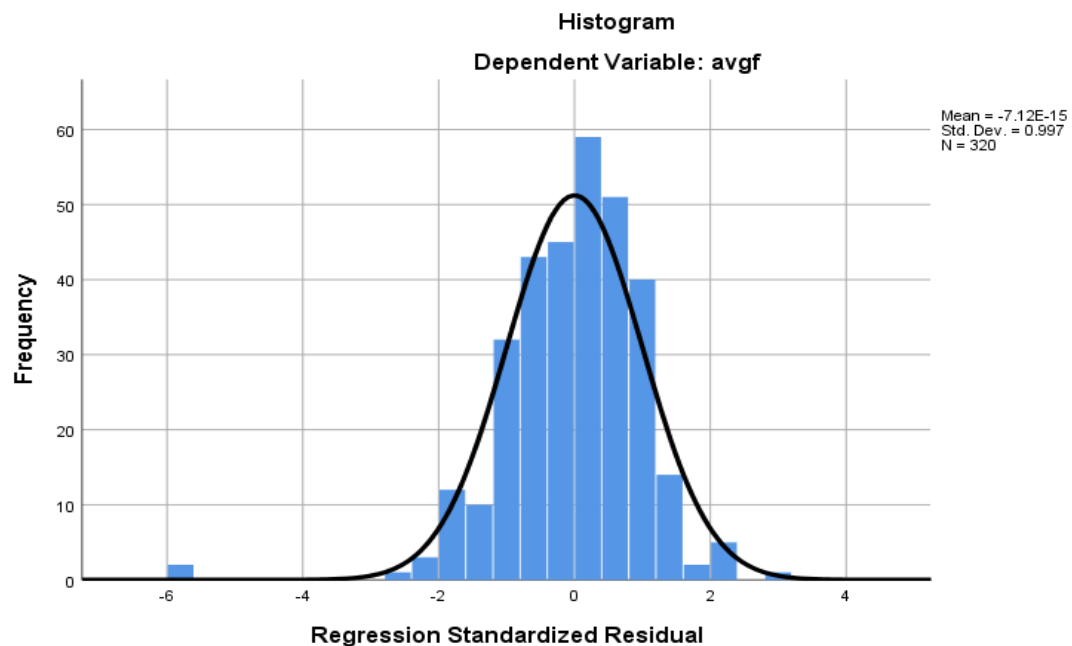


Figure 4.123: Histogram – average leadership style influence

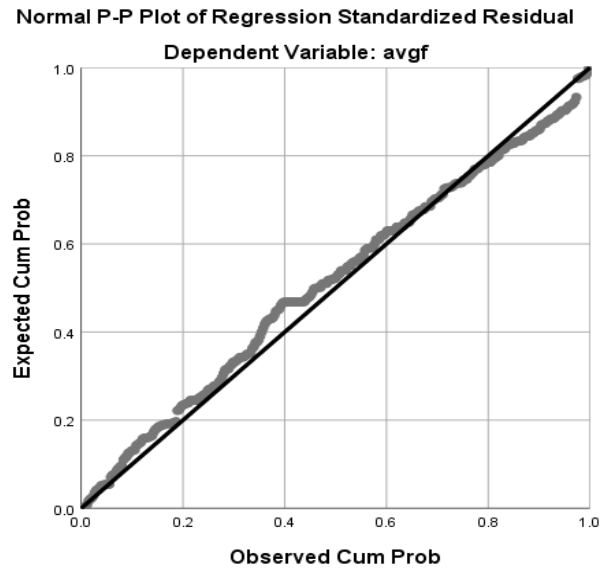


Figure 4.124: P-P residual plot (average leadership style influence)

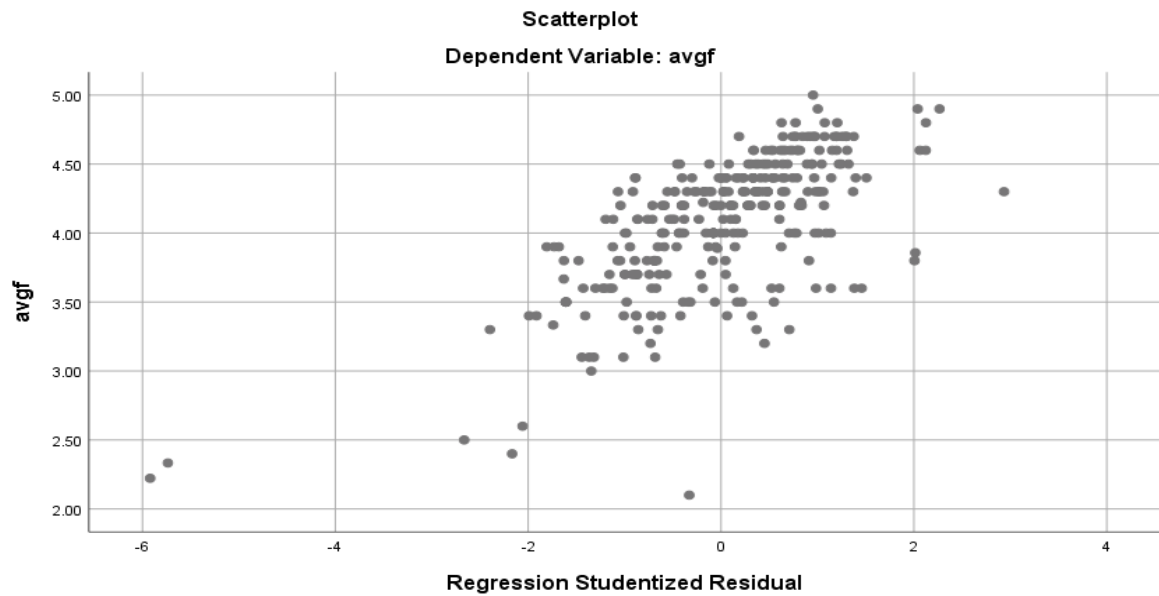


Figure 4.125: Scatterplot – average leadership style influence

From Table 4.27, fitting the coefficients and constant values [5], the resultant model is presented as follows:

The fitted model is:

$$\text{Average work experience influence} = 1.374 + 0.413 * \text{Average business culture} + 0.249 * \text{Average leadership engagement}$$

The interpretation of the fitted model is that for a unit increase in average leadership engagement, keeping all the other variables constant, the average work experience influence will increase by 0.249 units whilst a unit increase in average business culture, keeping the other variables constant, the average work experience influence will increase by 0.413 units. The VIF for the independent variables were both less than 10, thus implying that there was no multi-collinearity present in the model. All the plots also revealed that there was no violation of the assumptions of multiple regression.

Furthermore, interaction terms for the above five fitted models together with the higher order interaction models were also looked at but were found to be insignificant and hence are not reported. It has also become clear from all five fitted models discussed that there is a positive linear relationship between the variables underpinning this study. The strength of the relationship was explored further under correlation analysis section below.



#### 4.13.2 Correlation Analysis

According to Bryman (2007), correlation analysis measures the relationship between two variables at a time. This is done so using the population correlation coefficient -  $\rho$  which in turn is measured by the sample correlation coefficient  $r$ . The correlation coefficient ranges as  $-1 \leq r \leq 1$ . Positive correlation means that as one variable increases so does the other, vice versa. Negative correlation is interpreted as one variable increases the other decreases and vice versa (Bryman, 2007).

When the data is parametric such as the marks of students in a test or exam we use Pearson correlation whilst if the data is non-parametric we use the Spearman correlation (Kreinovich, Nguyen and Wu, 2013). Pearson correlation was therefore used on the average of each section b-f. Since by the Central Limit Theorem any average is normally distributed whilst for the 10 statements in the five sections, it was established already that these 50 statements by the Kolmogorov Smirnov test are non-normal. Correlation analysis results are outlined on Table 4.28. This outlines the Pearson's  $r$  results on all the five sections of the questionnaire. These are training level, business culture, leadership engagement, leadership style and work experience.

Table 4.28 – Correlation analysis results

Correlations						
		avgb	avgc	avgd	avge	avgf
avgb	Pearson Correlation	1	.654**	.710**	.671**	.580**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	320	320	320	320	320
avgc	Pearson Correlation	.654**	1	.604**	.668**	.687**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	320	320	320	320	320
avgd	Pearson Correlation	.710**	.604**	1	.798**	.616**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	320	320	320	320	320
avge	Pearson Correlation	.671**	.668**	.798**	1	.622**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	320	320	320	320	320
avgf	Pearson Correlation	.580**	.687**	.616**	.622**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	320	320	320	320	320

\*\* . Correlation is significant at the 0.01 level (2-tailed).

## Interpretation

There are significant positive linear relationships that range from medium to strong between training level influence, business culture influence, leadership engagement influence, leadership style influence and work experience influence on business strategy execution. The interpretation of these relationships is that if one variable increases, so does the other and vice versa. For example, as training level influence increases so does business culture influence, leadership engagement influence, leadership style influence and work experience influence. A summary which includes the strength of the relationship between these five variables is given in Table 4.29 below.

Table 4.29 – Summary of the relationships between the five variables

	<b>Training level influence</b>	<b>Business culture</b>	<b>Leadership engagement</b>	<b>Leadership style</b>	<b>Work experience</b>
<b>Training level influence</b>		Medium positive linear	Strong positive linear	Medium positive linear	Medium positive linear
<b>Business culture</b>	Medium positive linear		Medium positive linear	Medium positive linear	Medium positive linear
<b>Leadership engagement</b>	Strong positive linear	Medium positive linear		Strong positive linear	Medium positive linear
<b>Leadership style</b>	Medium positive linear	Medium positive linear	Strong positive linear		Medium positive linear
<b>Work experience</b>	Medium positive linear	Medium positive linear	Medium positive linear	Medium positive linear	

It is clear from Table 4.29 that all variables exhibited medium to strong positive linear relationship. It is interesting to note that the strong positive linear relationship prevail between training level and leadership engagement, leadership engagement and leadership style. It is important at this stage to establish the integrity of the results or reliability of the results. This is discussed in the following section.

#### 4.14 Reliability and Validity Results

According to Coakes and Steed (2010), there are a number of different reliability coefficients. One of the most commonly used is the Cronbach's alpha, which is based on the average correlation of items within a test if the items are standardized. If the items are not standardized, it is based on the average covariance among the items. The Cronbach's alpha can range from 0 to 1 (Bryman, 2007). Cronbach's alpha was therefore calculated as part of the reliability test to assess how consistent the results were and if the similar results will be achieved to generalize should the sample size be increased. According to Bryman (2007), a value of 0.7 or higher is a very good value that can lead a researcher to conclude that the same results will be achieved if the survey could be carried out with a larger sample of respondents. The Cronbach's alpha was calculated for all the statements which have the same scales in each section and the results are outlined on Table 4.30.

Table 4.30 – Cronbach's alpha results

<b>QUESTION</b>	<b>CRONBACH'S ALPHA</b>
Section B	0.846
Section C	0.887
Section D	0.871
Section E	0.856
Section F	0.775
Overall	0.955

For establishing the validity of the questionnaire, factor analysis using a principal component analysis (PCA) with varimax rotation was carried out. The reliability of each of the factors were carried out for each section and the results which are the rotated factor matrices are summarized in Appendix D. The results for the overall factor analysis with Cronbach alpha for each factor are summarized under Table 4.31.

Table 4.31 – Overall factor analysis results

Factor	Cronbach's alpha
1	0.711
2	0.761
3	0.711
4	0.756
5	0.771
6	0.898
7	0.698
8	0.731
9	0.771
10	0.712

**Interpretation:**

All the Cronbach's alpha results were above 0.7 and the overall one being 0.96. This indicates that the similar results will be achieved even at the bigger sample size and also means that the results could be generalized to the entire pollution of the manufacturing sector. The results also indicated good internal consistency in the responses.

#### **4.15 Chapter Summary**

In this chapter, the results from the study were presented, interpreted and analyzed. Bar graphs and frequency tables were calculated using SPSS (version 25) for gaining an overview of the perceptions of respondents regarding training level influence, business culture influence, leadership engagement influence, leadership style influence and work experience influence on the execution of business strategy. The descriptive statistics used included the mean, mode, median and standard deviation.

Kolmogorov Smirnov test was used to test the data to ascertain if it came from a normal distribution or not. Parametric tests such as sample t-tests, Analysis of Variance (ANOVA) were used and non-parametric tests such as the Mann-Whitney test and the Kruskal Wallis test were also used.

The hypotheses were tested using the Chi square goodness of fit test. Cronbach's Alpha was calculated for establishing the reliability or integrity of the results. Multi regression analysis was conducted to examine the relationships between variables and correlation was also calculated using Pearson's  $r$  method to establish the nature of the relationship between variables selected for this study (training level influence, business culture influence, leadership engagement influence, leadership style influence and work experience).

The results from all the study objectives were skewed towards two categories i.e. agree and strongly agree. Null hypothesis were also rejected on all the study objectives with alternative hypotheses accepted. Furthermore, reliability results were significantly above 0.7 for all the sections answering the research questions. This meant that the results could be generalized to the entire population. All variables studied for answering the research question showed medium to strong positive linear relationships through correlation analysis.

The discussion of the study findings will be outlined in Chapter 5

## **CHAPTER FIVE**

### **DISCUSSION OF THE STUDY FINDINGS**

#### **5.1 Introduction**

The previous chapter (Chapter 4) dealt with the analysis of data from the study conducted at selected manufacturing companies in Pietermaritzburg. The results from the data analysis were also interpreted and discussed at the end of various sections of the chapter. This chapter therefore discusses the findings from the analyses and interpretations made in line with the objectives of the study, conceptual theoretical framework outlined in the literature review chapter.

The purpose of this study was to evaluate the execution of business strategy at selected manufacturing companies in Pietermaritzburg through the viewpoint of shop floor employees. The variables evaluated were outlined under the theoretical framework section in chapter 2 and these were: training level, business culture, leadership style, employee engagement and work experience. Demographics were also explored and findings made on all the variables with respect to business strategy executions are outlined under respective headings in this chapter.

#### **5.2 Demographics**

There were more males (59.3%) than females (40.7%) that participated in the study and the modal age group was 31-40 years (35.1%) followed by 21-30 years (34.5%). Over ¾ of the sample comprised of Blacks (56.9%) and Indians (27%). 56.9% of the sample had a high school education and 25.5% of the respondents were in possession of a diploma. Only 11% of the respondents had a university degree with a further 2.5% in possession of post graduate qualification. The work experience of the respondents was distributed as 11-20 years (28.7%), <5 years (28.4%) and 6-10 years (23.2%).

These demographics results are consistent with the Merseta report of 2011. It stated that the predominant races in the South African metals sector are Africans, Indians, Coloureds and Whites. Gender imbalance was still a major challenge in this sector as men dominated most of the machinery positions. The report also stated that at the lower level or machine operator level, more than 76% of positions are occupied by black people.

The study findings were also consistent with the previous findings made by Kleyhans (2006), Akoojee (2010), Merseta (2011) report that Blacks were still recruited for shop floor level jobs, predominant races in South Africa being Black, Indians, Coloureds and Whites in this descending order. Lastly it was revealed in their studies that shop floor employees in the manufacturing companies had standard 10 qualifications.

Akoojee (2010) highlighted that the recruitment by race was still being practiced as an average of 60% Africans or Blacks were being recruited for plant and machine operator positions. According to Kleyhans (2006), majority of the machine operators (47%) in the manufacturing companies had a standard 10 qualification or matric. Furthermore, Kleyhans (2006) acknowledged that most of the skilled operators with qualifications above standard 10 were not of technical background.

Race and gender based recruitment is not consistent with the government equity policies which seek to redress the imbalances regarding gender and race inherited from the past in South Africa. Very few employees have primary education and no education at all. Even though most of them have high school qualification, the finding on this regard is that there is an emerging trend of those with University degrees and diplomas. This is a positive sign given the technological innovations in this sector with respect to the machinery used in the production processes. This generation of emerging young graduates is explained in the study findings by Raghavan and Mahmood (2015) as confident, ambitious, independent and achievement oriented when entering the workforce of the organization. This study was focusing on the impact of training on employee performance in the manufacturing companies at Malaysia. According to Devins, Johnson and Sutherland (2010), this generation of young and educated employees have high expectations from their employers and seek out new challenges. Due to better education and work experience, they are highly mobile and move easily

from one employer to the next when they are not happy with their work (Raghavan and Mahmood (2015).

Most of the employees have between 11 and 20 years experience followed by those with less than 5 years experience. The average age is 35 years. This shows that most of the employees stay in their jobs once employed indicative of labor turnover at the shop floor level being low hence this high level of work experience at this level given the low average age. This low average age is consistent with the study findings by Raghavan and Mahmood (2015).

Overall, the study has found that the demographic variables outlined for this study had no bearing on how the employees perceive the execution of business strategy in the South African manufacturing companies. However, management should endeavor to meet the government targets on employment equity policies to correct the current imbalances on race and gender representative for instance in the manufacturing companies.

### **5.3 Perceptions on Training Level Influence on Business Strategy Execution**

The results show that 89.1% of the sample agreed (67.8%) and strongly agreed (21.3%) that their organization has a training policy applicable to shop floor employees. It is found that a total of 92.6% of the sample agreed (66.3% and strongly agreed 26.3) that shop floor employee training levels lead to superior business results. This emphasizes the need for training and its relevance in the organization. Chen, Sok and Sok (2007) did ascertain this fact and stated that training plays a pivotal role in productivity organizational success in general.

The respondents were also positive about their training level to be very important for shop floor employees to progress higher within the organization since 63.1% agreed with this fact and 28.1% of them strongly agreeing. This positivity is consistent with Fawad (2012) finding that training is the dominant factor which shapes the employee attitudes and increases their skills base. This consequently leads to the increased competence levels (Fawad, 2012). However, Bucur (2015) cautioned that the training of employees is a continuous and a lifelong process by means of which each employee's



knowledge and skills are maintained on the current basis through acquiring new knowledge.

Therefore, organizations should have budgets that are indicative of training as a priority and important investment. This is very important as it will demonstrate the organizations' level of management commitment in making training one of the pivotal enablers for achieving business results. As highlighted by Baron and Morin (2010), organizational commitment on training has a positive effect on the self-efficacy of the employees. Persons with high levels of self-efficacy try more challenging tasks, exert more effort for accomplishing and are more resolute in their efforts when they encounter the difficulties (Lynch, 2006).

The sample also reveals that 90.9% collectively agreed (67.7%) and strongly agreed (23.2%) that their organization links training with their company business strategy and 85.6% of the respondents agreed and strongly agreed together that shop floor employees training is taken seriously by their organization. The results further reveal that 56.1% and 28.2% of the respondents agreed and strongly agreed that their organization provides them with more training in order for them to achieve good business results. This highlights a positive aspect about the organization and shows the importance placed in training by the organization. This linkage of business strategy with training is very crucial as emphasized by Badea and Angheluta (2015). It was stated that for organizations to be competitive, it is crucial that they have well trained workforce (Badea and Angheluta, 2015). This will also lead to a sustainable competitive advantage to those organizations which recognizes this fact.

It is noted that 73.6% of the sample collectively agreed (52.2%) and strongly agreed (21.4%) that there are rewards in their organization for high shop floor employees training level whilst 84% of the sample agreed and strongly agreed that management give shop floor employees the chance to tryout their training on the job which is a great testimony that theory of training is simply not being accumulated but it is being applied. It can also be seen that 58.3% and 21% of the respondents agreed and strongly agreed that management help shop floor employees set realistic goals for performing their work as a result of their training. This indicates that management creates an environment for

shop floor employees to reach their desired goals which contributes to the overall success of the company.

Creating an environment for shop floor employees to reach their desired goals was emphasized by Baron and Morin (2010) by stating that effective organizational commitment and support on training also has a positive effect on the self-efficacy of the employees. Self-efficacy was explained by Lynch (2006) as a combination of a person's ability to do a given task and the level of confidence the person possess in the task. Tai (2006) also found that the employees with high self-efficacy levels try more challenging tasks, exert more effort for accomplishing results and also are more resolute in their efforts when they encounter difficulties.

The results show that just under 80% of the sample i.e. respondents agreed (54.4%) and strongly agreed (24.8%) that management ensures that shop floor employees have the opportunity to use their training immediately. There is generally a positive attitude about the necessity of training and its application to the job setting within the organization. However, it is important to note that there was 12% of the respondents which disagreed that there are rewards in their organizations for high shop floor employees training level. This was the highest number in the disagree category on this variable of the study pertaining to training.

It has also been found that the manufacturing organizations offer employees opportunities to impart what they have learned through training on their jobs and also management set realist goals for performing tasks. This is a good sign of support by management but there was a significant majority that indicated that management does not reward shop floor employees for high levels of training attained. Furthermore, just over 11% of the respondents who could not agree nor disagree could easily have added to this majority that did not agree.

The category of disagree response was highest in terms of the statements under training influence. Therefore, in as much as there is significant majority agreeing that rewards for training are there in their organizations, there is a growing number disputing this fact. This could mean that some organizations are not rewarding at all or not consistent in rewarding employees for training attained.

Overall, employee training in the manufacturing companies is therefore found to have a significant influence on the execution of business strategy as perceived by the shop floor employees. The implication of this finding is that for execution to be even more successful, management at the manufacturing companies should place more emphasis on their training plans and investment priorities for training of their employees. This may also imply on-going reviews of training policy for ensuring that both employee training expectations and strategic objectives of the organizations are met.

#### **5.4 Perceptions on Business Culture's Influence on Business Strategy Execution**

The results show that 85.6% collectively agreed (51.4%) and strongly agreed (34.2%) that the business culture in the organization enables shop floor employees to perform to their best ability. Furthermore, it can be seen that 57.5% of the respondents agree and 36.6% of them strongly agree that they know the values of their organization. This is a positive perception since it means that the employees are well informed and educated concerning the values of the organization. Simoneaux and Stroud (2014) stated that culture could be strengthened by reinforcing the organization's values and mission statement. This is because the values are the cornerstone of culture and must be part of everything that is done in an organization. Another significant majority highlighted that values of their organizations are very important in ensuring the execution of business strategy. It was also found that majority agreed that incorporating organizational values results in good atmosphere and working of shop floor employees at work.

It has also been seen that 50.3% and 34.1% of the respondents agreed and strongly agreed that organizational culture in their company is strong and sustained whilst 83.7% of them collectively agreed and strongly agreed that the organization's culture influences the behavior of shop floor employees in a way that they want to achieve good results for the organization. This is in line with the comment by Istochescu (2002) in that the organizational culture can influence the performance of an organization when it supports its business objectives, internalized deeply by the employees of the organization and is widely shared.

It has also been noted that 80.8% of the sample agreed (55.3%) and strongly agreed (25.5%) that the organization values contributions made by shop floor employees whilst 91.5% of the sample agreed and strongly agreed that key to high shop floor employees performance is a strong organizational culture. The aforementioned findings shed light on the fact that organizational culture is of paramount importance within an institution for sustained levels of success. In all the ten statements there were some respondents who highlighted that they were neither agreeing nor disagreeing with the statements.

This is consistent with the comments by Jain and Jain (2013) that a culture in which the employees are appreciated and recognized for their efforts helps them understand why these efforts are critical for the organization to achieve its strategic mandate. This also demonstrates the importance of the comment made by Nioata and Stancioiu (2013) that there is a tight connection between strategy and culture and this connection is involving the approach of an organization when it comes to culture. This connection also evolves to favor the execution of business strategy (Nioata and Stancioiu, 2013).

Results showed that some employees did not agree that their organizations value contributions made by them. The category of disagree was the highest one under this objective. There could also be a link on this finding with the aspect of rewards under point 5.3 above where there was a significant number of employees not agreeing that their organizations reward for training they attained. This could therefore be the cause of this disagreement that management value contribution made by employees. Jain and Jain (2013) also indicated that if the work environment and culture are cultivated intentionally, the ability of an organization to execute its business strategy improves dramatically. The findings under this objective therefore illustrate that the shop floor

employees are of the view that the organizational culture with values as its cornerstone, have a tremendous impact on the successful execution of business strategy. This therefore implies that senior managers or leaders in the manufacturing organizations should adopt strategies that help create enabling working environment for all the employees as good working atmosphere due to organizational culture leads to sustained levels of successes.

### **5.5 Perceptions on Leadership Engagement's Influence on Execution of Business Strategy Execution**

The sample reveals that 54.6% and 39.1% of the sample agreed and strongly agreed that leadership engagement with the shop floor employees is very important for the successful execution of business strategy. This constitutes a total of 93.7% of the sample who are strong on leadership engagement with shop floor employees highlighting a need for clear and effective communication between employees and management or leaders and followers. This finding indicates that employees feel strong about leadership engaging with them highlighting the importance of clear and effective communication between employees and management. This is in accordance with Dolphin (2005) comment that since internal communication rests between the leaders of the organization and the employees, it reflects the ability of the management in building the relationship between internal stakeholders across all the levels within an organization.

It has been noted that 83.7% of the sample agreed and strongly agreed that their organization takes shop floor employee engagement seriously. It is also evident that 55.2% and 25.4% i.e. 80.6% of the sample agreed and strongly agreed that there is common understanding of what engagement means in the organization. Associated with this is the fact that 55.5% and 22.3% i.e. 77.8% of the sample agreed and strongly agreed that the role of engagement in the organization is well defined. For employees to understand engagement and its role is very crucial for an organization. This is demonstrated by what Kennedy and Daim (2010) highlighted by stating that employees who are engaged experience great passion for the work they do, produce superior quality goods and feel the contribution they make help the organization to move forward.

86.6% of the sample understand what employee engagement is whilst 85.9% of the respondents feel that they are maximally engaged when they are at work. This is a good sign hence employees understand the rules of engagement at work and have a high work ethic. The results show that just under 80% i.e. 78.2% of the sample agreed (51.6%) and strongly agreed (26.6%) that colleagues are maximally engaged when they are at work. It is also found that 82.4% of the sample agreed and strongly agreed that the management in their organization assist them to develop confidence in their ability to do their job. This demonstrates good attribute by management regarding development of employees.

It is also confirmed by the results that 46.9% and 27.5% agree and strongly agree i.e. a total of 74.4% are positive in that management supports their need to balance their work and personal life. However, Jah and Kumar (2016) elaborated that management should possess the right capabilities for managing the employees in the manner that is nourishing. These capabilities include being responsive, respectful, participative, sociable, empathetic and proactive towards the employees. Medlin and Green (2014) supported these sentiments by stating that the organizational managers who operate their companies in accordance with good management processes and principles can expect highly improved employee engagement. This therefore indicates that adherence to management principles and processes represent actions that the managers or leaders can take with the view of enhancing the employee engagement.

An overwhelming majority agreed (94.1%) that they are confident that they can meet the goals of their job. This is very crucial as highlighted by Bindland and Parker (2010) that employees who are engaged experience emotions which are positive. Cameron, Mora, Leutscher and Calarco (2011) supported the statement above by stating that positive emotions like joy and passion lead to the activities which are positive within an organization such as teamwork and behavior of helping others. These are the ingredients attributable to the management success and the organizational excellence (Cameron *et al.*, 2011).

It was found that there was however, a 11.3% of the respondents disagreeing that management supports their need to balance work and personal life. This percentage of respondent had the highest disagree category under this objective. It is therefore indicative of either autocratic or bureaucratic leadership style practiced in these organizations. Both autocratic and bureaucratic leadership styles do not rest on employee support and have little impact on development of people and also fail to motivate them (Srivastava, 2016).

Farrell (2014) substantiated further that autocratic leaders are typically not experienced with the leadership thrust upon them with regards to assignment or new position which involves management of people whilst bureaucratic leaders are committed strongly to processes and procedures instead of people they lead. Therefore, lack of support by management as highlighted by this section of employees shows that leaders place work first and care to well being of employees is not a priority. This highlights low levels of engagement being present in these organizations as a result of this finding.

The main finding with respect to this objective is that the shop floor employees highlight employee engagement as being essential for the successful execution of business strategy. This implies that senior management in the respective manufacturing companies should pay special attention to this fact and should also be aware that either autocratic or bureaucratic leadership style is not suitable for enhancing employee engagement. Furthermore, lack of support by management is detrimental to the execution of business strategy and it will lead to poor organizational performance.

### **5.6 Perceptions on Leadership Style's Influence on Business Strategy Execution**

The results show that just over 90% of the respondents i.e. 51.7% and 42.6% agreed and strongly agreed that good leadership style has positive impact on the successful execution of business strategy. 47.5% and 32.7% of the respondents agreed and strongly agreed that leaders in their organization are role models to shop floor employees. It has been found that good leadership style has positive impact on the successful execution of business strategy. Furthermore, majority of employees pointed out that leaders in their organizations are role models to shop floor employees. This

illustrates how important the leadership styles are and their impact on the subordinates. Maseko and Proches (2013) attested to this by explaining that leadership styles determine the success of the organizational strategic objectives which therefore indicates the importance of leadership aspect towards the organizational success.

It is also evident that 83.7% of the respondents collectively agreed (55.3%) and strongly agreed (27.4%) that leaders in their organization reassures subordinates that obstacles will be overcome. This is a hallmark of great foresight and vision that the leadership gives as an assurance to the shop floor employees. Furthermore, Baicher (2005) highlighted that leaders are role models demonstrating personal commitment to the goals and values set by their organizations. They also have the ability for creating a compelling vision and achieving the personal commitment together with enthusiasm of the groups they lead (Baicher, 2005). Zhou (2014) added that when people recognize that they have the support from their leaders and also learn the behaviours of these leaders whom they perceive as being attractive, they achieve excellence.

The results further reveal that 83% of the respondents collectively agreed and strongly agreed that leaders in their organizations draw attention to the importance of shared sense of mission. This is clear evidence existence of vision and forward thinking within the organizations. It is also found that about 70% (i.e. 69.9%) of the respondents feel strongly that leaders display a management style of little involvement. This also correlates with the finding made under 5.5 above where there was evidence of little management support found to exist. Many employees also pointed out that management discipline employees for bad performance and this practice is consistent with the bureaucratic style of leadership where emphasis is placed on processes, procedures and results

It is also seen that 21% of the respondents collectively disagreed and strongly disagreed with this aspect of management style. This is therefore an area that will need improvement and attention. The sample shows that 81.2% of the respondents agreed (49.4%) and strongly agreed (31.8%) that leaders in the organization discipline employees for bad performance whilst



The results reveal further that 79.2% of the respondents concur collectively that achievement of business goals by shop floor employees in their organizations is rewarded whilst we see that just under  $\frac{3}{4}$  of the respondents i.e. 74.8% of them agreed (53.1%) and strongly agreed (23.7%) that leaders in the organization always consult with the shop floor employees when important decisions are to be taken. This highlights teamwork and great sense of accountability between the leaders and the employees.

The study findings revealed that the bureaucratic leadership style in the manufacturing companies is prevalent. Even though management do consult, lack of involvement and emphasis on disciplining the employees for poor performance are some of the contributors to low employee morale and engagement. This will have a negative impact on the execution of business strategy leading to poor organizational performance. Finally, this study has established that the shop floor employees were unanimous in their perception that leadership style influences the successful execution of business strategies in the manufacturing companies. However, caution on this regard is that lack of involvement together with management's emphasis on disciplining employees for poor performance in the manufacturing companies have been highlighted as areas where management should improve on.

### **5.7 Perceptions on Work Experience's Influence on Business Strategy Execution**

Analysis of the results shows that an overwhelming 93.4% of the respondents collectively agreed and strongly agreed that shop floor employees work experience is very important for the execution of business strategy whilst 94% of the respondents together agreed (57.2%) and strongly agreed (36.8%) that their work experience is enabling them do their job better. It has been found that work experience is very important for the execution of business strategy and also enables employees do their job better. This finding supports the conclusion from the study conducted by Daveri and Parisi (2015) that both managers and employees level of experience is crucial for the betterment of the job and also matter for the growth of productivity.

The results further reveal that 93.6% of the respondents agreed and strongly agreed that on the job training is important for shop floor employees to achieve high competence levels whilst 46.2% and 25% of the respondents agreed and strongly agreed that work experience is more important than formal education in their organizations. 17.7% of the sample was completely neutral in this aspect. The results reveal further that a similar trend exists when considering if formal education is more important than work experience in their organizations since 45.9% agreed, 23.6% of the respondents strongly agreed and 20.1% are neutral with respect to this issue. The findings also illustrate the importance of both as Li, Li and Zhu (2016) pointed out that work experience enriches the understanding of employees on aspects of their job. It also frees them from trivial and basic aspects of their work which enables them to see the bigger picture (Li, Li and Zhu (2016). Furthermore, Helyer and Lee (2014) highlighted that higher education develops people and it is the most important tool for enhancing job performance.

This finding could also be linked with Figure 4.9 where it was found that majority of the respondents had 11-20 years experience followed by those with less than 5 years experience. The modal classes for age as per Figure 4.3 were more or less the same where 35.1% are at 31-40 years and 34.5% are at 21-30. Figure 4.7 indicated that the majority of respondents had high school education followed by 25.5% with diplomas. Collectively, the interpretation on this regard is that majority of respondents older than 31 years valued work experience more than education as their education level was up to high school.

Furthermore, majority of younger employees younger than 30 years valued education more than work experience as their education level is higher than high school. Morrison (2011) cautioned though that employees with little work experience that in many instances are younger ones require attentive concentration for accomplishing the tasks and for acclimatizing. Equally so, veterans or more experienced employees have the knowledge and information which will assist the organization to learn, prevent mistakes through problem solving for instance and improve the performance. Li, Li and Zhu (2016) emphasized that the experienced employees though are the intelligent resources and crucial assets for any organization.

The revelation from the results show further that 84.5% of the sample collectively agreed and strongly agreed that both work experience and formal education are important in their organization whilst 91.8% agreed and strongly agreed that they have made performance improvements in their organization through their work experience. The interpretation on this regard is that both modal classes of those respondents who agreed that work experience is more important to formal education versus those who stated that formal education more important than education unanimously agree that a combination of both formal education and work experience is key for execution of business strategy.

As majority of employees highlighted that work experience is more important than formal education, there was also a significant majority that felt that formal education is more important than the work experience. This demonstrates that the aspect of work experience and formal education in the workplace certainly does have its own merits and demerits in the mindsets of respondents.

From the results, it has been noted that the work experience enabled them to get promoted in their organizations and also enables them to do problem solving better in their organization. These results are consistent with the study conducted by Coulombe, Grenier and Nadeau (2014) in Kenya where it was found that the impact of work experience quality on the output per employee was almost three times as large compared to that of education or schooling quality. The implication of the results do show that shop floor employees perceive work experience as affecting the successful execution of business strategy. The findings also reveal that work experience has a direct bearing on the organizational performance and when combined with formal education, its impact is perceived by shop floor employees as even better. Management should therefore be cognizant of this fact especially when recruitments and promotions are made, as it will lead to better organizational performance when handled correctly.

### **5.8 Hypotheses Testing**

The null hypotheses for all the demographic variables were generally found to have p-values above 0.05 significance level. The decision was therefore to accept all the null hypotheses and concluded that the demographic variables had no difference in the influence of training level, work experience, leadership engagement, business culture and leadership style on the execution of business strategy in the manufacturing companies. Finally, null hypotheses for all other variables, namely training level, work experience, business culture, leadership engagement and leadership style were found to have p-values less than 0.05 significance level.

The decision was therefore to reject  $H_0$  on all of them and concluded that these variables (namely, training level, work experience, business culture, leadership engagement and leadership styles) lead to successful execution of business strategy in the manufacturing companies.

### **5.9 Multiple Regression Analyses**

It was found that all the variables had positive linear relationship. This means that any increase in one of the variables will lead to a positive increase of another. Strong relationship existed between training level and leadership engagement influence, leadership engagement and leadership style on the execution of business strategy. The indication in this regard is that there is a positive relationship between the execution of business strategy(dependent variable) and all the independent variables (training level, work experience, business culture, leadership style, leadership engagement) as perceived by shop floor employees.

This is confirmed by Bhuvanaiah and Raya (2014) as they stated that when an employee becomes engaged, he/she gains intrinsic motivation that helps him/her to feel energized for performing a task. Supported by Berens (2013) emphasizing that true employee engagement happens when companies get to the root of what creates the right behavior, what people care about and how the bigger picture is perceived. It is the opinion of the researcher that the combination of leadership style and engagement is fundamental especially for business strategy execution since they both create an enabling environment within which shop floor employees feel that management cares, supports

and is involved. In turn, employees exert more effort and remain engaged which is key for successful strategy execution.

On the other hand, Maseko and Proches (2013) explained that the style of leadership determines the success of the organizational objectives that must be delivered which is indicative of the importance of leadership style aspect towards the organizational success. As far as training goes, Chen, Sok and Sok (2007) stated that training plays a pivotal role in the productivity and success of any organization. It is also a dominant factor in shaping the attitudes of employees and increases the skills base which consequently leads to increased employee competence levels (Fawad, 2012). The importance of these individual variables signified their combined impact on the successful execution of business strategy as the correlation analysis highlights.

#### **5.10 Reliability and Validity Results**

All the variables for the study had correlation coefficients above 0.7. This is an important finding as it indicates the study results are reliable and replicable. This therefore means that the results from this study could be generalized to the entire population of the manufacturing results. Furthermore, all factors had Cronbach's Alpha greater than 0.7 indicating good internal consistency which also shows that the questionnaire was valid.

#### **5.11 Hypothesized Conceptual Framework**

The study followed the Human Resource Based Theory (HRBT) approach. The HRBT suggests that employees' skills, knowledge, expertise, quality, business culture, leadership style, engagement, experience and training are key for strategy implementation. Since skills, quality, expertise and knowledge have been researched before, this study has therefore expanded on these other variables namely:

- business culture,
- leadership style,
- engagement and
- experience
- Training

It was hypothesized as depicted in Figure 2.5 that the shop floor employees perceive business culture, leadership style, employee engagement and work experience as key variables for successful business strategy execution. All the null hypotheses on these variables were rejected and alternate hypotheses accepted. The decision on all of these variables was that they have influence on the successful execution of business strategy.

This finding therefore contributes to the hypothesized conceptual framework regarding strategic management theories (HRBT in particular) and proves the positive significance of this study with respect to its contribution to the body of knowledge. Furthermore, Ologbo *et al.* (2012) pointed out that the fundamental principle of the HRBT is that the sources of a company's competitive advantage lie in its competent and efficient workforce which no rival can copy. Hamid (2013) also explained further that SHRBT contribute to the improvement of the firm's performance.

The findings on this regard highlight that the shop floor employees' perspectives in the manufacturing companies are vital and if management embrace them, they will lead to effective business strategy execution. Consequently, the business performance with respect to productivity levels will be enhanced. Finally, embracing their perspectives and focusing on all the findings of this study will enable companies in this sector adopt competitive strategies. That will lead to sustainable competitive advantage of companies in this sector and good sector performance which is vital for contributing positively to the economic growth of South Africa. This is fundamental for job creation and poverty alleviation which are key for the country's prosperity.

Since it was hypothesized in Figure 2.5 that business culture, leadership style, employee engagement and work experience are key for business strategy execution, the results from this study have therefore proven that these variables are indeed significant for the successful execution of business strategy and this knowledge is a crucial contribution to the field of strategic management.

### **5.14 Chapter Summary**

This chapter outlined the key findings from the study. The challenges regarding Blacks being the majority race at the lower levels within the South African manufacturing companies, lower educational levels and lower average age still exists as per previous studies. However, the demographic variables were found to have no impact on how the shop floor employees perceive the execution of business strategy.

Training was found to have an impact on the execution of business strategy. It was also found that if employees are rewarded for high levels of training attained, it will lead to high levels of self-efficacy which ultimately results in higher levels of organizational performance. The findings further revealed that organizational culture with values as its cornerstone, does have an impact on the execution of business strategy.

It has also been found that leadership engagement is very important for execution of business strategy. Lack of support by management has negative impact on the execution of business strategy and leads to poor organizational performance. In addition, leadership style was also found to have an impact on the execution of business strategy. Another finding in this regard was that a bureaucratic leadership style prevails in the manufacturing sector and this style of leadership is unsuitable for the successful execution of business strategy. Finally, work experience was also found to have an impact on the execution of business strategy as perceived by the shop floor employees.

Hypothesis testing illustrated the significance of variables studied on the execution of business strategy and all these variables were found to have a positive linear relationship. The variables were also found to have correlation coefficients above 0.7. This indicates that the study results are reliable and replicable.

The recommendation, conclusion and suggested future work will be outlined in chapter 6.

## **CHAPTER SIX**

### **CONCLUSION AND RECOMMENDATIONS**

#### **6.1 Introduction**

The previous chapter outlined the discussion of the findings from the study. The aim of the study was to evaluate the perceptions of shop floor employees on the influence of leadership style, leadership engagement, business culture, work experience and training level with regards to execution of business strategy. The conclusion and recommendations are therefore made under the respective headings below.

#### **6.2 Conclusion**

This research was based on the perceptions of shop floor employees on the influences of training level, business culture, leadership engagement, leadership style and work experience on the successful business strategy execution. All of the aforementioned variables were found to be of positive influence on the business strategy execution, as per employees' perceptions. Approximately 80% of respondents from the targeted population were positive in their perception of training level influence, business culture influence, leadership engagement influence, leadership style influence and work experience influence on the successful business strategy execution. This is an astounding finding in that these factors are working successfully within the ambit of the surveyed organizations.

There is generally a positive attitude about the necessity of training and its application to the job setting within the organizations. The importance of ongoing training cannot be over emphasized and this is no different from the perceptions of employees of the organizations involved in the study. Training is perceived as paramount to promotion, application, upgrade and opportunity to sharpen one's skills. On the flip side, it is encouraging to note that the management in these organizations is always willing to have the shop floor employees given opportunity to train and hone their skills within the organizations.



One of the key findings of the research is the prevalence of the organizational culture within the organizations involved in the study. One gets the perception that these organizations foster a spirit of collegiality which continuously endeavors to breed success. The bottom line is that where there is a conducive atmosphere for shop floor employees to work in, there is harmony and employee satisfaction. The business culture of the surveyed organizations is a great achievement to the well being of shop floor employees in promoting a very high work ethic.

The leadership engagement is also a noteworthy facet of the organizations. There is continuous and open leadership engagement with the shop floor employees and the end result is open and clear communication. This factor ultimately leads also to the successful business strategy execution. The finding that there is two-way accountability between leadership/management and shop floor employees is something that makes everyone feel valued and important enough no matter what their role is.

Another key finding in the research is that of the leadership style. Leadership style was found to be a hallmark of great foresight and vision that the leadership gives as an assurance to the shop floor employees. The leadership style is expedient in overcoming obstacles, sharing the vision and mission of the organization as well as the goals. However, the leadership style is an area of improvement since it was found that about 70% of the respondents felt strongly that leaders display a management style of little involvement.

Work experience was found to be extremely important in successful business strategy execution. On the job training, formal education and work experience are extremely important in the success of the organization. The work experience is perceived as an important factor in the holistic success that comes from business strategy execution. Work experience is key determinants for shop employees to get work promotion and develop problem solving prowess.

### **6.3 Recommendations**

Recommendations in this section are based on the study findings. They will also encompass what the employees highlighted as (a) important and contributing to the successful execution of business strategy and (b) key for their organizations to implement in order that the execution of business strategy will be enabled. Recommendations are therefore made under respective headings below:

#### **6.3.1 Demographics**

Since it has been established that the manufacturing sector is still dominated by black males at shop floor level, organizations within this sector should adopt programs with clear deadlines as to when leveled equity requirements will be achieved. These programs, once done, should be made known to all stakeholders (internal and external). During implementation, processes should be transparent so that hurdles are identified and resolved promptly. This will help build trust between management and employees as the latter will have seen management's commitment for redressing some of the past imbalances.

With the emerging trend of shop floor employees with post matriculation qualifications, it is important for management to review the human resource policies and develop training programs that will allow this young educated workforce impart the academic knowledge they acquired in their work places. Furthermore, human resources policies should encompass strategies for their retention as they are highly mobile more so if they perceive themselves as being under-utilized.

#### **6.3.2 Training Level Influence on Business Strategy Execution**

Manufacturing companies should continue with investments on training as this came up as a strength regarding what they are currently doing. On-going investments on training will complement the current positive belief by employees that training leads to superior business results. Furthermore, management should also continue to allow employees impart what they have learnt during training on their jobs, set realist and achievable goals. This will boost the employee commitment levels to organizational goals and will also re-enforce employees' belief that management is serious about their well-being.

However, management must develop policies or programs which must also encompass guidelines with regards to how should the rewards for training acquired by employees be controlled and managed. It is important to highlight that the rewards or incentives should not only be of monetary value in nature, management should also have non-monetary incentives as part of the incentives program for training acquired. This approach will assist in ensuring that money will not be perceived as the only tool for rewarding training acquired as money is not the only motivator in general terms. Examples of non-monetary incentives that management could consider are for instance:

- Providing a day off outside of an employee's annual leave.
- Offer a tangible recognition to an employee who excelled in training and implementing positively towards organizational goals given the training acquired. This could be done by issuing a letter/certificate to an employee signed by a senior manager/executive acknowledging the achievement by an employee.
- Offer a reward based on a specific interest by an employee. This could be tickets for a soccer match, voucher of a particular shop /restaurant/music theatre, etc.
- Creating a monthly or quarterly awards ceremony to showcase those who excelled in training and publicly acknowledging their achievement and contribution.

Therefore, whatever program the organization chooses to adopt and implement it should do so consistently in order for employees to see its seriousness when it comes to training support. In turn, this will lead to successful execution of business strategy.

### **6.3.3 Business Culture Influence on Business Strategy Execution**

Since employees highlighted that their organizations have values statement and also believe that these lead to a good organizational culture which is pivotal for the execution of business strategy, it is important that management in these organizations capitalize on this positive perception by reinforcing the organizational values and their importance. Also, management should have relevant values linked to the vision of an organization. This means that when employees espouse values which contribute positively to the organizational culture, execution of business strategy under such climate will be amplified.

Given the finding that some of the employees within the manufacturing sector highlighted that their organizations do not value the contribution they make, it is recommended that the organizations implement some of the recommendations made under section 6.3.2 above. Furthermore, management in these organizations should involve employees when values are developed. If the development process was encompassing, it will enhance the employees perception that their organization value their contribution as well which will lead to them espousing the same values they were part of in creating therefore strengthening the organizational culture key for business strategy execution.

#### **6.3.4 Leadership Engagement Influence on Business Strategy Execution**

The key to leadership engagement with the employees is open, clear and effective communication between these stakeholders. Therefore management should use this tool of communication across all levels of the organization as a key enabler for engagement as engaged employees experience great passion for the work they do, produce superior results and these are vital for execution of business strategy. Since manufacturing companies exist primarily to maximize the wealth of shareholders, it is important for management to ensure that employees have balanced work and personal lives. It is very easy to push employees at all cost to achieve business goals at the expense of their personal lives. Ensuring that employees have balanced work and personal lives could be achieved by doing the following among others:

- Communicating business plans in advance so that employees can plan their lives in accordance to the future requirements of the organization
- Explain the rationale for any future requirements to maximize understanding.
- Use verbal communication as a preferred tool when important messages are to be conveyed instead of sending emails or internal memoranda. This will also be a powerful tool for engagement as it will also demonstrate management involvement and their seriousness when it comes to valuing of employee contribution.

It is important to highlight that engagement should not be viewed as a goal but as a way of life by both management and employees. In so doing it will lead to a strong organizational culture as direct communication will be a way of life in these organizations.

### **6.3.5 Leadership Style Influence on Business Strategy Execution**

Management in the manufacturing sector should take advantage of the existing perception by employees that they are seen as role models. This is a positive attribute and will enhance any mentoring or coaching by management to employees especially if the mentoring or coaching is geared towards attainment of the strategic goals for the organization's prosperity. Ultimately, it will lead to the business strategy being executed successfully.

The finding of little involvement and support by management displayed evidence of autocratic or bureaucratic style of management. This is not suitable for successful execution of business strategy especially when there is a need for leadership engagement with the employees and also where teamwork is valued and encouraged for attainment of positive business results. It is recommended that the management become more involved even to the extent of having team building exercises and workshops with the shop floor employees. It is also recommended that management adopt a transformational leadership style as it is very conducive for the successful execution of business strategy

A transformational leader uses expertise, vision and knowledge to change those who are around him/her in a manner that makes them followers with that buy-in which remains even when the leader who created it is no longer around. Therefore, at the core of this leadership style is the aspect of people development. This means that when employees are influenced in a manner that they have a buy in through leadership engagement, the atmosphere within which the execution of business strategy happens, is enhanced.

### **6.3.6 Work Experience Influence on Business Strategy Execution**

As majority of employees in the manufacturing sector have high work experience but low in terms of academic achievements or qualifications, it is important that the organizations come up with strategies regarding management of knowledge to retain this valuable asset. Organizations should also develop plans to effectively utilize and retain the emerging young and educated graduates in the lower levels of the organizations. The results showed that both education and work experience were key for execution of business strategy. Therefore, young and educated graduates bring an important dimension regarding education which is also crucial for successful execution of business strategy.

Strategies must be developed to mix these two groups of employees (young and educated plus older and experienced) in respective work areas for achieving synergies when it comes to business performance. In so doing, both groups will exchange knowledge, expertise and this will allow strengthened teamwork across different age groups and race.

### **6.3.7 Recommendations as suggested by employees**

As employees highlighted what in their view should the manufacturing organizations do to enhance the execution of business strategy. Although these recommendations were not somehow related to the study objectives, they did however provide some insights into future studies along the lines of successful strategy execution. Table 6.1 summarizes these recommendations and comments.

Table 6.1: Summary of recommendations by employees

Recommendation	Comments
1. Improve teamwork	<p>Teamwork by nature serves as a good supporting tool for individual team members especially when problems are experienced. As teams bring new ideas and solve the problems collectively, morale is high where teamwork is part of the organizational culture.</p> <p>Therefore, it is highly recommended that manufacturing organizations strive towards having integrated teams (management, shop floor employees and other employees in general) across all levels of their organizations. This will also enhance engagement levels, improved levels of communication leading to conducive climate within which business strategy execution is greatly improved.</p>
2. Treat others with respect	<p>Respect is paramount to employee engagement and contributes immensely to job satisfaction. This is because in a respectful workplace employees are highly engaged and very productive. Lack of it leads to conflicts, misunderstandings, poor attendance and subsequently poor execution of business strategy. Good and relevant leadership style is therefore instrumental in achieving this.</p> <p>It is recommended that manufacturing organizations incorporate this value</p>

	<p>(treating others with respect) in their values' statement and lead by example on this regard. Likewise The value' statement must be promoted in such a way that respect is dual and not perceived as paramount to leadership only, but to the entire work community.</p>
3. Improve on open communication	<p>Open communication is very important as it allows employees to be more engaged and helps them understand why decisions are taken for the success of an organization. Consequently, this leads to everyone being on the same page and moving in the same direction towards the attainment of the business goal. Therefore at the heart of leadership engagement with employees, leadership style and organizational culture, is open communication.</p> <p>It is therefore recommended that management develop and adopt routines where organizational goals, general organizational matters are communicated frequently so that any issue surfacing gets dealt with immediately. This will allow everyone to move on at the same pace within an organization.</p>
4. Develop skills and training programs	<p>Skills development is very crucial as it allows the employees do their job better. This also ensures that employees are up to task with respect to technological changes as well. Ultimately, developing</p>



	<p>employee skills in the work place leads to increased consistency of results and improved performance.</p> <p>Management should therefore adopt training and skills development programs which will allow employee' skills and training to be developed on a continuous basis. The costs associated with this initiative are initially high but as economies of scale is achieved through skills development, benefits off set them.</p>
5. Have attainable goals	<p>Goals are of utmost importance as they allow a clearer focus on what is important, enhance decision making since what needs to be achieved is clear and gives control of the future.</p> <p>Management should therefore set goals which are important to the vision of their organizations. Therefore, they need to ensure that these are linked to the organizational vision, are measureable and attainable as well. These will serve as a good motivator to the employees as they will also reinforce the reason to do what they are supposed to do in order for business strategy execution to be enhanced and successful.</p>
6. Upgrade technology	<p>Technology allows employees to be productive and efficient. It allows organizations to be competitive and industry relevant.</p>

	<p>It is therefore recommended that management should invest in technologies pertaining to their resources and capabilities. This should be done in conjunction with aspects of skills and training programs outlined under point 4 above. It is very crucial that organizations view these aspects not in isolation as they could be a good source of sustainable competitive advantage which is vital for the organization's survival.</p>
7. Constant rewards and compensation	<p>When employees are rewarded and/or compensated for goals achieved their morale, engagement levels and job satisfaction levels increases tremendously.</p> <p>Recommendations on this regard should be as outlined under section 6.3.2 above.</p>
8. Improve on safety	<p>Safety of employees in general is very important at the workplace as it reduces cost in cases of accidents, improves absenteeism, helps sustain employee morale and enhances organization's brand value.</p> <p>Manufacturing organizations should therefore develop and adopt safety programs which will allow enhanced safe and healthy working environments within which employees will be happy and not feel scared to be productive.</p>
9. Improve on business ethics	<p>Good ethical behavior leads to improved productivity, strong teamwork culture,</p>

	<p>better asset care and protection as incidents of property damage, theft and maintenance costs for instance are minimized. Furthermore, good business ethics leads to a strong brand value and public image that may lead to a sustainable competitive advantage of the organization.</p> <p>It is therefore recommended that the manufacturing organizations develop comprehensive ethics programs and codes of conduct. These must encompass all behaviors pertinent to the organization, processes to be followed when deviations are observed, contact people and guidelines for help in cases of emergencies. After all, attention to ethics in the workplace is the right thing to do.</p>
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#### 6.4 Significance of the Study

The study is significant in that previous studies have found lack of training, skills, and old machinery technologies as the main reasons for poor business strategy execution. The fact that the study highlighted the key variables not previously evaluated within the manufacturing sector in view of the business strategy execution, renders it significant. It has also brought the perceptions of shop floor employees to the fore who are in many instances the ones responsible for executing the business strategy. Therefore, conducting the study from their perspective was key and closes the loop in terms of bottom up approach.

Companies will also adopt new strategies for recruiting future leaders and developing the current ones in view of the findings from this study, which is crucial for the viability of this sector. For the South African manufacturing sector companies, the study has brought the new perspective on how business culture, leadership styles, employee

engagement, work experience and training level are correlated and impactful on the execution of business strategy. A lot is known on these variables given the extent of prior research. However, no research had been undertaken specifically within the manufacturing sector to understand their impact on successful execution of business strategy. Since this is also the first study undertaken using a new approach of seeking shop floor employees perspectives, signifies its contribution to the body of knowledge in the realm of strategic management.

### **6.5 Limitation of the Study**

The main aim of this study was to evaluate the execution of business strategy in the selected manufacturing companies at Pietermaritzburg. It focused on the two companies in this region of the KwaZulu Natal province. There are many manufacturing companies within this region conducting business in transport equipments, metal products, electric equipment and chemicals. Due to time and budget constraints, the study was limited to the metals companies and those ones located in Pietermaritzburg in particular. Furthermore, some other manufacturing companies are not concentrated in the Pietermaritzburg region, they are sparsely located across the province which exacerbated the challenge of reach by virtue of the geographic area to be covered.

During the primary data collection phase, administration of questionnaire became a challenge especially to those respondents who could not complete the questionnaires on time. Some decided to take them home and upon collection, most of the respondents had misplaced them and consequently leading to a researcher having to re-issue and re-administer. Furthermore, there were incidents of missing pages or complete loss of the questionnaires and at times participant's turnout bad as a result of unforeseen company requirements. Alternative measures were embarked on despite the inconveniences.

## **6.6 Further Research Areas**

There are other sectors of South African economy which contribute to the Gross Domestic Product of this country. For example mining is one of them and further studies could be conducted to evaluate if the variables researched from this study could be used to unlock potential and see if this industry could be more viable to the economic growth of South Africa.

As strong positive linear relationship was found to exist between leadership style and engagement, the rationale for this needs to be explored further. This will assist the organization best match the job requirements with the potential manager/leader which in turn will enhance a sustained business strategy execution. The same will also apply to the strong positive linear relationship found to exist between training level and leadership style. There was nothing significant found from the literature review that could inform this relationship and hence it will be the good basis to investigate this further.

Furthermore, this study focused on the perspectives of shop floor employees in the selected manufacturing companies, future study could also focus on the perspectives of senior managers or executives and/or other staff employees for establishing their perceptions on the execution of business strategy.

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# APPENDIX A

## QUESTIONNAIRE

### A. DEMOGRAPHICS

1. What is your gender?

Male	Female
------	--------

2. What is your age?

≤ 20 years	21-30 years	31-40 years	41-50 years	>50 years
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3. What is your race?

Black	White	Indian	Coloured	Other
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4. What is your education level?

No education	Primary school	High School	Diploma	Degree	Postgraduate
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5. What is your work experience?

≤ 5 years	6-10 years	11-20 years	21-25 years	>26 years
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### B. PERCEPTIONS OF TRAINING LEVEL INFLUENCE ON SUCCESSFUL BUSINESS STRATEGY EXECUTION

1. My organization has a training policy applicable to shop floor employees

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

2. Shop floor employee training levels lead to superior business results

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------



3. My training level is very important for shop floor employees to progress higher within our organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

4. My organization links training with the company business strategy

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

5. Shop floor employees training is taken seriously by my organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

6. My organization provides us with more training in order for us to achieve good business results

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

7. There are rewards in my organization for high shop floor employees training level

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

8. Management gives shop floor employees the chance to tryout their training on the job

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

9. Management helps shop floor employees set realistic goals for performing their work as a result of their training

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

10. Management ensures that shop floor employees have the opportunity to use their training immediately

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

### **C. PERCEPTIONS OF BUSINESS CULTURE INFLUENCE ON SUCCESSFUL BUSINESS STRATEGY EXECUTION**

1. The business culture in my organization enables shop floor employees to perform to their best ability

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

2. I know the values of my organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

3. The values of my organization are very important in ensuring that the business strategy is executed successfully

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

4. Incorporating organizational values result in good atmosphere and working of shop floor employees at work

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

5. Organizational culture in my company is strong and sustained

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

6. My organization's culture influences the behavior of shop floor employees in a way that they want to achieve good results for the organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

7. Cultural values in my organization create excitement and motivation for shop floor employees

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

8. Culture in my organization helps me grow on a personal level and professionally

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

9. My organization values contribution made by shop floor employees

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

10. The key to high shop floor employees performance is a strong organizational culture

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

**D. PERCEPTIONS OF LEADERSHIP ENGAGEMENT INFLUENCE ON  
SUCCESSFUL BUSINESS STRATEGY EXECUTION**

1. Leadership engagement with the shop floor employees is very important for the successful execution of business strategy

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

2. My organization takes shop floor employee engagement seriously

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

3. There is common understanding of what engagement means in my organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

4. The role of engagement in the organization is well defined

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

5. I understand what employee engagement is

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

6. I am maximally engaged when I am at work

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

7. My colleagues are maximally engaged when they are at work

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

8. I am confident that I can meet the goals of my job

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

9. Management in my organization assist me to develop confidence in my ability to do the job

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

10. Management supports my need to balance work and personal life

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
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## **E. PERCEPTIONS OF LEADERSHIP STYLE INFLUENCE ON SUCCESSFUL BUSINESS STRATEGY EXECUTION**

1. Good leadership style has positive impact on the successful execution of business strategy

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

2. Leaders in my organization are role models to shop floor employees

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

3. Leaders in my organization reassure subordinates that obstacles will be overcome

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

4. Leaders in my organization draw attention to the importance of shared sense of mission

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

5. Leaders in my organization communicate an exciting vision of the future

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

6. Leaders display a management style of little involvement

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

7. Leaders in my organization discipline employees for bad performance

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

8. I am happy with the leadership style in my organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

9. Achievement of business goals by shop floor employees in my organization is rewarded

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

10. Leaders in my organization always consult with the shop floor employees when important decisions are to be taken

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

#### **F. PERCEPTIONS OF WORK EXPERIENCE INFLUENCE ON SUCCESSFUL BUSINESS STRATEGY EXECUTION**

1. Shop floor employees' work experience is very important for the successful execution of business strategy

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

2. My work experience is enabling me do my job better

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

3. My organization takes shop floor employees' work experience into account when important decisions are made

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

4. On the job training is important for shop floor employees to achieve high competence levels

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

5. Work experience is more important than formal education in my organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

6. Formal education is more important than work experience in my organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

7. Both work experience and formal education are important in my organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

8. I have made performance improvements in my organization through my work experience

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

9. My work experience enabled me get promoted in my organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

10. Work experience enables me to do problem solving better in my organization

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
-------------------	----------	----------------------------	-------	----------------

## **FACTORS THAT CAN IMPROVE BUSINESS STRATEGY EXECUTION**

1. What are the most important factors that contribute towards successful execution of business strategy in your organization? State at least 5

a)

b)

c)

d)

e)

2. What in your view should your organization do to enable the successful implementation of business strategy? Mention at least 5 things

a)

b)

c)

d)

e)

## APPENDIX B



**COLLEGE OF LAW AND MANAGEMENT STUDIES  
SCHOOL OF MANAGEMENT, INFORMATION TECHNOLOGY &  
GOVERNANCE**

### **Informed consent letter - questionnaire**

Dear Respondent,

#### **Research Project**

**Researcher:** Lehlohonolo Emmanuel Makhanya, Telephone number: 033 3956356, Email: lucky.makhanya@hulamin.co.za

**Supervisor:** Dr Vangeli Wiseman Gamede, Telephone number: 033 260 6101, Email: gamede@ukzn.ac.za

**Research Office:** Humanities & Social Sciences Research Ethics Administration, Govan Mbeki Building, Westville Campus, Tel: + 27 (0)31 260 8350, Email: [hssreclms@ukzn.ac.za](mailto:hssreclms@ukzn.ac.za)

I am Lehlohonolo Emmanuel Makhanya, a PhD student in the School of Management, IT & Governance at the University of KwaZulu-Natal. You are invited to participate in a research project entitled:

**An evaluation of business strategy execution at selected manufacturing companies in Pietermaritzburg: Perspectives of shop floor employees**



The aim of this study is to: Establish how the shop floor employees perceive the business strategy execution on the manufacturing companies' achievement of higher levels of productivity

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this research project. Confidentiality and anonymity of records will be maintained by the researcher and the School of Management, IT & Governance, UKZN. All collected data will be used solely for research purposes and will be destroyed after 5 years.

This study has been ethically reviewed and approved by the UKZN Humanities and Social Sciences Research Ethics Committee (approval number\_\_\_\_\_).

The questionnaire should take about 35 minutes to complete. Thank you for your time.

Sincerely

Researcher's signature\_\_\_\_\_

Date\_\_\_\_\_

Lehlohonolo Emmanuel Makhanya

*This page is to be retained by participant*

## APPENDIX C



**COLLEGE OF LAW AND MANAGEMENT STUDIES  
SCHOOL OF MANAGEMENT, INFORMATION TECHNOLOGY &  
GOVERNANCE**

### **Research Project**

**Researcher:** Lehlohonolo Emmanuel Makhanya, Telephone number: 033 3956356, Email: lucky.makhanya@hulamin.co.za

**Supervisor:** Dr Vangeli Wiseman Gamede, Telephone number: 033 260 6101, Email: gamede@ukzn.ac.za

**Research Office:** Humanities & Social Sciences Research Ethics Administration, Govan Mbeki Building, Westville Campus, Tel: + 27 (0)31 260 8350, Email: [hssreclms@ukzn.ac.za](mailto:hssreclms@ukzn.ac.za)

### **CONSENT**

I \_\_\_\_\_ (full names of participant) hereby confirm that I understand the contents of this document and the nature of the research project, and I consent to participating in the research project. I understand that I am at liberty to withdraw from the project at any time, should I so desire.

Additional consent, where applicable

I hereby provide consent to:

Audio-record my interview / focus group discussion	YES / NO
Video-record my interview / focus group discussion	YES / NO
Use of my photographs for research purposes	YES / NO

---

Signature of Participant

---

Date

*This page is to be retained by researcher*

## APPENDIX D

### FACTOR ANALYSIS RESULTS

#### Section B

**Rotated Component Matrix<sup>a</sup>**

	Component	
	1	2
b1	.199	.605
b2	.179	.652
b3	.047	.704
b4	.112	.763
b5	.379	.646
b6	.566	.426
b7	.689	.279
b8	.783	.245
b9	.841	.077
b10	.845	.078
Reliability- Conbach's alpha	0.745	0.831

## Section C

**Rotated Component Matrix<sup>a</sup>**

	Component	
	1	2
c1	.525	.547
c2	.101	.809
c3	.198	.833
c4	.356	.664
c5	.701	.308
c6	.735	.299
c7	.827	.195
c8	.770	.283
c9	.830	.029
c10	.533	.275
Reliability- Conbach's alpha	0.872	0.791

## Section D

**Rotated Component Matrix<sup>a</sup>**

	Component	
	1	2
d1	-.062	.825
d2	.455	.623
d3	.774	.222
d4	.766	.192
d5	.778	.025
d6	.781	.165
d7	.821	.121
d8	.214	.665
d9	.583	.491
d10	.596	.272
Reliability- Conbach's alpha	0.876	0.691

## Section E

**Rotated Component Matrix<sup>a</sup>**

	Component		
	1	2	3
e1	.094	.077	.860
e2	.654	.129	.463
e3	.734	.033	.352
e4	.754	.053	.325
e5	.730	.067	.334
e6	.302	.723	-.078
e7	.020	.854	.212
e8	.775	.170	.013
e9	.796	.192	-.062
e10	.779	.220	-.087
Reliability- Conbach's alpha	0.892	0.698	Cannot be computed

## Section F

**Rotated Component Matrix<sup>a</sup>**

	Component		
	1	2	3
f1	.214	.374	.729
f2	.269	.133	.784
f3	.673	.307	.160
f4	.173	.611	.039
f5	.776	-.081	.180
f6	.440	.440	-.381
f7	.602	.125	.330
f8	.081	.688	.275
f9	.565	.329	.031
f10	.108	.747	.184
Reliability- Conbach's alpha	0.681	0.678	0.733

# APPENDIX E

## ETHICAL CLEARANCE LETTER



22 January 2018

Mr Lehlohonolo Emmanuel Makhanya 202516135  
School of Management; IT & Governance  
Pietermaritzburg Campus

Dear Mr Makhanya

Protocol reference number: HSS/2238/017D

Project title: An evaluation of business strategy execution at selected manufacturing companies in Pietermaritzburg: Perspectives of shop floor employees

### Full Approval – Expedited Application

In response to your application received 1 December 2017, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol has been granted **FULL APPROVAL**.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment /modification prior to its implementation. In case you have further queries, please quote the above reference number.

**PLEASE NOTE:** Research data should be securely stored in the discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

Professor Shenuka Singh (Chair)  
Humanities & Social Sciences Research Ethics Committee

/pm

cc Supervisor: Dr Vangeli Wiseman Gamede  
cc Academic Leader Research: Professor Brian McArthur  
cc School Administrator: Ms Deborah Cunynghame

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Humanities & Social Sciences Research Ethics Committee

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