

EFFECT OF EMPOWERMENT AND PSYCHOLOGICAL CONTRACT ON UNIVERSITY EMPLOYEE ENGAGEMENT

Aulia A. Abdhy 

Faculty of Economic Business Padjadjaran University, Bandung, Indonesia

abdhy_aulia@yahoo.com

Dwi Kartini

Faculty of Economic Business Padjadjaran University, Bandung, Indonesia

Joeliaty

Faculty of Economic Business Padjadjaran University, Bandung, Indonesia

Yunizar

Faculty of Economic Business Padjadjaran University, Bandung, Indonesia

Abstract

This study aim to identify the determinants of employee engagement at Padjadjaran University in Bandung, Indonesia. We developed a comprehensible structural model consisting of 3 latent variables, 9 dimensions and 25 indicators, in order to build a complete and integrated picture of the among empowerment, psychological contract and employee engagement. Participants were 320 personnel administration at Padjadjaran University in Bandung, Indonesia. The results indicate that there is a significant direct effect of empowerment and psychological contract on employee engagement. The findings will provide the management of the University the direction to understand the balance of performance elements with employees and trust their employees by empowering and psychological contract them to make them engaged and to help the University as well. At last, suggestions for researchers and practitioners in the field are provided.

Keywords: Empowerment, psychological contract, employee engagement, University employees, Indonesia

INTRODUCTION

One of the major challenges that management researchers and professionals have to face is how to gain organisational competitive advantage in the rapidly changing business environment (Ferres et al., 2000). To rise to this challenge, organisations operate under constant pressure to produce more with less. Thus, it is in this demanding situation that employee contribution becomes an important business issue. In fact, companies have no choice but to try to make the best of each employee's skills and capabilities (Ulrich, 1997). Therefore, organisations need a core of employees who are engaged in the organisation's values and goals, and who show their maximum potential (Cauldron, 1996; Meyer and Allen, 1997).

Effective management is the foundation for creating high morale, high productivity, a sense of meaning and belonging for the employees and also for the organization. The success of an organization depends on the ability of the organization to continuously nourish the engaged of its employees so that they can perform their best for the organization. It is generally acknowledged that Kahn (1990) presented the first academic paper about employee engagement. It offered employee engagement as a new approach to employee motivation, outlining what Kahn described as a behavioural perspective based on three dimensions of physical, emotional and cognitive engagement. In other words as claimed by Kahn (1990), employees who are engaged at workplace become caught up in their job tasks; they show their thoughts, feelings, creativity, values and their personal and strong connections to others. Moreover, engaged employees can help organizations in achieving its mission, execute its strategy and generate business results (Vance, 2006). It did not initially attract a great deal of attention. From a different perspective, some experts on workplace stress and in particular burnout began to consider the opposite end of the continuum, which they described as employee engagement (Maslach et al., 2001). From a somewhat different perspective, Macey and Schneider (2008) analysed the meanings of engagement, differentiating between what they termed trait, state and behavioural engagement, a key implication of trait perspectives being that not everyone will be equally enthusiastic about being engaged.

Despite the fact that engagement has been linked to a wide range of positive job outcomes, fewer studies have been carried out on antecedents of engagement.

Antecedent variables associated with engagement include authentic leadership (e.g. Roux, 2010), need for achievement (e.g. Burke and El-Kot, 2010), efficacy beliefs (e.g. Llorens et al., 2007), organisational justice (e.g. Inoue et al., 2010), and organisational tenure (e.g. Burke et al., 2009). However, studies have not focused on the contributing roles of psychological contract, and employee empowerment on employee engagement. Hence, in the present study we try to explore these relationships since, to our knowledge, it seems that rarely

any study has empirically examined the relationship between employee empowerment, psychological contract and employee engagement.

The purpose of this study was to investigate the relationship between Employee Empowerment and Psychological Contract on Employee Engagement with the University. The findings will provide the management of the University the direction to understand the balance of performance elements with employees and trust their employees by empowering and psychological contract them to make them engaged and to help the University as well.

LITERATURE REVIEW

Employee Engagement

Engagement is an individual's sense of purpose and focused energy, evident to others in the display of personal initiative, adaptability, effort, and persistence directed toward organizational Goals (Macey, Schneider, Barbera, & Young, 2009). Employee engagement has emerged as a potentially important topic (Simpson, 2009). Employee engagement has been linked with many positive job outcomes such as job satisfaction and performance (e.g. Gruman and Saks, 2011; Koyuncu et al., 2006; Schaufeli and Salanova, 2007), active coping style (e.g. Storm and Rothmann, 2003) and creativity (e.g. Bakker and Xanthopoulou, 2013). Given these important contributions to organizational success, it is critical for researchers and practitioners to understand the factors that lead to engagement. According to Kahn (1990), engagement means being psychologically present when occupying and undertaking any organization role (Saks, 2006; Kular et al., 2008). Kular et al. (2008) clarified that the cognitive aspect of employee engagement is concerned with the beliefs of employees about the organization, its leaders as well as the working conditions. They explained that the emotional aspects relate to the way that employees feel about those three factors and whether they have positive or negative attitudes toward the organization and its leaders. Work engagement is composed of three dimensions: vigor, dedication and absorption. Vigor refers to energy, mental resilience, determination and investing consistent effort in your job (Schaufeli, Salanova, Gonzales-Roma and Bakker 2002; Schaufeli et al. 2006). Dedication is about being inspired, enthusiastic and highly involved in your job (Schaufeli et al. 2002; Schaufeli et al. 2006). The last dimension, absorption, refers to a sense of detachment from your surroundings, a high degree of concentration on your job, and a general lack of conscious awareness of the amount of time spent on the job (Schaufeli et al. 2002; Schaufeli et al. 2006). Macey, Schneider, Barbera & Young (2009) viewed employee engagement as an attitudinal state comprising two dimensions of mental energy and behavioral energy. Employee engagement involves the simultaneous physical, cognitive and emotional investment of 'self' in one's job (Rich, Lepine and Crawford 2010).

Previous studies employing the JD–R model have focused on the role of job resources such as support, feedback, skills and autonomy as antecedents of work engagement (e.g. Schaufeli and Salanova 2007; Bakker and Demerouti 2008), but SET predicts that expectations surrounding the delivery of these resources will also be important in determining levels of work engagement. Saks (2006) argue that although, the models of Kahn (1990) and Maslach et al. (2001) indicate the psychological conditions that are essential for engagement, they do not fully clarify “why individuals will respond to these conditions with varying degrees of engagement. According to Andrew and Sofian (2012), employee engagement involves emotional and psychological relationship between employees and their organization that can be changed into negative or positive behaviors that employees show at their workplace.

Employee Empowerment

The conceptualisations of empowerment by Thomas and Velthouse (1990) and further clarification by Spreitzer (1995) is relevant in understanding the link between empowerment and work engagement. They emphasised the relevance of the psychological component of empowerment in bringing about the necessary motivation for positive job behaviour. Although Conger and Kanungo (1988) defined empowerment as the motivational concept of self-efficacy, it was Thomas and Velthouse (1990) who argued that empowerment is multifaceted and that its essence cannot be captured by a single concept. They offered a broader definition of empowerment as increased intrinsic task motivation manifested in a set of four cognitions reflecting an individual’s orientation to his or her work role. The four cognitions include: meaning, competence, self-determination and impact. Meaning refers to the value or importance of the task goal or purpose, judged in relation to the individual’s own ideas or standards reflecting a fit between the requirements of a work role and a person’s beliefs, values and behaviours (Thomas and Velthouse, 1990). Competence or self-efficacy is defined as an individual’s belief in his or her capability to successfully perform activity with skills (Spreitzer, 1995). Self-determination is an individual’s sense of having a choice or freedom in initiating and regulating actions (Deci and Ryan, 2000). Conger and Kanungo (1988) focused on power as the central point of empowerment, “either to strengthen this belief or to weaken belief in personal powerlessness”. Power is often redistributed by transferring control so that employees have the authority to make and implement their own decisions. The social-structural perspective of empowerment focuses on the facilitation of empowerment by leaders and on the contextual issues that impact on empowerment (Spreitzer and Doneson, 2005).

Self-determination reflects authority over the initiation and continuation of work behaviours and processes, making decision about work methods, pace and efforts (Spreitzer,

1995, Thomas and Velthouse, 1990). Impact refers the degree to which an individual can positively influence organisational outcomes. Spreitzer (1995) used these cognitions (or components) to define psychological empowerment. She argued that the four cognitions combine additively to create an overall construct of psychological empowerment. This means that the lack of any single dimension will deflate, but will not completely eliminate, the overall degree of the empowerment felt (Spreitzer, 1996). The original meaning of empowerment has been referred to as to “authorise, give power to” (Tulloch, 1993). The use of the term “power” appears to be common throughout the definitions of empowerment; for example, Legge (1995) argued that empowerment should be seen in terms of a redistributive model whereby power equalisation is promoted for trust and collaboration. Several researchers have investigated the role of psychological empowerment in many positive job behaviours including proactive behaviours and commitment (Anderson and Williams, 1996; Spreitzer et al., 1999). It is believed that the psychological state that empowerment provides, enables empowered employees to engage more in extra-role efforts, act independently and have high commitment to the organisation (Spreitzer, 1995; Avolio et al., 2004). We suggest that since employees who are empowered tend to find meaning in what they do, feel they are in control of their work, feel they have the required capacity to perform their job, are determined to perform their job roles and believe that they can as well influence job outcomes, psychological empowerment will help employees to also become more engaged in their work.

Psychological Contract

A widely accepted definition of the psychological contract is by Rousseau (1990): “The individual’s beliefs about mutual obligations, in the context of the relationship between employer and employee”. Psychological contracts consist of organizational obligations (to be fulfilled by the organization) and employee obligations (to be fulfilled by the employees), based on promises made by the employer and employee, respectively. Psychological contracts can be studied in several ways, and there is currently no consensus on the most appropriate approach (Freese, 2007). For example, the content-oriented approach examines the specific terms of the contract, such as the provision of opportunities for training, security, challenging tasks, flexible working hours, confidentiality, working overtime when needed, and delivering good services (Guest, 2004). Another way of studying the psychological contract is the evaluation-oriented approach, which assesses the degree of fulfillment and possible violations of the psychological contract (Morrison and Robinson, 1997). Psychological contracts are violated more often during change processes (Freese, 2007), as perceived organizational obligations are fulfilled to a lesser extent during organizational transformations, especially with regard to rewards, social

atmosphere at work, career opportunities, job security, compensation, communication and HR practices (Turnley and Feldman, 1998; Pate et al., 2000). Bal et al. (2013) argue that greater PC fulfillment by employers is related to higher employee work engagement. They find that PC fulfillment increases work engagement and positive employee attitudes toward the job

We used the framework developed by Rousseau (1995, 2000) to characterize the psychological contracts of research collaborations. Typical measures of psychological contracts have focused on whether the nature of the exchange is relational or transactional.

Transactional contracts refer to collaborations of limited duration with well-specified performance terms that can be characterized as easy-to-exit agreements with relatively high turnover. Low levels of organizational commitment and weak integration into the organization allow for high member rotation and freedom to enter new contracts. Two dimensions reflect the transactional psychological contract: (a) narrow involvement in the organization, limited to a few well-specified performance terms, and (b) short-term duration.

Relational contracts, in contrast, are open-ended collaborations with only loosely specified performance terms. With high affective commitment, strong member–organization integration, and stability built on the traditions and the history of the relationship, relational contracts exemplify many emblematic characteristics of paternalistic relationships. Relational obligations include mutual loyalty and long-term stability, often in the form of job security. Although these two forms of employment agreement have proven broadly relevant to organizations over many years (e.g., Macneil, 1985; Rousseau, 1990; Williamson, 1979), more recently, employment arrangements have manifested a hybrid pattern, often characteristic of high involvement work and knowledge organizations operating in highly competitive markets (Pfeffer, 1994; Rousseau, 1995).

Hybrid or balanced contracts, because they balance or blend features of both relational and transactional arrangements, maintain the involvement and long-term time horizon that characterize relational exchanges while at the same time allowing for greater flexibility and changing contract requirements as projects evolve and circumstances change. Balanced terms include dynamic performance requirements and career development. The measurement framework Rousseau (2000) developed operationalizes these three psychological contract forms.

Therefore, we proposed the following hypotheses:

Hypothesis 1: Empowerment will have a significant and positive relationship with employee engagement

Hypothesis 2: Psychological contract will have a significant and positive relationship with employee engagement.

Hypothesis 3: Empowerment and psychological contract simultaneous will have a significant and positive relationship with employee engagement

RESEARCH METHOD

Procedure and Measures

The data were collected through proportional stratified random sampling method with 320 samples of personnel administration of all department in Padjadjaran University in Bandung. We first sought the permission of university management for their personnel to take part in our study and distributed surveys following receipt of this permission.

- Employee engagement measured reference by Macey, Schneider, Barbera & Young (2009) viewed employee engagement as an attitudinal state comprising two dimensions of mental energy and behavioral energy.
- Employee empowerment measured reference by Thomas and Velthouse (1990) They offered a broader definition of empowerment as increased intrinsic task motivation manifested in a set of four cognitions reflecting an individual's orientation to his or her work role. The four cognitions include: meaning, competence, self-determination and impact.
- Psychological contract developed by Rousseau (1995, 2000) to characterize the psychological contracts of research collaborations. Typical measures of psychological contracts have focused on transactional contract, relational contract and balanced contract.

Employee engagement comprised two dimensions and nine indicators: mental energy (five indicators) and behavioral energy (four indicators). Employee empowerment comprised four dimensions and eight indicators: meaning (two indicators), competence (two indicators), self-determination (two indicators) and impact (two indicators). Psychological contract comprised three dimensions and eight indicators: transactional contract (three indicators), relational contract (three indicators) and balanced contract (two indicators). Personnel were given a 25-item questionnaire. Responses were made on a 5-point Likert scale and ranged from 1 = *strongly disagree* to 5 = *strongly agree*.

Reliability and Validity

Factor loadings of the 25 indicators mentioned above ranged from 0.692 to 0.930, suggesting good convergent validity. Further examination of the cross-loading table (Table 1) shows no significant correlations among indicators of the three latent variables: empowerment, psychological contract and job employee engagement, suggesting good discriminant validity. Table 1 indicates the quality criteria of our proposed model. The composite reliabilities of the three latent variables range from 0.809 to 0.926, so they are more than acceptable. Cronbach's

alpha are larger than 0.6, suggesting good reliability from indicators and dimensions. Average variance extracted range 0.532 to 0.867 and R^2 range 0.486 to 0.867 both support the acceptability of the model.

Table 1. Reliability and Validity Statistics of the Model

Variable	Factor loading	R ²	CR	AVE	Cronbach's Alpha
Employee empowerment	0.930	0.867	0.926	0.867	0.836
Psychological contract	0.844	0.719	0.877	0.732	0.768
Employee engagement	0.692	0.486	0.809	0.532	0.695

ANALYSIS AND RESULTS

The partial least squares (PLS) path modeling method through *software* SMARTPLS.3 was used to discover the causal relationships between the three latent variables (Table 2). In the column of path coefficient, the numbers represent the magnitudes of the causal relationships between two latent variables. The significant and positive coefficients support our proposed Hypotheses 1 to 2, from the column of total effect, it can be seen that the total effect of employee empowerment on employee engagement and psychological contract on employee engagement are significant and positive in the model. For Hypothesis 3, we used simultaneous testing and the result are displayed in Table 3, which is F test used is related to the coefficient of determination R^2 . Coefficient of determination informs that 79.8,% changes that occur in the variable employee engagement can be explained by changes that occur in the variable empowerment and the psychological contract, while 20.2% is explained by other factors. That is, the employee engagement can largely be explained by empowerment and the psychological contract and partly shaped by other factors beyond the variables. Based on the value of F count = 627.88 greater than the F table = 3.024 can be concluded there is a simultaneous effect of empowerment and psychological contract variables on employee engagement variable, means empowerment and the psychological contract are interrelated in the generation of employee engagement, or in other words the employee engagement simultaneously influenced by empowerment and the psychological contract.

Table 2. Results of Hypothesis Testing

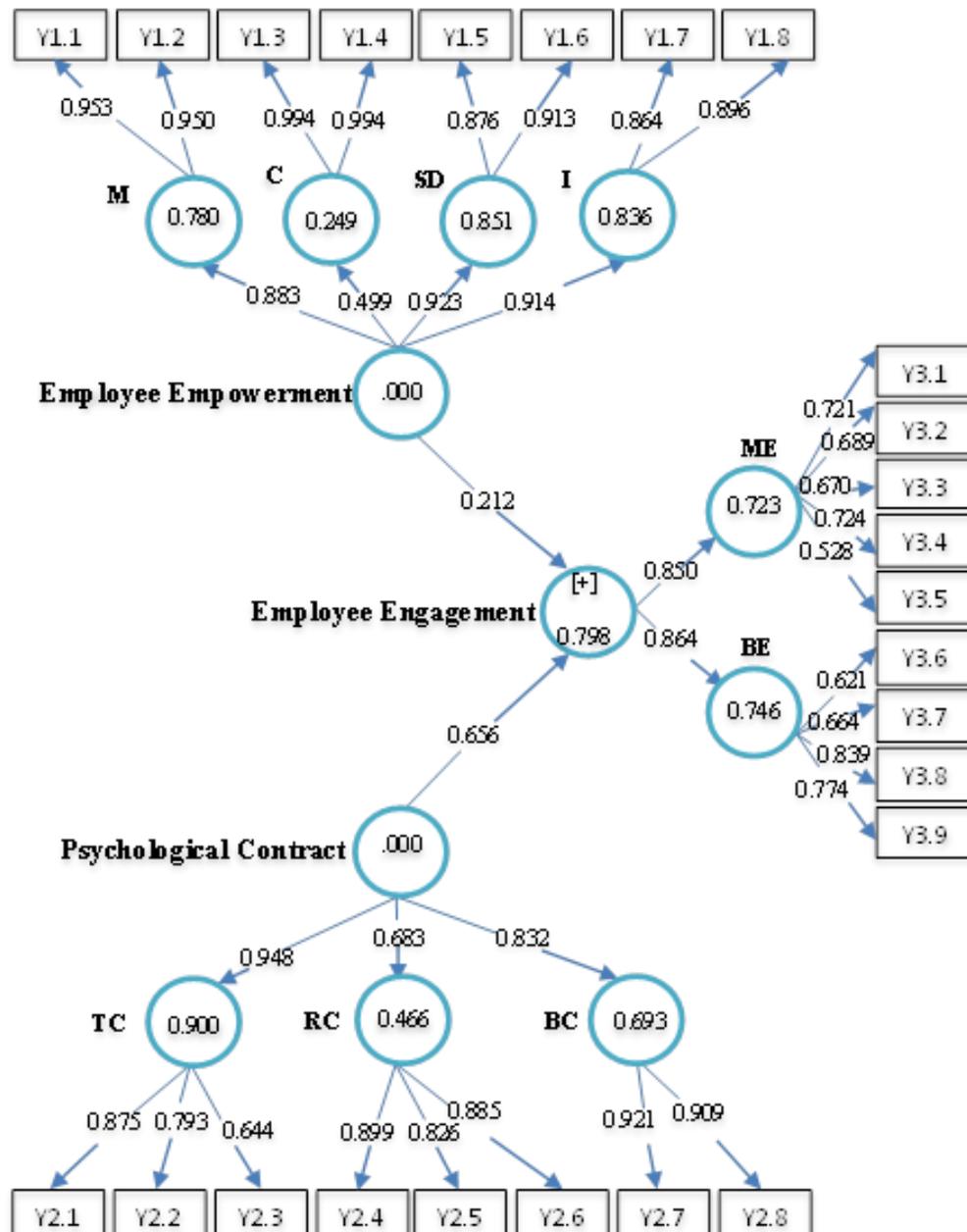
Hypothesized path	Path coefficient	Total effect
H1 Empowerment → Engagement	0.212	0.212
H2 Contract → Engagement	0.656	0.656

Table 3. Simultaneous Testing

Hypothesized	R ²	F	F- table
H3 Empowerment and Contract → Engagement	0.798	627.88	3.02

Therefore, all three of our hypotheses were supported. The conceptual model and major statistical results obtained in this research are summarized in Figure 1. The numbers inside the latent variable nodes are the R² values.

Figure 1. Conceptual model and statistics



DISCUSSION AND CONCLUSION

This study presents an empirical analysis of the relationship between employee empowerment and psychological contract on employee engagement. The analysis has revealed that there is a significant relationship between the three latent variables. A high standard of employee engagement is an important thing for Padjadjaran University, Indonesia and is based on performance criteria such as customer satisfaction, customer loyalty, customer purchase intention, and brand image. University employees are not only personnel, but also “products” provided to customers. Previous studies researchers have tended to separate employee empowerment and psychological contract in their discussions, Parzefall and Hakanen (2010) in their study “Psychological contract and its motivational and health-enhancing properties” found that perceived psychological contract fulfillment was positively related to work engagement, or to attempt to establish a direct relationship between employee empowerment, psychological contract and employee engagement, (e.g. Stander and Rothmann, 2010) that found a positive relationship between the components of psychological empowerment and employee engagement.

In this research we conducted an empirical study with an integrated model of employee empowerment, psychological contract, and employee engagement and found there was a significant direct effect employee empowerment on employee engagement and psychological contract on employee engagement. Results of hypothesis testing variables influence the empowerment on employee engagement shows the influence of empowerment on employee engagement is positive for 0.212 with a value of 3.325 t-test larger than t table (1.967), with a value of effect size (f^2) of 0.066 larger than 0.02 indicate that employee empowerment has lower effect on employee engagement and hypothesis testing variables influence the psychological contract on employee engagement shows the influence of the psychological contract on employee engagement is positive for 0.6562 with a value of 11.605 t-test larger than t table (1.9674), with the value of the effect size (f^2) of 0.692 is larger than 0.35 indicate that the psychological contract has higher effect on employee engagement. At the same time employee engagement and psychological contract are known to simultaneously influence on employee engagement.

Therefore, we suggest management of university perform systematic reviews of four dimensions and eight indicators employee empowerment because from the result is lower effect on employee engagement. However, our results indicate that the dimension and indicator of employee empowerment definitely required review and adjustment to improve employee engagement levels.

This study has some limitations. First, we used just three latent variables. Second, the sample was limited to employees as personnel administration exclude lecture at Padjadjaran University in Bandung, Indonesia. Future researchers should repeat this study using more latent variables diverse samples from different organization.

REFERENCES

- Anderson, S.E. and Williams, L.J. (1996), "Interpersonal, job, and individual factors related to helping processes at work", *Journal of Applied Psychology*, Vol. 81 No. 3, pp. 282-296.
- Andrew, O. and Sofian, S. (2012), "Individual factors and work outcomes of employee engagement", *Procedia-Social and Behavioral Sciences*, Vol. 40, pp. 498-508.
- Avolio, B.J., Zhu, W., Koh, W. and Bhatia, P. (2004), "Transformational leadership and organizational commitment: mediating role of psychological empowerment and moderating role of structural distance", *Journal of Organizational Behavior*, Vol. 25No. 8, pp. 951-968.
- Bal, P.M., de Cooman, R., and Mol, S.T. (2013), 'Dynamics of Psychological Contracts With Work Engagement and Turnover Intention: The Influence of Organizational Tenure,' *European Journal of Work and Organizational Psychology*, 22, 107–122.
- Bakker, A.B. and Xanthopoulou, D. (2013), "Creativity and charisma among female leaders: the role of resources and work engagement", *The International Journal of Human Resource Management*, Vol. 24 No. 14, pp. 2760-2779.
- Bakker, A.B., and Demerouti, E. (2008), 'Towards a Model of Work Engagement,' *Career Development International*, 13, 209–223.
- Burke, R.J. and El-Kot, G. (2010), "Work engagement among managers and professionals in Egypt: potential antecedents and consequences", *African Journal of Economic and Management Studies*, Vol. 1 No. 1, pp. 42-60.
- Burke, R.J., Koyuncu, M., Jing, W. and Fiksenbaum, L. (2009), "Work engagement among hotel managers in Beijing, China: potential antecedents and consequences", *Tourism Review*, Vol. 64 No. 3, pp. 4-18.
- Cauldron, S. (1996), "How pay launched performance", *Personnel Journal*, Vol. 75 No. 9, pp. 70-76.
- Deci, E.L. and Ryan, R.M. (2000), "The 'what' and 'why' of goal pursuits: human needs and the self-determination of behaviour", *Psychological Inquiry*, Vol. 11 No. 4, pp. 319-338.
- Ferres, N., Firns, I. and Travaglione, A. (2000), "Attitudinal differences between generation x and older employees", *International Journal of Organizational Behavior*, Vol. 6 No. 3, pp. 320-333.
- Freese, C. (2007), "Organizational change and the dynamics of psychological contracts: a longitudinal study", PhD Thesis, Tilburg University, Tilburg.
- Gruman, J.A. and Saks, A.M. (2011), "Performance management and employee engagement", *Human Resource Management Review*, Vol. 21 No. 2, pp. 123-136.
- Guest, D. (2004), "The psychology of the employment relationship: an analysis based on the psychological contract", *Applied Psychology*, Vol. 53, pp. 541-555.
- Inoue, A., Kawakami, N., Ishizaki, M., Shimazu, A., Tsuchiya, M., Tabata, M., Akiyama, M., Kitazume, A. and Kuroda, M. (2010), "Organizational justice, psychological distress, and work engagement in Japanese workers", *International Archives of Occupational and Environmental Health*, Vol. 83 No. 1, pp. 29-38.
- Kahn, W. (1990), "Psychological conditions of personal engagement and disengagement at work", *Academy of Management Journal*, Vol. 33 No. 4, pp. 692-724.

- Koyuncu, M., Burke, R.J. and Fiksenbaum, L. (2006), "Work engagement among women managers and professionals in a Turkish bank: potential antecedents and consequences", *Equal Opportunities International*, Vol. 25 No. 4, pp. 299-310.
- Kular, S., Gatenby, M., Rees, C., Soane, E. and Truss, K. (2008), "Employee engagement: a literature review", Working Paper No. 19, Kingston Business School (KBS), Kingston-upon-Thames, available at: <http://eprints.kingston.ac.uk/4192/1/19wempen.pdf>(accessed April 5, 2013).
- Lee, M. and Koh, J. (2001), "Is empowerment really a new concept?", *International Journal of Human Resource Management*, Vol. 12 No. 4, pp. 684-95.
- Legge, K. (1995), "Human resource management: rhetoric, reality and hidden agendas", in Storey, J. (Ed.), *Human Resource Management: A Critical Text*, Routledge, London, pp. 46-50.
- Llorens, S., Schaufeli, W.B., Bakker, A. and Salanova, M. (2007), "Does a positive gain spiral of resources, efficacy beliefs and engagement exist?", *Computers in Human Behavior*, Vol. 23 No. 1, pp. 825-841.
- Maslach, C., Schaufeli, W. and Leiter, M. (2001), "Job burnout", *Annual Review of Psychology*, Vol. 52 No. 1, pp. 397-422.
- Macey, W. and Schneider, B. (2008), "The meaning of employee engagement", *Industrial and Organizational Psychology*, Vol. 1 No. 1, pp. 3-30.
- Macey, William H., Schneider, Benyamin., Barbera, Karen M., Young, Scott A, (2009) *Employee Engagement, tools for analysis, Practice, and Competitive Advantage*, Wiley-Blackwell, Chichester, West Sussex, United Kingdom
- Macneil, I. R. (1985). *Relational contracts: What we do and do not know*. *Wisconsin Law Review*, 483–525.
- Meyer, J.P. and Allen, N.J. (1997), *Commitment in the Workplace, Theory, Research and Application*, Sage, Thousand Oaks, CA.
- Morrison, E.W. and Robinson, S.L. (1997), "When employees feel betrayed: a model of how psychological contract violation develops", *Academy of Management Review*, Vol. 22, pp. 226-256.
- Parzefall, M.R. and Hakanen, J. (2010), "Psychological contract and its motivational and health-enhancing properties", *Journal of Managerial Psychology*, Vol. 25 No. 1, pp. 4-21.
- Pastor, J. (1996), "Empowerment: 'what it is and what it is not'", *Empowerment in Organisations*, Vol. 4 No. 2, pp. 5-7.
- Pate, J., Martin, G. and Staines, H. (2000), "Exploring the relationship between psychological contracts and organizational change: a process model and case study evidence", *Strategic Change*, Vol. 8, pp. 481-493.
- Pfeffer, J. (1994). *Competitive advantage through people: Unleashing the power of the work force*. Boston: Harvard Business School Press.
- Psoinos, A. and Smithson, S. (2002), "Employee empowerment in manufacturing: a study of organisations in the UK", *New Technology, Work and Employment*, Vol. 17 No. 2, pp. 132-48.
- Rich, B.L., Lepine, J.A., and Crawford, E.R. (2010), 'Job Engagement: Antecedents and Effects on Job Performance,' *Academy of Management Journal*, 53, 617–635.
- Rousseau, D. M. (2000). *Psychological contract inventory* (Tech. Rep. No.2000–02). Pittsburgh, PA: The Heinz School of Public Policy and Management, Carnegie Mellon University.
- Rousseau, D. M. (1995). *Psychological contracts in organizations: Understanding written and unwritten agreements*. Thousand Oaks, CA: Sage.
- Rousseau, D.M. (1990), "New hire perceptions of their own and their employer's obligations: a study of psychological contracts", *Journal of Organizational Behavior*, Vol. 11, pp. 389-400.

Roux, S. (2010), "The relationship between authentic leadership, optimism, self-efficacy and work engagement: an exploratory study", unpublished Master's thesis presented to the Department of Psychology at Stellenbosch University, South Africa.

Saks, A. (2006), "Antecedents and consequences of employee engagement", *Journal of Managerial Psychology*, Vol. 21 No. 7, pp. 600-619.

Schaufeli, W.B., and Salanova, M. (2007), 'Work Engagement: An Emerging Psychological Concept and Its Implications for Organizations,' in *Research in Social Issues in Management: Managing Social and Ethical Issues in Organizations* (Vol. 5), eds. S.W. Gilliland, D.D. Steiner and D.P. Skarlicki, Greenwich, CT: Information Age Publishers, pp. 135–177.

Schaufeli, W.B. and Salanova, M. (2007), "Efficacy or inefficacy, that's the question: burnout and work engagement, and their relationship with efficacy beliefs", *Anxiety, Stress, and Coping*, Vol. 20 No. 2, pp. 177-196.

Schaufeli, W.B., Bakker, A.B., and Salanova, M. (2006), 'The Measurement of Work Engagement With a Short Questionnaire: A Cross-National Study,' *Educational and Psychological Measurement*, 66, 701–716.

Schaufeli, W.B., Salanova, M., Gonzales-Roma, V., and Bakker, A.B. (2002), 'The Measurement of Engagement and Burnout: A Two Sample Confirmatory Factor Analytic Approach,' *Journal of Happiness Studies*, 3, 71–92.

Simpson, M. (2009), "Engagement at work: a review of the literature", *International Journal of Nursing Studies*, Vol. 46 No. 7, pp. 1012-1024.

Spreitzer, G.M. and Doneson, D. (2005), "Musing on the past and future of employee empowerment", in Cummings, T. (Ed.), *Handbook of Organizational Development*, Sage, Thousand Oaks, CA.

Spreitzer, G.M., De Janasz, S.C. and Quinn, R.E. (1999), "Empowered to lead: the role of psychological empowerment in leadership", *Journal of Organizational Behavior*, Vol. 20 No. 4, pp. 511-526.

Spreitzer, G.M. (1996), "Social structural characteristics of psychological empowerment", *Academy of Management Journal*, Vol. 39 No. 2, pp. 483-505.

Spreitzer, G.M. (1995), "Psychological empowerment in the workplace: dimensions, measurement, and validation", *Academy of Management Journal*, Vol. 38 No. 5, pp. 1442-1466.

Stander, M.W. and Rothmann, S. (2010), "Psychological empowerment, job insecurity and employee engagement", *South African Journal of Industrial Psychology*, Vol. 36 No. 1, pp. 1-8.

Storm, K. and Rothmann, I. (2003), "A psychometric analysis of the Utrecht Work Engagement Scale in the South African Police Service", *South African Journal of Industrial Psychology*, Vol. 29 No. 4, pp. 62-70.

Thomas, K.W. and Velthouse, B.A. (1990), "Cognitive elements of empowerment", *Academy of Management Review*, Vol. 15 No. 4, pp. 666-681.

Tulloch, S. (Ed.) (1993), *The Reader's Digest Oxford Wordfinder*, Clarendon, Oxford.

Turnley, W.H. and Feldman, D.C. (1998), "Psychological contract violations during corporate restructuring", *Human Resource Management*, Vol. 37, pp. 71-83.

Vance, R. (2006), *Employee Engagement and Commitment. A Guide to Understanding, Measuring and Increasing Engagement in your Organization*, SHRM Foundation, Virginia.

Wall, T.D., Wood, S.J. and Leach, D. (2004), "Empowerment and performance", in Cooper, C. and Robertson, I. (Eds), *International Review of Industrial and Organizational Psychology*, Vol. 19, Wiley, London, pp. 1-46.

Wilkinson, A. (2002), "Empowerment", in Poole, M. and Warner, M. (Eds), *International Encyclopaedia of Business and Management*, 2nd ed., International Thomson Learning, London, pp. 1720-30.

Williamson, O. (1979). *Transaction-cost economics: The governance of contractual relations*. *Journal of Law and Economics*, 22, 233–261.