

University of Louisville

ThinkIR: The University of Louisville's Institutional Repository

Electronic Theses and Dissertations

12-2019

The relationship between employee engagement and work performance for individuals working in active asset management: examining the moderate effect of age, gender, and job function.

Elizabeth Aubrey Brenner
University of Louisville

Follow this and additional works at: <https://ir.library.louisville.edu/etd>



Part of the [Performance Management Commons](#)

Recommended Citation

Brenner, Elizabeth Aubrey, "The relationship between employee engagement and work performance for individuals working in active asset management: examining the moderate effect of age, gender, and job function." (2019). *Electronic Theses and Dissertations*. Paper 3330.

<https://doi.org/10.18297/etd/3330>

This Doctoral Dissertation is brought to you for free and open access by ThinkIR: The University of Louisville's Institutional Repository. It has been accepted for inclusion in Electronic Theses and Dissertations by an authorized administrator of ThinkIR: The University of Louisville's Institutional Repository. This title appears here courtesy of the author, who has retained all other copyrights. For more information, please contact thinkir@louisville.edu.

THE RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND WORK
PERFORMANCE FOR INDIVIDUALS WORKING IN ACTIVE ASSET
MANAGEMENT: EXAMINING THE MODERATE EFFECT OF AGE, GENDER,
AND JOB FUNCTION

By

Elizabeth Aubrey Brenner
B.A., University of Kentucky, 2009
M.S., University of Louisville, 2011

A Dissertation
Submitted to the Faculty of the
College of Education and Human Development at the University of Louisville
in Partial Fulfillment of the Requirements
for the Degree of

Doctor of Philosophy
in Educational Leadership and Organizational Development

Department of Educational Leadership, Evaluation and Organizational Development
University of Louisville
Louisville, Kentucky

December 2019

THE RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND WORK
PERFORMANCE FOR INDIVIDUALS WORKING IN ACTIVE ASSET
MANAGEMENT: EXAMINING THE MODERATE EFFECT OF AGE, GENDER,
AND JOB FUNCTION

By

Elizabeth Aubrey Brenner
B.A., University of Kentucky, 2009
M.S., University of Louisville, 2011

A Dissertation Approved on

November 8, 2019

by the following Dissertation Committee:

Dr. Brad Shuck

Dr. Jason Immekus

Dr. Kevin Rose

Dr. Meg Hancock

DEDICATION

This work is dedicated to my amazing husband Matt and my beautiful children Conrad and Genevieve. When I started this process as a single, twenty-five-year-old, I was told to avoid major life changes as they would only make the doctoral journey more difficult. While this journey has not been easy, I am grateful I did not follow the advice. In my pursuit of this degree we've simultaneously traveled the world, discovered love and marriage, had children, and built the place we call home. You are the greatest joys in my life, my reason for being, and have enriched every aspect of this experience. Because of you three, my understanding of engagement is deeper than I could have ever imagined. How it excites me to think that we are still just getting started.

ACKNOWLEDGEMENTS

I would like to thank my committee for their invaluable support throughout my doctoral journey. To my mentor, friend, and chair, Dr. Brad Shuck, your brilliance is an inspiration. I've never closed a discussion with you not feeling more confident in the value of this work. I am so grateful for the opportunity to be your student. To Dr. Jason Immekus for elevating the way analysis is taught; you are an incredible educator. To Dr. Kevin Rose and Dr. Meg Hancock thank you for your willingness to share your time with me, your feedback and perspective has expanded the lens through which I see the world.

I would like to thank my colleagues and friends at River Road Asset Management, LLC, I so appreciate your support in this process. To Henry Sanders, for introducing me to organizational culture. You are, an amazing example of humility and leadership by example. To Andrew Beck, your passion for achieving greatness and commitment to bringing your team along with you is profound. No one has ever made me want to be better more than you.

Finally, to my family, thank you for your immense support in this process. To my siblings, J.R. Aubrey and Katie Pogue, and Grandmother, Joy Baron, I have much gratitude for your endless encouragement. To my parents, Jim and Karen Aubrey, how privileged I am to be your daughter. As an adult, I realize the great sacrifice you made in your effort to give me every opportunity. Your example has taught me to find work that I

love and to pursue my passion, but to never forget, family always comes first. For each of you I am eternally grateful.

ABSTRACT

THE RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND WORK PERFORMANCE FOR INDIVIDUALS WORKING IN ACTIVE ASSET MANAGEMENT: EXAMINING THE MODERATE EFFECT OF AGE, GENDER, AND JOB FUNCTION

Elizabeth Aubrey Brenner

November 8, 2019

The construct of employee engagement and its relationship to desirable organizational outcomes has received a great deal of attention within Human Resource Development (HRD) literature. However, little research has examined the influence of employee engagement on work performance in the active asset management industry, and no academic study has explored employee engagement in the active asset management industry using the lens of HRD. This study examined the relationship between employee engagement and work performance, and the moderating effect of age, gender, and job function on the relationship between employee engagement and work performance, for individuals employed within active asset management. The study provides supporting academic evidence for each of the key variables as well as well as justification for considering these variables within the active asset management industry.

A population sample of 109 individuals were surveyed. Using correlation and moderation analysis the study showed that employee engagement and work performance

are positively associated with each other. Additionally, findings indicated that age, gender, and job function, do not moderate the relationship between employee engagement and work performance. Implications for HRD theory and research, along with recommendations for strategic leaders within the active asset management industry are reviewed.

Keywords: Employee Engagement, Work Performance, Asset Management

TABLE OF CONTENTS

	PAGES
DEDICATION.....	iii
ACKNOWLEDGEMENTS.....	iv
ABSTRACT.....	vi
LIST OF TABLES.....	ix
LIST OF FIGURES.....	x
INTRODUCTION.....	1
LITERATURE REVIEW.....	11
METHOD.....	26
RESULTS.....	38
DISCUSSION AND CONCLUSION.....	44
REFERENCES.....	55
APPENDICES.....	65
CURRICULUM VITA.....	72

LIST OF TABLES

Neighboring Engagement Types	17
Respondent Demographic Frequencies: Location, Age, Gender & Job Function	40
Descriptive Statistics	41
Correlations	42
Hierarchical Regression Analysis for Variables Predicting Work Performance	43

LIST OF FIGURES

Moderation Model for Age, Gender, and Job Function.....	26
---	----

CHAPTER I

INTRODUCTION

Recent industry reports show that more than 80% of actively managed mutual funds are falling short of their portfolio performance objectives (Ware, 2017). Over the last 15 years (ending December 2016), 82% of all U.S. funds trailed their respective benchmarks per the S&P Indices Versus Active Funds Scorecard (Maxey & Dieterich, 2017), failing to meet investor expectation. At the end of 2006, just 16% of the financial industry's \$7.7 trillion of assets were in indexed mutual funds and exchange-traded funds (ETFs), and by the end of 2016 this figure expanded to 36% of the industry's \$15 trillion of assets (Lutton & Warren, 2017). These startling figures signified a challenging and growing performance issue for employees working in the active asset management industry.

Active asset management is defined as using a single manager, co-managers, or a team of managers, to actively manage a fund's portfolio. Active managers rely on analytical research, forecasts, and their own judgment and experience in making investment decisions on what securities to buy, hold, and sell ("Active Management," 2018) which, ultimately define performance parameters. Contrasting active management is passive management, which is a style of management associated with mutual and ETF funds in which a fund's portfolio mirrors a market index ("Passive Management," 2018) and requires much less human involvement. Given that the primary driver of performance

in active asset management is the work of individual portfolio management teams and their supporting associates, as well as market-related factors, analyzing the industry's performance opportunity within the active asset management industry from a Human Resource Development (HRD) perspective has the potential to provide valuable human capital management insights for both researchers and practitioners. In recognizing that people are the differentiator between actively managed funds and passively managed funds, the importance of matters related to people management has elevated significantly across the industry.

In 2013, a Citi Group study showed that firms which invest in a defined people management strategy outperform their peers (and report better than average portfolio returns) when compared to firms that put less emphasis on people and leader development (Citi Group, 2013). A key element in people management, connected to firm and financial performance, is *employee engagement* (Harter, Schmidt, Asplund, Killham, & Agrawal, 2010; Harter, Schmidt, & Hayes, 2002; Hoon Song, Kolb, Hee Lee & Kyoung Kim, 2012; Xanthopoulou, Bakker, Demerouti & Schaufeli, 2009). Very little research has examined the influence of employee engagement on work performance in the active asset management space, and no academic study has explored employee engagement in the active asset management industry using the lens of HRD. Yet, findings from the research literature within HRD provide clues to the potential impact of employee engagement within the active asset management industry. For example, Bailey, Madden, Alfes, and Fletcher (2017) suggested that high levels of engagement yield increased levels of team performance, *in-role task performance*, and extra-role performance related to behaviors that support performance by enhancing and maintaining

the social and psychological environment – all critical aspects of HRD within the context of people management and the active asset management industry. Additionally, Gupta & Sharma (2016) reported a positive relationship between employee engagement and beneficial organizational outcomes, such as employee intent to stay, low turnover, productivity, profitability, safety, and customer loyalty. Despite the significant potential for impacting practice in the active asset management industry as well as extending both theory and research on employee engagement into a new field of application, we know very little about the influence of engagement. Further we know little about how potential demographic characteristics – including age, gender, and job function (CFA Institute, 2016; Ware & Robbins, 2014) – influence the experience of engagement within the active asset management industry. While human resource researchers and practitioners are being asked to play an increased role in the development of people management strategies across the active asset management industry (and employee engagement is being included in strategic planning) little research about how to effectively develop employee engagement exists in this context. The research supporting the possible importance of employee engagement within this variable and dynamic industry seems clear and quite promising; yet, research about influence and actual application is remarkably undeveloped and, in places, non-existent.

Understanding the influence and impact of employee engagement on work performance within the active asset management space has the potential to shift strategy within the industry and significantly impact practice. This work could provide previously unknown and undocumented strategic leverage points for HRD and spur future research opportunities which is a significant potential outcome of this research.

Purpose of the Study

The purpose of this study is to examine whether there is a relationship between employee engagement and work performance in the active asset management industry. Additionally, this study seeks to assess the moderating effect of age, gender, and job function on the relationship between employee engagement and work performance in the active asset management industry. A secondary outcome of this study is to build support for the strategic importance of the HRD field within the active asset management industry and provide practitioners with insight on how employee engagement influences work performance.

Research Questions

Two overarching research questions guided the study:

RQ¹: Is employee engagement positively related to work performance for individuals working in the active asset management industry?

H₁: Employee engagement is positively related to work performance for individuals working in the active asset management industry.

H₂: Employee engagement is not positively related to work performance for individuals working in the active asset management industry.

RQ₂: Do age, gender, and/or job function moderate the relationship between employee engagement and work performance in the active asset management industry?

H³: Age, gender, and/or job function moderate the relationship between employee engagement and work performance in the active asset management industry.

H4: Age, gender, and/or job function do not moderate the relationship between employee engagement and work performance in the active asset management industry.

The methodological approach for the study was quantitative in nature. To test the research questions, correlational research design using multiple linear regression analysis was utilized. A survey research design was used to collect data from the population sample drawn from individuals employed by institutions which provide active asset management services.

Conceptual Framework

The guiding conceptual framework for this study is the work of (Shuck, Adelson, & Reio, (2017), which presented a three-dimensional employee engagement measurement tool, the *Employee Engagement Scale* (EES), developed for use in the fields of study of human resource and management. The EES is designed to measure each dimension of employee engagement, cognitive, emotional, and behavioral energy (Shuck, Osam, Zigarmi, & Nimon, (2017). The EES is theoretically grounded in Kahn's (1990) original conceptualization of *personal engagement*.

Employee Engagement

The current state of employee engagement literature has more clarity than ever. After a long struggle with construct entanglement, a clear definition for employee engagement has emerged (Shuck et al., 2017) along with an aligned measurement tool (Shuck et al., 2017). Employee engagement is defined as a “positive, active, work-related psychological state operationalized by the maintenance, intensity, and direction of cognitive, emotional, and behavioral energy” (Shuck et al., 2017, p. 269). The EES aligns

purposefully with the definition provided by Shuck et al. (2017) and is composed of three sub factors cognitive, emotional, and behavioral components, providing a psychometrically strong measurement tool, and eliminating concerns of construct entanglement.

Work Performance

The study's interest in the relationship between employee engagement and work performance is supported by existing research which confirmed that organizations with high-levels of employee engagement often realize higher levels of organizational performance (Gupta & Sharma, 2016 and Bailey et al., 2017). Saks and Gruman (2011), for example, highlighted the link between employee engagement and performance suggesting that supervisors and managers be trained on the role of employee engagement in enhancing job performance. This study seeks to expand upon existing findings to assess the relationship between individual work performance in the active asset management industry, and to further assess the moderating effect of three demographics: age, gender, and job function.

Age

By 2020, there will be five different generations in the workplace, including Traditionalists (pre-1946), Baby Boomers (1946-1964), Generation X (1965-1976), Millennials (1977-1997), and Generation Z (after 1997) (Shaw, 2015). As noted by Bernthal (2016), Millennial ideals have clashed against some of those held by Baby Boomers for decades, specifically positions on optimal organizational culture, leadership, and corporate social responsibility. Millennials and Baby Boomers are the two largest generational cohorts ever to move through the economy; significant economic changes

will take place as both generations begin transitioning into the next stages of life (Bernthal, 2016). Further industry research conducted by PricewaterhouseCoopers suggested that there is a significant gap between what Millennials working in financial services want from their career and their employer, and what they have experienced in the workplace (PricewaterhouseCoopers [PWC], 2012). Understanding that generational factors may influence aspects of an individual employee's work experience in the asset management industry, it is relevant to consider age as we explore the construct of employee engagement.

Gender

The Chartered Financial Analyst (CFA) Institute, the largest association of investment professionals in the world (CFA Institute, 2017), released a 2016 paper focused on closing the gender gap in investment management. Findings showed that women represent 57% of college graduates (48% of graduating business majors) and make up about 50% of all CPAs; however, women only comprise 18% of all CFA charterholders (CFA Institute, 2016). Additionally, findings revealed that a higher percentage of male CFA members (59%) than women (52%) report working in investment management jobs, and a higher percentage of women CFA members (22%) than men (16%) report working in support or service-related roles (CFA Institute, 2016). These gender-related figures represented an industry demographic characteristic worth considering when studying the construct of employee engagement in the asset management industry. Research focused on gender and employee engagement may support efforts to address the industry's poor gender diversification, which has proven to be counterproductive to organizational success (Morgan Stanley, 2017). Morgan Stanley

(2017) analyzed more than 1,600 stocks globally and found that companies with more gender diversity realized a positive outcome of offering similar returns with lower volatility (Morgan Stanley, 2017).

Job Function

The third and final demographic characteristic for consideration in this research is job function. Ware and Robbins (2014) identified three key functions within an investment firm. First, there are investment professionals which include portfolio managers, analysts, and other strategists who participate in the investment decision process. Second are distribution professionals, including marketing, client service, and public relations experts who manage all client-facing and distribution responsibilities. Third and finally are the operations professionals, including accounting, finance, compliance, and all other support roles within the firm.

When professionals within the industry were asked, “Are the cultures of operations vs. distribution vs. investments more different than alike in your firm?” the overwhelming answer (75%) was “different” (Ware & Robbins, 2014). Supporting this occurrence, Lok and Crawford (1999) highlight that organizational subcultures may exist independently of organizational culture and that a small work group may have its own distinct set of values, beliefs and attributes. Additionally, if an organizational culture is not articulated strongly enough, the subculture may take precedence over the organizational culture.

Definition of Terms

Terms used through this study are defined as follows:

Active Asset Management: Defined as “the use of a human element, such as a single manager, co-managers or a team of managers, to actively manage a fund's portfolio. Active managers rely on analytical research, forecasts, and their own judgment and experience in making investment decisions on what securities to buy, hold and sell” (“Active Management,” 2018).

Employee Engagement: Defined as “an active, work-related psychological state operationalized by the maintenance, intensity, and direction of cognitive, emotional, and behavioral energy” (Shuck et al., 2017, p. 269).

Job Function: Refers to one of three key job functions within an investment firm: investment professionals, distribution professionals, or operations professionals (Ware & Robbins, 2014). Passive Asset Management: Defined as “a style of asset management associated with mutual and exchange-traded funds (ETF) where a fund's portfolio mirrors a market index” (“Passive Management,” 2018)

Significance of the Study

This study has significance for theory, research, and practice. From a theoretical perspective this research considered HRD and Employee Engagement Theory. Establishing the theoretical foundation for the study provides support for future application of these theories to research and practice in the active asset management industry.

The current state of employee engagement research finally has clarity with an aligned definition, theoretical structure, and measurement tool for the construct (Shuck et al. 2017). Conducting employee engagement research in active asset management, where individual performance is critical to organizational performance, may further validate the

role of employee engagement in achieving desirable organizational outcomes. Additionally, findings will encourage further employee engagement research within active asset management, perhaps to better understand the drivers of employee engagement within the industry.

Finding an industry specific positive link between employee engagement and work performance elevates the importance of employee engagement and HRD within the active asset management space. These findings could provide encouragement for practitioners to give more serious consideration to the role of employee engagement as they implement strategies and tools for achieving organizational objectives. If findings reveal a difference in the relationship between employee engagement and work performance, based upon the moderating variables (age, gender, and job function) there would be support for managers to consider the role of employee engagement at the individual employee level.

Chapter Summary

This chapter introduced the study, provided background on the purpose of the study, research questions and hypotheses, the conceptual framework of the study, definition of key terms, and significance of the study. The chapters to follow will be presented as follows: a) Chapter 2 provides a review of existing academic research providing justification for the study; b) Chapter 3 explains the research method utilized to conduct the study; c) Chapter 4 presents the findings of the study; and d) Chapter 5 provides a discussion of the results and implications for theory, research, and practice for HR professionals working in the active asset management industry.

CHAPTER II

LITERATURE REVIEW

There are few areas of research that have captured the interest of both researchers and practitioners alike in such a short period of time as employee engagement (Saks & Gruman, 2014). Much of this interest can be attributed to findings that support positive organizational outcomes in the presence of high levels of employee engagement. For example, employees who exhibit higher levels of engagement were found to contribute to their organization with higher levels of individual task performance and organizational citizenship behavior (Rich, Lepine, & Crawford, 2010). Despite being wildly popular, research on the construct of employee engagement has long been afflicted by two key challenges. The first is disagreement about both name and definition of the construct of employee engagement, and the second a lack of agreement among scholars on how to operationalize the construct (Saks & Gruman, 2014). Through in-depth analysis of existing academic research on employee engagement, Shuck et al. (2017) were able to close this gap of construct muddling and lack of a consistent measurement tool by defining the construct of employee engagement and further aligning the construct with a measurement tool, the employee engagement scale (EES) (Shuck et al., 2017). The next step in advancing employee engagement research is to test the EES by applying a performance-related construct to the EES and deploying the EES within new areas of study (Shuck et al., 2016).

This review of existing academic literature seeks to achieve the following five objectives: (a) frame the construct of employee engagement from a theoretical perspective; (b) define employee engagement; (c) provide a review of existing academic research on employee engagement within the asset management industry; (c) define work performance; and (e) provide scholarly support for the academic and practical benefits of exploring the moderating effect of age, gender, and job function on the relationship between employee engagement and work performance.

Employee Engagement: Defining and Positioning

Giving theoretical consideration to employee engagement, it is important to consider both the theoretical roots of employee engagement along with the theoretical implications of continued employee engagement research. The roots of modern organizational theory began with a link to biology by developing the idea that employees have complex needs that must be satisfied if they are to lead full and healthy lives and to perform effectively in the workplace (Morgan, 2006). A key focus of modern organizational theory has concentrated on revealing the limitations of Taylorism, which views the design of an organization as a technical problem, and the task of getting employees to comply with the organizational system as a matter of paying the right salary (Morgan, 2006). Notable are the *Hawthorne Studies*, which represent one of the most important historical events in organizational theory and laid the foundation for the body of research which influenced the development of the human relations movement. The Hawthorne Studies were a stimulus for studying the intricacies of experimental design and debating the complexities of variables that drive human behavior at work (Olson, Verley, Santos, & Salas, 2004). The seminal theory of motivation pioneered by Abraham

Maslow in 1954 followed this vein of reasoning and presented the human being as a psychological organism motivated by a hierarchy of needs progressing through the physiological, social, and psychological desires (Morgan, 2006).

Maslow's motivational theory is foundational to Kahn's 1990 theory of personal engagement – the study considered to be the original research on the construct of engagement (Shuck et al., 2017). As noted by Kahn (1990) the personal engagement and disengagement concept integrates the idea that people need both self-expression and self-employment in their work lives. Rich et al. (2010) summarizes Kahn's theory identifying three questions that individuals contemplate in determining whether or not they will personally engage or disengage from their role: (a) How meaningful is it for me to bring myself into this performance?; (b) How safe is it to do so?; and (c) How available am I to do so? Kahn's (1990) theory of personal engagement is a foundational component of the operational definition of employee engagement provided by Shuck et al. (2017).

From a theory development perspective, advancements in employee engagement research have relevance for HRD Theory. HRD is a process for developing and/or unleashing human expertise through organization development (OD) and personal training and development (T&D) for the purpose of improving performance (Swanson, 2001). As noted by Swanson (2001), HRD relies on three core theories: psychological theory which captures the core aspects of developing human resources as well as the socio-technical interplay of humans and systems; economic theory which captures the core issues of efficient and effective utilization of resources to meet productive goals in a competitive environment; and systems theory which captures the complex dynamic interactions of environments, organizations, work process and group / individual

variables operating at any point in time and over time. Given HRD's focus on improved performance and research evidence suggesting that engaged employees outperform their disengaged counterparts, employee engagement research has significant implications for HRD theory, research, and practice (Shuck & Reio, 2011; Shuck & Wollard, 2010).

Defining Employee Engagement

Employee engagement is defined as a “positive, active, work-related psychological state operationalized by the maintenance, intensity, and direction of cognitive, emotional, and behavioral energy” (Shuck et al., 2017, p. 269). Understanding that employee engagement has a legacy of disagreement about both the name and definition of the construct, it is helpful to review the seminal works that aided in its development. Additionally, it is helpful to clarify neighboring constructs that are frequently confused with employee engagement by researchers and practitioners alike.

The definition of employee engagement provided by Shuck et al., 2017 is the culmination of years of in-depth analysis on the construct of employee engagement and disentanglement of the many perspectives on the concept. Notably, the work done by Shuck & Wollard (2010) reviewed the foundations of employee engagement helping to clarify the evolution of scholarly research on the topic. The original reference of employee engagement was made by Kahn (1990) in his work on personal engagement and disengagement and its application to organizational life. As noted by Khan, (1990, p.700), “personal engagement is the simultaneous employment and expression of a person's “preferred self” in task behaviors that promote connections to work and to others, personal presence, and active full role performances. This definition provided by Kahn (1990) is apparent in the research that followed and represents consistency in the

body of research; specifically, that employee engagement is a psychological state that drives desirable outcomes (Khan, 1990; Macey & Schneider, 2008). Further, there is consistent agreement in the foundational research suggesting that in employee engagement adaptive behaviors are purposefully focused on meeting or exceeding organizational objectives (Shuck & Wollard, 2010). Engaged employees are believed to bring their full selves into their work roles as they are cognitively attentive, emotionally vested, and physically energetic in their work environment (Kahn, 1990; Rich et al., 2010).

There is a consistent understanding amongst scholars that appraisals about engagement within a working context contain both cognitive and affective appraisals that influence behaviors (Shuck et al., 2017). Cognitive appraisals influence the way in which an individual assigns meaning and value to their work, whereas affective appraisals direct the maintenance, intensity, and direction of energy toward a target (Shuck et al., 2017). Shuck et al. (2017) notes that this sequencing (cognition → emotion → behavior) allows us to understand how the latent function of employee engagement develops and gives us an idea of how employee engagement can be provoked in practice. With support from Schaufeli (2013), Shuck et al. (2017) elaborated, noting that employee engagement cannot be an observable outcome if it is a latent state. For clarification Parker and Griffin (2011) noted that employee engagement represents intention of energy, but it is not the physical, observable behavior itself. Rather the beneficial outcomes at the organizational level are the result of the targeted energy in employee engagement. For example, optimal individual performance and business outcomes such as profit are the result of the targeted energy in employee engagement (Saks 2006; Harter, Schmidt, & Hayes, 2002).

Identifying employee engagement as being state-based as opposed to trait-based suggested that there are certain characteristics, attitudes, and behaviors specific to the individual that can vary from one situation to another in response to changes in the environment (Xanthopoulou, Bakker, & Ilies, 2012). Xanthopoulou et al. (2012) reinforced that the persistence of an individual's state of engagement over time stems from the meaning they assign to their work. The psychological experience of employee engagement is flexible enough to allow for fluctuations in psychological state, but ultimately has a cumulative effect that builds or erodes over time (Shuck et al., 2017).

To effectively position employee engagement within the broader context of scholarly literature it is important to differentiate the construct from the many ill-defined poorly operationalized, neighboring engagement-types, which are frequently but incorrectly used interchangeably with employee engagement (Shuck et al., 2017). These terms sound similar to employee engagement but have elements that make them different from employee engagement in both theory and in practice. The well-known neighboring frameworks included *organizational engagement*, *job engagement*, and *work engagement*. Table 1 summarizes the neighboring engagement types.

Table 1
Neighboring Engagement Types - Shuck et al., 2017

Neighboring Engagement Type	Definition / Note(s)	Article Citation	Key Difference(s)	Consistent Measurement Tool
Organizational Engagement	<p>“the extent to which an individual is psychologically present in a particular organizational role”</p> <p>Note(s): Inconsistent use of labels – idea entanglement with employee engagement, job engagement, and organizational engagement.</p>	Saks, 2006	Organizational engagement is focused on an employee’s psychological presence within the organization. A narrower focus than employee engagement which is also focused on how the psychological state is operationalized through cognitive, emotional, and behavioral energy.	Yes; Saks (2006) Organizational Engagement Scale
Job Engagement	<p>“a multi-dimensional motivational concept reflecting the simultaneous investment of an individual’s physical, cognitive, and emotional energy in active, full work performance toward the job”</p> <p>Note(s): Inconsistent definition – most research grounds job engagement in another form of engagement.</p>	Rich et al., 2010	Job engagement is specifically focused on the energy in active, full work performance towards the job, whereas employee engagement has a broader work-related focus.	No; Multiple Scales
Work Engagement	<p>“a positive and fulfilling, work-related state of mind characterized by vigor, dedication, and absorption.”</p> <p>Note(s): Consistent use of label and definition.</p>	Schaufeli, Salanova, González-Romá, & Bakker (2002).	Work engagement specifically focuses on work-based activity whereas employee engagement considers cognitive, emotional and behavioral energy.	Yes; Schaufeli et al., 2002 Utrecht Work Engagement Scale (UWES)

Additionally, there are emerging frameworks, such as the *Intellectual, Social, and Affective* (ISA) engagement and *Collective Organizational Engagement* that should be considered (Shuck et al., 2017). Soane, Truss, Alfes, Shantz, Rees, and Gatenby (2012) note that ISA is focused on social engagement and suggests that social interactions with others in the work environment impact the experience of engagement at work. Collective organizational engagement is defined by Barrick, Thurgood, Smith and Courtright (2015) as “shared perceptions of organizational members, that members of the organization are as a whole, physically, cognitively, and emotionally invested in their work (p.113).” While ISA and collective organizational engagement are not broadly known, it is important to make note of up and coming frameworks from a reference perspective to prevent future confusion with employee engagement.

Employee Engagement within the Asset Management Industry

A search for academic research focused on employee engagement in the active asset management industry yielded zero corresponding articles. Further searches for similar keywords such as *asset management*, *financial services*, and *money management industry* also resulted in zero corresponding articles. There were, however, limited findings for academic research in the neighboring banking industry with a focus on employee engagement.

For example, Shuck, Reio, and Rocco (2011) examined the links between job fit, affective commitment, psychological climate, employee engagement, discretionary effort, and intention to turnover. The study collected data from multiple fields including service, technology, healthcare, retail, banking, nonprofit, and hospitality. While banking was represented in the collective research findings were reported at the group level for all

participating industries. Job fit, affective commitment, and psychological climate were all significantly related to employee engagement, while employee engagement was significantly related to both discretionary effort and intention to turnover (Shuck et al., 2011). Two additional studies with a focus on employee engagement in banking were identified. Abbasi and Alvi (2012) examined employee engagement in Pakistani banks, and Albdour and Altarawneh (2014) focused on employee engagement and organizational commitment within banks in Jordan. Neither of these two studies utilized a consistent definition for employee engagement. Nonetheless, they both highlighted a call for future researchers to explore employee engagement at the industry level. This is the gap that this study intends to fulfill.

Additionally, a meta-analysis focused on the business unit level relationship between employee satisfaction, employee engagement, and business outcomes conducted by Harter, Schmidt, and Hayes, (2002) and included data from five financial institutions. The findings for the financial institutions were included with overall findings from multiple sectors, which included manufacturing, retail, services, and transportation and public utilities. The Harter et al. (2002) article is representative of construct muddling and lack of measurement tool specifically designed to measure employee engagement. Harter et al. (2002) defines engagement as an individual's involvement and satisfaction with as well as enthusiasm for work, and further utilized the Gallup Workplace Audit which was designed to measure employee perceptions of work characteristics.

Work Performance and Employee Engagement

Existing research supports a positive relationship between employee engagement and positive business outcomes at both the organization and individual level (Gupta &

Sharma, 2016 and Bailey et al., 2017). For example, business units placed in the top half of employee engagement have nearly double the success rate when compared to units placed in the bottom half (Harter, Schmidt, Agrawal, & Plowman, 2013). Such findings compel researchers and practitioners to explore the relationship between employee engagement and positive business outcomes such as work performance at the industry and organizational level. Work performance is difficult to define objectively at the individual employee level as each scenario for measurement is unique (Gerhart and Rynes, 2003). Specifically focusing on performance outcomes at the individual level, links have been found between employee engagement and task performance and extra-role performance (Bailey et al., 2017). Task performance at the individual level is related to the execution and maintenance of core technical processes for roles within an organization (Borman and Motowidlo, 1997). Extra role performance is related to behaviors that support a positive social and psychological environment (Borman and Motowidlo, 1997).

Various methods have been utilized to gather data pertaining to individual work performance including both company-provided performance data and self-report measures (Bakker & Xanthopoulou, 2013; Bailey et al., 2017). Assessing work performance in a manner that incorporates individual tasks and extra role performance aligns with the four item self-report work performance scale utilized by Kuvaas (2006). Further application of this type of measurement tool is fitting within the active asset management industry in which performance assessments are most effective when tailored to the varying objectives of the individual team (Good, 1983). Example items from Kuvaas (2006) included “I almost always perform better than an acceptable level,” and “I

intentionally expend a great deal of effort in carrying out my job.” Responses to these questions call for individualized reflection on work performance based upon an individual’s unique role.

Moderating Variables

In the following subsections, the moderating variables proposed for this study are briefly detailed, including the available and relevant research as well as specific connections to the employee engagement construct.

Age

Age-related academic research with a focus on the construct of employee engagement has suggested that engagement levels differ by age. As noted by Shaw (2015), by 2020 there will be five different generations in the workplace. Capowski & Peak (1994) noted that age is the “new diversity” in the workplace as more workers extend their working lives beyond the conventional retirement ages of 62-65. These factors suggest that age is a relevant for consideration across a number of management-related issues, including employee engagement. Using an age-diverse sample of retail workers, James, McKechnie, and Swanberg (2011) found that older workers (those 55 and older) were significantly more engaged than their younger colleagues between the ages of 18 and 39. The lack of engagement among emerging adults aged 18 – 24 has been thought to be influenced by their transition to adult roles and commitments. An analysis of factors that predicted employee engagement including supervisor support and recognition, schedule satisfaction, career development and promotion, and job clarity did not differ by age group with the exception of career development and promotion which was less important to older workers age 55 and older (James et al., 2011).

More specifically, Avery, McKay, and Wilson (2007) found that age similarity and satisfaction with peers within and outside of one's own age demographic has implications for employee engagement. With roots in social identity theory and self-categorization theory, Avery et al. (2007) found that employees older than 55 had higher levels of employee engagement when they had positive relationships with peers of both a similar age and those who were younger. Additionally, Avery et al. (2007) found that age similarity and engagement were linked more closely for older employees in comparison to their younger cohorts.

Gender

Gender is a relevant demographic characteristic to consider within the context of employee engagement. Coetzee and de Villiers (2010) conducted a study focused on the relationship between job stress, work engagement (a neighboring construct of employee engagement), and career orientations, assessing how these factors differ based on socio-demographic contextual factors such as gender. Findings revealed significant differences between male and female participants on work engagement and showed females to have higher total engagement scores in comparison to their male counterparts (Coetzee & de Villiers, 2010). Coetzee and de Villiers' (2010) interest in neighboring construct work engagement, and parallel focus within financial institutions, supports the present study's hypothesis that gender may have a moderating effect on the relationship between employee engagement and work performance.

Eagly (1987) provided an explanation for these work-related gender differences noting that they could be related to the fact that observed gender differences are often a function of divergent social roles and societal expectations for women and men. People

internalize into their self-concepts these gender differences in social roles and expectations. As Valian (1998) highlighted women and men may develop different skills, attitudes, and behaviors through internalized gender schemas. Rothbard (2001) further explored gender differences in the dynamics of engagement in work and family roles, examining the within-role emotional response to engagement in a role, and the between-role effect of an emotional response to one role on engagement in another role. Data were collected from employees working at a large public university. Findings revealed strong gender differences, showing that women had many more between-role linkages (between work and family) in comparison to men. Additionally, men experienced lower family-time demands, work absorption, family attention, work-positive affect, and family-positive affect, but higher work-time demands and work-negative affect than women (Rothbard, 2001).

Further support for work-related gender differences is provided by Maslach, Schaufeli, and Leiter (2001), who explored work-related burnout. The study noted that males often score higher on cynicism and women tend to score slightly higher on exhaustion. These findings could be related to gender-role stereotypes, but they may also reflect confounding of sex with occupation (e.g. police officers are more likely to be male, and nurses are more likely to be female) (Maslach et al., 2001). While defining employee engagement as the opposite of job burnout is not the definition utilized in this study, these gender-related differences within job burnout are support for exploring gender differences in other work-related constructs such as employee engagement.

Job Function

Job function is another factor relevant for consideration in employee engagement research within this study. As noted by Kular, Gatenby, Rees, Soane, and Truss (2008), research has shown that role characteristics such as challenge, authority, autonomy, stimulation, access to information, resources and growth opportunities, are linked to engagement levels. Additional support for variances in employee engagement due to job-related factors is found in Crawford, LePine, and Rich (2010) who assessed job demands/resources in relationship to employee engagement. Crawford et al. (2010) found evidence for the following: (a) job resources activate a motivational process that increases willingness to dedicate one's efforts and abilities to the work task resulting in increased employee engagement; (b) challenge demands trigger positive emotions and cognitions that result in active, problem-focused coping styles reflected in increased employee engagement; and (c) hindrance demands trigger negative emotions and cognitions that result in passive, emotion-focused coping styles reflected in decreased employee engagement.

Additional support for examining job function in relation to engagement was found in Xanthopoulou, Bakker, Demerouti, and Schaufeli (2009) who studied the relationship between job resources, personal resources, and neighboring construct work engagement. The findings revealed that employees who experience autonomy at work, have supportive colleagues, receive proper coaching and feedback, and have opportunities for professional development are more motivated to achieve their work goals (Xanthopoulou et al., 2009). Each of these studies highlighted characteristics that influence aspects of engagement that are specific to a job function and support the use of

job function as a moderating variable between employee engagement and work performance.

Chapter Summary

The current state of employee engagement literature has more clarity than ever. After a long struggle with construct entanglement, there is finally a clear definition for employee engagement (Shuck et al., 2017) along with an aligned measurement tool (Shuck et al., 2016). As reviewed above, employee engagement is comprised of four central elements: (a) an active pull; (b) state-based; (c) increased levels of energy preceding the full state; and (d) experiences of the conditions of work that inform the maintenance, direction, and intensity of being engaged (Shuck et al., 2017). This advancement in employee engagement literature comes at an ideal time for the active asset management industry, which has an increased focus on employee engagement with a link to increased work performance.

The present study seeks to add to the body of academic literature on employee engagement by conducting industry-specific research, utilizing an aligned definition and measurement tool for the construct of employee engagement. Additionally, these findings will increase understanding of the influence of age, gender, and work performance on relationship between employee engagement and work performance and provide guidance for future employee engagement research within the active asset management industry.

CHAPTER III

METHOD

A cross-sectional survey research design was used to examine the association between employee engagement and work performance in the active asset management industry. Additionally, the study investigated whether age, gender, and job function moderate the relationship between employee engagement and work performance within the context of the active asset management industry. This section provides a review of the research design and methodology of the study and is organized into the following sub-sections: (a) research questions, (b) participants, (c) procedures, (d) limitations (e) instrumentation, and (f) data analysis.

Research Questions

RQ1: Is employee engagement positively related to work performance for individuals working in the active asset management industry?

- IV: EE Engagement
- DV: Work Performance

RQ2: Do age, gender, and/or job function moderate the relationship between employee engagement and work performance in the active asset management industry?

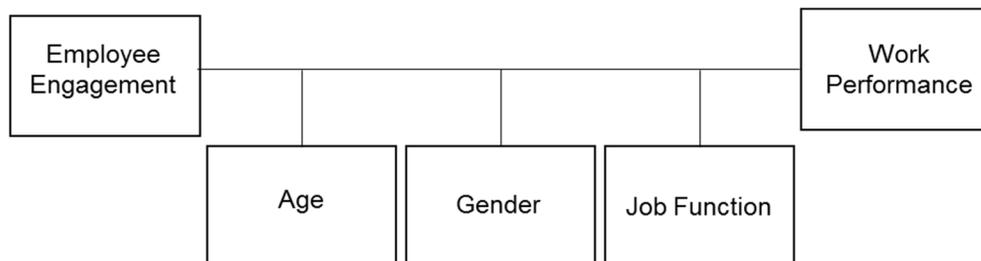


Figure 1. Moderation model for age, gender, and job function

Participants

Using convenience sampling and exponential non-discriminative snowball sampling methods, participants actively employed in the active asset management industry were sampled (Heckathorn, 2011; Etikan, Musa, & Alkassim, 2015). Personal professional relationships within the industry were used to obtain access to participants. Using one point of contact within a firm or industry specific professional organization, recipients of the request were asked to both participate in the survey and share the request for participation with individuals within their firm or organization. Requests were sent to 55 individuals in one of three groups: Strong personal professional relationship with the researcher (43 individuals), board members of industry specific professional organizations (two individuals), or personal professional acquaintances of the researcher (10 individuals). Participant responses came from both US and non-US participants.

A research requirement for participation was current employment within an active asset management organization. Due to the study's interest in job function, the study targeted responses from individuals employed in any capacity within the industry, so long as they were of regular employment status (not working in a temporary or internship capacity). Given the participant employment status requirement all participants were familiar with computers and capable of responding to an online survey. Further, all participants were capable of understanding industry vernacular within the survey.

To estimate the appropriate sample size, a power analysis was performed using the G*Power 3.1 statistical software (Faul, Erdfelder, Lang, & Buchner, 2007). The desired power was 0.80 (80%). A priori power analysis was conducted to compute the sample size, given power, alpha level, and effect size (Cohen, 1988). The accepted alpha level

(α) was set at .05. The analysis revealed a targeted sample of 77 participants. Both statistical power and alpha level were based on Cohen (1988) which suggests that studies should be designed with an 80% probability of detecting an effect when there is an effect to be noted, and no more than a 20% probability of making a false negative, Type II error.

Procedures

Both convenience sampling and snowball sampling methods were utilized to sample participants. Convenience sampling is a kind of nonrandom sampling where members of the target population are sought for practical reasons such as accessibility (Etikan et al., 2015). Utilizing convenience sampling methods, the survey was shared with individuals with known employment in the active asset industry. As noted by Heckathorn (2011), snowball sampling is a type of chain-referral sampling frequently used on hard-to-reach populations where initial subjects serve as “seeds,” through which wave 1 subjects are recruited; wave 1 subjects in turn recruit wave 2 subjects, and the sample subsequently expands. Accordingly, recipients of the request for participation were asked to share the link for participation with their professional contacts. The request (Appendix A), provided details of the study’s purpose, asked that recipients personally complete the survey, and that they share the participation request with individuals affiliated with their organization. The request for survey participation and advertisement was sent via email to 55 individuals known by the researcher to be employed within active asset management, and in some cases, also affiliated with an industry specific professional organization. Consistent with snowball sampling, the 55 “wave 1” subjects were asked to both participate and recruit “wave 2” subjects within their professional

network for participation. It is known that “wave 2” participant recruitment efforts included both posting the request for participation on the organization’s website or emailed requests via the organization’s internal email Listserv. It is likely that “wave 2” participants who received the request for participation via email were forwarded the original request emailed to “wave 1” participants.

Data was collected via an electronic survey and accessed by participants via an online weblink. As noted by de Leeuw (2008), a key benefit of an internet survey is that large numbers of completed surveys can be collected in a very short time with low cost. Additionally, a self-administered mode of data collection can yield more accurate responses on sensitive topics (i.e. reporting on one’s own work performance) (de Leeuw, 2008). The electronic survey was created and administered using a global leader in survey software, SurveyMonkey (SurveyMonkey, 2019). SurveyMonkey allows users a multitude of question and response options in the survey creation process. Additionally, SurveyMonkey housed survey responses that were downloaded to Excel for the analysis process. Once the survey was created in SurveyMonkey, the system produced a URL link to the survey. To ensure all participants understood the details of the study and provided consent for participation, this information was presented on the first page of the survey before responses were provided (Appendix B). To protect the privacy of participants, the Cookies feature was disabled within the survey (Alessi & Martin, 2010).

Data collection began in late June 2019 and remained open until the necessary response rate was achieved in mid-August 2019. Survey responses were housed in SurveyMonkey until the survey was officially closed. Once closed, survey data was downloaded in Excel format and then opened in SPSS for statistical analysis. Prior to

conducting research, approval was obtained from the Human Subjects Committee of the University of Louisville Internal Review Board (Appendix D).

Limitations

Consideration was given to potential limitations of the study's design which included challenges associated with collecting data via an internet survey, concerns associated with selection biases due to convenience sampling, and the use of a self-report measure. As noted by de Leeuw (2008) there are disadvantages associated with collecting data via an internet survey, for example, the locus of control in an internet survey shifts to the participant, allowing participants to quickly terminate the survey whenever they wish and reducing the opportunity of the researcher to pursue completion. Understanding this limitation, a key objective in the survey design process was to ensure the survey could be completed quickly. Additionally, demographic questions that could potentially be viewed by participants as sensitive were moved to the end of the survey. Alessi and Martin (2010) highlighted challenges with selection biases when utilizing convenience sampling, noting concerns with the ability to generalize findings to the population. Understanding that generalizability would be a challenge, conducting the study was deemed additive as there was limited research on employee engagement in the active asset management industry. There were additional limitations to be noted associated with reliance on a self-reported measure. As noted by Crampton and Wagner (1994), self-report methods have produced percept-percept inflation. While the use of a self-administered mode of data collection can yield more accurate responses on sensitive topics (de Leeuw, 2008), the use of a self-report measure can present a limitation due to an inflated participant response. With this understanding, the study was conducted under caution of the

possibility of higher than actual responses for both employee engagement and work performance.

Common method variance (CMV), which implies that variance in observed scores is partially attributable to a methods effect, is an additional concern with self-report measures that is widely cited in organizational research (Meade, Watson, & Kroustalis, 2007). While consensus is lacking about the accuracy of approaches, the use of marker-based techniques were suggested to be effective for identifying CMV (Malhorta, Kim, & Patil, 2006). In response to concerns associated with CMV, a marker variable was included in the survey design.

Instrumentation

Key variables included employee engagement, work performance, and the moderating variables (age, gender, and job function). The electronic survey consisted of a total of 23 questions: 1 question prevented unqualified participants from responding, 16 Likert scale response questions assessed employee engagement and work performance, 1 marker variable question, 3 questions pertaining to the moderating variables, and 2 additional supporting questions. The next section describes key variables in detail.

Participant Qualification

To ensure all responses gathered were from participants within the target population, the first question asked was, “Are you currently employed by a firm that offers actively managed portfolios?” The response options for these questions were *Yes* or *No*. If respondents replied *No* they were advanced to the end of survey page and unable to respond to the survey questions.

Employee Engagement

Employee engagement is defined as “an active, work-related psychological state operationalized by the maintenance, intensity, and direction of cognitive, emotional, and behavioral energy” (Shuck et al., 2017, p. 269). Employee engagement was operationalized using the EES (Shuck et al., 2017). The purpose of the EES (Appendix C) is to measure the higher-order factor employee engagement by assessing three engagement sub-factors, cognitive, emotional, and behavioral.

Validation of the EES was established over a series of three studies. The instrument consists of 12 items, where each engagement sub-factor (cognitive, emotional, and behavioral) consists of 4 associated questions. All three of the subscales had strong internal consistency and reliability (Shuck et al., 2017). Shuck et al. (2017) provided additional supporting evidence for convergent, nomological, discriminant, and incremental predictive validity in support of broader use of the instrument.

Respondents were asked to answer questions using a 5-point Likert scale (from 1= *Strongly disagree* to 5 = *Strongly agree*). The total score of the scale was calculated by taking the average score of the items and served as a global indicator providing one composite score for employee engagement (Shuck et al., 2017).

Work Performance

As highlighted by Gerhart and Rynes (2003), work performance is difficult to define objectively in a way that separates the unique contributions of individual employees. This is especially true for tasks performed by ‘high tech’ and ‘knowledge workers’ (Thomas,2002). This is the case for active asset management (which employs knowledge workers) and thus the definition of work performance is unique to each

individual role. Work performance was measured using four self-report items based on the work performance items with the highest measure utilized by (Kuvaas, 2006). The scale used by Kuvaas (2006) originally included six self-report items, however the final scale utilized in the study included four-self-report items with factor loadings for self-reported work performance above .55. Work performance items were measured using a 5-point Likert scale (from 1= *Strongly disagree* to 5 = *Strongly agree*). Items included: (a) I almost always perform better than an acceptable level, (b) I often perform better than can be expected for me, (c) I often put in extra effort in my work, and (d) I intentionally expend a great deal of effort in carrying out my job. The response options for the final question within the work performance scale (question 5 of the survey) were reverse scored from (5= *Strongly disagree* to 1 = *Strongly agree*). Reverse scored options are used to combat participations paying little attention to the question and agreeing with survey statements more than they disagree (Barnette,2000).

Marker Variable

An effective marker variable should share no meaningful variance with the variables within a study suspected of CMV bias, and response items should elicit similar cognitive processes or response tendencies as those asked for the substantive questions (Simmering, Fuller, Richardson, Ocal & Atinc, 2015). One question was included to measure the marker variable, “I possess aptitude for artistic creativity.” The marker variable was measured using the same 5-point Likert scale (from 1= *Strongly disagree* to 5 = *Strongly agree*) that was used to measure both employee engagement and work performance.

Age, Gender, and Job Function

Data concerning the moderating variables was obtained through electronic survey response questions. Participants were only able to provide one response answer to questions pertaining to the moderating variables. The response options for the question, “What is your current age?”, allowed responses (*18 years old to over 99 years old*). The response option for the question, “What is your gender?”, allowed for three responses (*Male, Female, or Prefer not to answer*). Finally, the response option for the question, “Which function best describes your current job responsibilities? If your responsibilities classify in more than one function, please select the function where you allocate the highest percentage of your work time.”, allowed for three response options: *Investment, Sales / Distribution, Operations (all non-investment / non-sales functions – Examples. Compliance, Legal, Finance, Analytics, HR, IT, etc.)*. Response options for job function were based on industry support from Ware and Robbins (2014), which makes note of these three key functions within an investment firm.

Supporting Data

Supporting data were collected regarding participant work location and past year changes in assets under management (AUM) for the actively managed strategies at the participant’s firm. Data concerning work location was collected as it was a demographic point of interest. Data concerning AUM was collected as a secondary measure of performance but did not specifically support either of the research questions. The response option for, “What is your current work location? If you work remotely, please indicate the location of the office through which you report.”, required participants to select one country in the world. The response option for, “How did AUM (assets under

management) change for your firm's actively managed strategies for the period of 1/1/18 – 12/31/18?).” required participants to select one of the four following options: *AUM increased, AUM decreased, AUM was flat, or Prefer not to respond.*

Data Analysis

Data analysis first included data screening to identify potential outliers and review the distribution of study variables. Subsequently, descriptive statistics were used to examine and report measures of central tendency and variability. Overall employee engagement and work performance scores were calculated for each participant, using an overall average score of responses for each of the respective scales. In alignment with the Likert scale, higher overall scores reflected higher levels of employee engagement and work performance. Next, correlations were assessed to answer the first research question and pair of hypotheses and assess the association between employee engagement, work performance, and the marker variable (artistic creativity). Correlation tests measure the degree of association between two or more variables (Cresswell, 2012). A Pearson Product-Moment correlation was calculated to assess the correlation between employee engagement and work performance. Cohen's (1988) effect size criteria of $\geq .10$ = small correlation; $\geq .30$ = moderate correlation; and $\geq .50$ = strong correlation was used to interpret the correlations.

Hierarchical linear multiple regression was used to test the second research question and pair of hypotheses. Interaction terms were created by pairing each of the moderating variables (age, gender, and job function) with the independent variable (employee engagement), based on z-scores (centered variables). For clarification, a moderating variable is a third variable which partitions a focal independent variable into

subgroups that establishes its domains of maximum effectiveness with regard to a given dependent variable (Baron & Kenny, 1986). The analysis sought to assess whether the addition of age, gender, and job function with employee engagement effect the relationship between employee engagement and work performance. To evaluate model of fit data, the R , R^2 , and F-statistic, were assessed. R explained the correlation between the observed and predicted Y (outcome) scores. R^2 explained the overall variance accounted for (Osborne, 2017). Finally, the F statistic explained whether or not R^2 (variance explained) was statistically significant (Osbourne, 2017).

In total, three variable blocks were entered into the specified regression model. The model assessed the change in the model R^2 to determine whether any of the variable blocks contributed to explaining additional variance in work performance scores (Osborne, 2017). Block 1, included each of the moderating variables age, gender, and job function. Block 2, included employee engagement. Block 3 included three interaction terms. The interaction terms contained the following three components: the simple effective of each moderating variable (age, gender, and job function), the simple effect of employee engagement, and the non-additive effect (if any) of the combination of employee engagement and each variable (Osborne, 2017). Moderating variables were standardized prior to creating the interaction terms through the creation of z-scores.

To assess the contribution of each variable block, the overall change in R^2 (ΔR^2) was assessed, based on a statistically significant F-statistic, $p < .05$ (Osborne, 2017). The direction and size of the regression coefficients were inspected to judge the relationship between the model predictors (e.g., employee engagement) and work performance.

Standardized residuals were inspected to determine the quality of the model, and to identify data points that may have added error to the analysis and perhaps be disproportionately influential. Residuals falling outside of a reasonable range (-3 to +3) were eliminated from the analysis (Osborne, 2017). Multicollinearity was assessed based on Variance Inflation Factor (VIF) scores. High VIF scores suggest multicollinearity, indicating variance is inflated due to collinearity between variables (Green, 1991).

CHAPTER IV

RESULTS

The purpose of the study was to determine if a positive relationship existed between employee engagement and work performance in the active asset management industry. Additionally, the study sought to assess the moderating effect of age, gender, and job function on the relationship between employee engagement and work performance in the active asset management industry. The study answered the following research questions and hypotheses.

RQ₁: Is employee engagement positively related to work performance for individuals working in the active asset management industry?

H₁: Employee engagement is positively related to work performance for individuals working in the active asset management industry.

H₂: Employee engagement is not positively related to work performance for individuals working in the active asset management industry.

RQ₂: Do age, gender, and/or job function moderate the relationship between employee engagement and work performance in the active asset management industry?

H₃: Age, gender, and/or job function moderate the relationship between employee engagement and work performance in the active asset management industry.

H4: Age, gender, and/or job function do not moderate the relationship between employee engagement and work performance in the active asset management industry.

This chapter provides the overall results of the study and covers the background of the sample demographics including descriptive statistics, data analyses, and discussion of the findings.

Background of the Sample

A total of 126 participants accessed the survey, with 109 participants providing responses and qualifying for participation as current employees in active asset management. Participants had the option to not respond to survey questions, which resulted in some missing demographic data identified in the screening process. Missing data was coded as such within SPSS. Table 2 provides a summary of participant demographics. The majority of responses came from the United States (94%) with the remaining responses (6%) coming from outside the United States (Egypt, Luxembourg, Canada, Australia, and the United Kingdom) or not providing work location information. Of the 109 participants, ages ranged from 21 years old to 68 years old with a mean age of 43 years old. The sample was 66% male ($n=72$), 31% female ($n=34$), and 3% chose not to provide gender data ($n=3$). The reported job functions included 58% working in an Investment job function ($n = 63$), 8% working in a Sales / Distribution job function ($n = 9$), 32% working in an Operations job function ($n = 35$), and 2% chose not to provide job function data ($n = 2$).

Table 2

Respondent Demographic Frequencies: Location, Age, Gender & Job Function

Demographic	Values	Frequency	Percent
Work Location	United States	102	93.6
	Non-United States	5	4.6
	Did not respond	2	1.8
Age (in years)	20-29	10	9.2
	30-39	34	31.2
	40-49	28	25.6
	50-59	24	22.0
	60-69	10	9.2
	Did not respond	3	2.8
Gender	Male	72	66.0
	Female	34	31.2
	Did not respond	3	2.8
Job Function	Investment	63	57.8
	Sales / Distribution	9	8.3
	Operations	35	32.1
	Did not respond	2	1.8

Note: $N = 109$

Data Analyses

Standardized residuals were inspected, and residuals falling outside of a reasonable range (-3 to +3) were eliminated from the analysis (Osborne, 2017). VIF scores were analyzed for multicollinearity. The highest VIF score in the model was 1.80, eliminating concerns of multicollinearity (Green, 1991).

Alpha for the work performance scale was .77. Alpha levels for each component of the employee engagement scale were .90 for emotional engagement, .87 for behavioral engagement, and .84 for cognitive engagement. Table 3 reports descriptive statistics including means, standard deviation, range, and correlation for the measures of employee engagement and work performance. Scores suggested that members of the study population generally consider themselves to have high levels of employee engagement

and high levels of work performance. Examination of mean scores on the 5-point Likert scale showed an average overall engagement score of 4.18 ($M=4.18, SD=.49, N=109$), with employee engagement scores ranging from 2.75 to 5.00. Examination of mean scores on the 5-point Likert scale showed an average overall work performance score of 4.11 ($M=4.11, SD=.61, N=109$), with scores ranging from 2.00 to 5.00.

Table 3
Descriptive Statistics

Variable	Mean (SD)	Range
1.Employee Engagement	4.18 (.49)	2.25
2.Work Performance	4.11 (.61)	3
3.Artistic Creativity (Marker)	3.49 (.91)	4

Note: $N = 109$; SD = Standard Deviation

Correlation Analysis

As reported in Table 4, a significant correlation was found between employee engagement and work performance. Using Cohen's (1988) criteria, a strong, significant, correlation was identified between employee engagement and work performance ($r = .64$).

The correlation between the marker variable (artistic creativity) and key variables employee engagement and work performance was near zero ($>.1$) and not significant. Findings showing that the correlation was near zero between the marker and key variables indicates that artistic creativity was an effective variable for consideration in addressing concerns of CMV bias. The correlation between AUM growth and employee engagement was near zero ($>.1$) and not significant. While this data was of interest it had no implication within the scope of the study.

Table 4
Correlations

Variable	Correlation		
	1	2	3
1. Employee Engagement	-	.64**	.08
2. Work Performance	.64**	-	.06
3. Artistic Creativity (Marker)	.08	.06	-

Note: ** $p < .01$; * $p < .05$

Moderation Analysis

HLM results are reported in Table 5. As reported, Block 1 resulted in a non-significant regression model, $F(3,101) = 1.87, p > .05$. Indicating that the demographic variables, age, gender and job function do not significantly influence work performance. For Block 2, the regression model showed that employee engagement contributed significantly to the regression model, $F(1,100) = 88.39, p < .01$ and accounted for 50% of the variance in work performance $R^2 = .50$. Last, Block 3 introduced the interaction terms which resulted in a non-significant regression model $F(3,97) = .31, p > .05$ and explained no additional variance in work performance ($\Delta R^2 = .01$). There was no change in the relationship between employee engagement and work performance on the account of age, gender, or job function. Consequently, age, gender, and job function did not moderate the relationship between employee engagement and work performance. Findings provided support for hypothesis 4 and did not provide support for hypothesis 3.

Table 5
Hierarchical Regression Analysis for Variables Predicting Work Performance

Variable	Model 1					Model 2					Model 3				
	B	SEB	β	<i>t</i>	<i>p</i>	B	SEB	β	<i>t</i>	<i>p</i>	B	SEB	β	<i>t</i>	<i>p</i>
Age	-.01	.01	-.11	-1.13	.26	-.01	.01	-.15	-2.05	.04	-.01	.00	-.16	-2.12	.04
Gender	-.12	.17	-.09	-.74	.46	-.19	.12	-.14	-1.55	.12	-.17	.13	-.13	-1.32	.19
Job Function	.08	.08	.12	.95	.35	.08	.06	.12	1.34	.18	.09	.06	.13	1.41	.16
Employee Engagement						.89	.09	.67	9.40	.00**	.89	.10	.68	9.32	.00**
EE_Age											.01	.05	.02	.29	.77
EE_Gender											-.03	.06	-.04	-.48	.64
EE_Job Function											-.06	.06	-.09	-.96	.34
<i>R</i> ²	.05					.50					.50				
<i>F</i> for change in <i>R</i> ²	1.89					88.39**					.31				

Note: *N* = 109; ** *p* < .01

Summary

This study sought to determine if a positive relationship existed between employee engagement and work performance in the active asset management industry. Additionally, the study sought to assess the moderating effect of age, gender, and job function on the relationship between employee engagement and work performance in the active asset management industry. The results of this study support existing research and theoretical assumptions that employee engagement and work performance are positively related. The moderating variables of age, gender, and job function did not moderate the relationship between employee engagement and work performance. These results supported hypotheses 1 and 4 and did not provide support for hypotheses 2 and 3.

CHAPTER V

DISCUSSION AND CONCLUSION

The purpose of this study was to determine if a positive relationship between employee engagement and work performance existed in the active asset management industry. Additionally, the study sought to assess the moderating effect of age, gender, and job function on the relationship between employee engagement and work performance in the active asset management industry. The study answered the following research questions.

RQ₁: Is employee engagement positively related to work performance for individuals working in the active asset management industry?

RQ₂: Do age, gender, and/or job function moderate the relationship between employee engagement and work performance in the active asset management industry?

Summary of the Study

Previous research findings in HRD suggested the potential impact of employee engagement on work performance across multiple industries (Bailey et al., 2017; Gupta & Sharma, 2016). Considering recent indicators of performance challenges within active asset management, and the critical role of individuals in influencing performance, employee engagement was identified as a key variable of interest (Ware, 2017; Maxey & Dieterich, 2017; Lutton & Warren, 2017; "Active Management," 2018). Despite these

factors (which would suggest a depth of academic literature on the topic), a review of existing research revealed minimal work examining the influence of employee engagement on work performance in the asset management industry.

An examination of demographic factors, both within the asset management industry, alongside existing HRD research focused toward employee engagement, led to the selection of age, gender, and job function as moderators within the study (PricewaterhouseCoopers [PWC], 2012; CFA Institute, 2016; CFA Institute, 2017; Morgan Stanley, 2017; Robbins, 2014). First, PWC (2012) suggested that generational factors may influence aspects of an employee's work experience in the asset management industry. Notwithstanding, existing HRD research had suggested varying generational perspectives on matters pertaining to organizational culture, leadership, and corporate social responsibility (Bernthal, 2016). Second, gender as a demographic characteristic had received increased industry attention due to lower female representation relative to similar professional occupations (CFA Institute, 2016). Supporting the resolution of gender disparity within the industry are findings that suggested portfolio management teams with greater gender diversity realized similar returns with lower volatility (Morgan Stanley, 2017). Third, both industry and HRD research suggested the presence of subculture differences across functions, specifically highlighting that those differences could result in differing values, beliefs, and attributes within the organization (Ware & Robbins, 2014; Lok & Crawford, 1999).

The study was guided by the conceptual framework of Shuck et al. (2017). Shuck et al. (2017) presented a three-dimensional Employee Engagement Scale (EES) framework designed to measure each dimension of employee engagement (i.e., cognitive,

emotional, and behavioral. The EES was theoretically grounded in Kahn's (1990) original conceptualization of personal engagement and provided a strong foundational argument for giving employee engagement consideration when exploring influencers of work performance in the active asset management industry.

Summary Discussion of Results

Results from the correlation analyses revealed a positive correlation between employee engagement and work performance. This finding aligned with existing research suggesting positive organizational outcomes in the presence of high levels of employee engagement (Bailey et al., 2017; Gupta & Sharma, 2016). More, results from the moderation analysis revealed that age, gender, and job function did not influence the direction or strength of the relationship between employee engagement and work performance. Overall, this study expanded the understanding of the relationship between employee engagement and work performance for individuals working in active asset management. The following sections provide a detailed explanation of results for each of the tested hypotheses.

Hypotheses

The first and second hypotheses tested whether a positive relationship between employee engagement and work performance existed for individuals working in the active asset management industry. A strong positive correlation was found between employee engagement and work performance ($r = .64, p < .01$). Analysis of this relationship was based on Cohen's (1988) effect size criteria where $\geq .10$ = small correlation; $\geq .30$ = moderate correlation; and $\geq .50$ = strong correlation. Findings provided support for hypothesis 1 (that a positive relationship existed between employee

engagement and work performance) yet did not provide support for hypothesis 2 (that a positive relationship did not exist between employee engagement and work performance). These findings were consistent with other research findings which indicate an association between positive organizational outcomes and the construct of employee engagement (Bailey et al., 2017; Gupta & Sharma, 2016). Based on the findings from hypothesis one, moderation analysis in testing hypotheses 3 and 4 was completed.

The third and fourth hypotheses tested whether age, gender, and/or job function moderated the relationship between employee engagement and work performance for individuals working in the active asset management industry. In conducting the moderation analysis, hierarchical linear multiple regression analysis was used. The first block assessed the relationship between work performance and age, gender, and job function and revealed a non-significant regression model, $F(3,101) = 1.87, p > .05$. The second block, examined the relationship between employee engagement and work performance and showed that employee engagement contributed significantly to the regression model, $F(1,100) = 88.39, p < .01$ and accounted for ~50% of the variance in work performance (e.g., $R^2 = .50$). The third block introduced interaction terms pairing each of the moderating variables with employee engagement resulting in a non-significant regression model, $F(3,97) = .31, p > .05$, and explained no additional variance in work performance ($\Delta R^2 = .01$). In conclusion, age, gender, and job function failed to moderate the relationship between employee engagement and work performance at any level (e.g., Hypothesis 3). In sum, findings provided support for Hypothesis 4 but not for Hypothesis 3.

Summary of Findings

In sum, findings supported existing HRD research that had positioned employee engagement as an influencer of positive organizational outcomes, such as work performance. Further, this study provided industry specific findings within the active asset management industry. Specifically, this study found a positive association between employee engagement and work performance in the active asset management industry; a novel outcome of this research and some of the first industry specific research in the active asset management industry on employee engagement. Age, gender, and job function were not found to moderate the relationship between employee engagement and work performance. These findings bring recognition to the individualized nature of the employee engagement experience, and caution against developing employee engagement interventions on the basis of demographic factors. Support for not developing interventions on the basis of demographics aligns with research from other industries where results have lacked support for relationships between employee engagement and demographic factors (Mani, V., 2011; Simpson, M., 2009).

Ultimately, this research has increased the body of research on employee engagement within the field of HRD and provided insight for the active asset management industry. The following section outlines implications of the study in more detail from a theory, research, and practice perspective.

Implications for Theory, Research and Practice

The review of implications begins with an overview of implications for theory, followed by implications for research, and concludes with industry specific implications for practice within the active asset management industry.

Implications for Theory

The study provided theoretical implications for both employee engagement theory and the broader body of knowledge associated with HRD theory. The theoretical roots of employee engagement are tied to Kahn's (1990) theory of personal engagement, which, recognized personal engagement and disengagement as a psychological need employees exercise through self-expression and self-employment in their work lives (Rich et al., 2010). The theory of personal engagement introduced the idea that individuals are continuously assessing their overall experience and that this assessment influences behavior. The EES built upon personal engagement asserting that the experience of employee engagement encompassed three dimensions: *cognitive*, *emotional*, and *behavioral* engagement (Shuck et al., 2017).

Findings from this study provided support for employee engagement theory both at an industry specific level, and more broadly to the relevance of the construct across all industries. On an industry specific level, findings supported a theoretical framework that can be consider in developing employee engagement interventions, specifically through the use of the EES as a measurement tool. Findings increased support for the relevance of the construct across all industries. By expanding employee engagement research to an industry lacking study on the topic.

The primary focus of HRD is improving human performance through organization development (OD) and training (T&D) (Swanson, 2001). Findings from this study have relevance for HRD theory, as the identification of positive relationships between employee engagement and work performance within the population sample highlighted the utility of employee engagement as an influencer of performance.

Additionally, the findings from the moderation analysis (which showed that age, gender, and job function had no incremental impact on the relationship between employee engagement and work performance), have significance for how HRD theory is applied. For example, these findings caution the generalized application of HRD theory based on any one demographic and further support the individualized nature of employee engagement. Specifically, when researchers are considering matters that fall within the realm of HRD theory, no one or two demographic characteristics are driving human performance; rather, as the outcomes of this study point indirectly toward, it is a collective combination of factors unique to individuals that ultimately drive employee engagement.

Implications for Research

The study's findings have implication for future HRD and employee engagement research. Specifically, findings encourage the future use of the EES as a psychometrically valid instrument and should raise interest for exploring other performance related dependent variables in future studies in the active asset management industry. The utilization of the EES in this study further supported the reliability of the scale in industry specific contexts and encourages future application of the tool when measuring the construct of employee engagement, specifically.

Identification of the positive relationship between employee engagement and work performance supports future research within the industry focused on performance related factors. For example, instead of using a self-report measure to assess the outcome variable, it might be worthwhile to assess employee performance review scores, peer performance feedback, portfolio performance, or revenue growth within firms, alongside

employee engagement. While gaining access to this data could be more difficult, such measures would eliminate concerns associated with using a self-report measure to simultaneously assess the relationship between employee engagement and actual performance. Another option might be to consider the utilization of qualitative research. This would entail conducting one-on-one interviews with individuals in the target population. In this scenario convenience sampling would likely be utilized to gain access within a specific organization. Interviews could include more detailed questioning at the individual level on the dimensions of employee engagement, and if permitted peer feedback could also be gathered. This type of qualitative data could potentially be analyzed independently or provide a deeper level of support for quantitative data collected via other means.

Implications for Practice

The findings of this study have significant implication for practice. First, the findings of the study elevate the role of HRD within the active asset management industry and have application to other knowledge-based industries. The positive relationship between employee engagement and work performance highlights the role of employee engagement, an experiential state-based construct, in driving desirable outcomes. There is more to discover, and yet these findings are provocative. For example, findings from this study serve as a call for firm leaders to consider employment of a strategic HRD professional in a leadership capacity. HRD professionals in leadership roles should be focused on employee engagement amongst other organizational development and training initiatives. Further, findings call individuals responsible for HRD related responsibilities to assess the lens through which they execute their

responsibilities. HRD responsibilities should not be viewed as administrative in nature; rather they should take a strategic approach and align their objectives with the broader organization. Further, HRD initiatives should be considered as part of the overall employee value proposition of working within the industry.

Second, findings from this study have timely and practical application for the broader active asset management industry. The timely component is associated with growing performance pressures within the industry; pressures related to both portfolio performance and competition for market share (Ware, 2017; Maxey & Dieterich, 2017; (Lutton & Warren, 2017). Looming industry pressure is a concern for all managers, so that now, more than any other time, the industry is open to interventions with the potential to reduce pressure and enhance performance. From a practical perspective, findings consider work performance at the individual employee level and potentially impact decision making, a key performance variable within the industry ("Active Management," 2018). Considering timing and practical application, the identification of a positive relationship between employee engagement and work performance is meaningful. Findings provide encouragement for industry specific professional organizations to further explore the construct of employee engagement, educate professionals within the active asset management community on the construct, and further explore possible antecedents of employee engagement at the industry level. Additionally, investors should explore efforts focused on maintaining high levels of employee engagement within the firms they are considering for managing their assets.

Third and finally, the findings of this study perhaps have the most relevance at the firm level, where leaders are charged with establishing organizational strategies that yield

positive performance for all stakeholders. Per study findings, employee engagement accounts for 50% of the variance in work performance scores in active asset management within this sample. This finding is a call for employee engagement to be considered at the strategy level for every active manager. In an industry where performance is driven by individuals, it is critical that the individual experiences of employees be considered when setting strategy, with a particular incentives, retention, and training and development.

The findings from the moderation analysis, which showed no incremental change to the relationship between employee engagement and work performance on the account of age, gender, and job function, have implications for how active asset managers establish incentives, approach retention, and provide training for people managers. Findings caution against interventions driven by demographic factors, and provide support for developing interventions that are flexible in nature, allowing for individualized solutions. Further, conclusions should not be drawn and applied across all individuals who fall within one demographic segment. Employee engagement is an individual variable, both within this study as well as in the broader literature base. Decision makers at the firm level should also take into account that one-time interventions will likely be ineffective as employee engagement is state-based. To clarify, state-based refers to certain characteristics, attitudes, and behaviors specific to the individual that can vary from one situation to another in response to changes in the environment (Xanthopoulou, Bakker, & Ilies, 2012). Understanding the state-based nature of employee engagement, and the inevitable fluctuations in an individual's state over time, interventions should incorporate a means for regularly reassessing employee engagement levels.

Conclusion

The findings of the study elevate the role of HRD and employee engagement within active asset management industry and present a call to action for researchers and practitioners alike. Findings support a positive relationship between employee engagement and work performance, recognizing the importance of the cognitive, emotional, and behavioral dimensions at play in influencing an individual's state of engagement at work. Study findings reveal that the demographic moderators (age, gender, and job function) do not influence the relationship between employee engagement and work performance, and caution against interventions driven by demographic factors. Rather findings encourage approaches that can be tailored to the unique needs of the individual. The study provides additional support for future consideration of employee engagement and HRD theory and encourages additional research in the field. From a practice perspective, findings encourage all industry stakeholders to assume responsibility of the industry's performance challenge and explore interventions targeted at maintaining high levels of employee engagement. In conclusion, the findings of this study highlight the important role of employee engagement in influencing work performance in the active asset management industry and encourage future consideration for HRD and employee engagement from a theory, research, and practice perspective.

REFERENCES

- Active Management. (2018). In Investopedia online. Retrieved from <https://www.investopedia.com/terms/a/activemanagement.asp>
- Abbasi, A. S., & Alvi, A. K. (2012). Impact of organizational justice on employee engagement in banking sector of Pakistan. *Middle-East Journal of Scientific Research*, 12(5), 643-649.
- Albdour, A. A., & Altarawneh, I. I. (2014). Employee engagement and organizational commitment: evidence from Jordan. *International Journal of Business*, 19(2), 192-212.
- Alessi, E.J. & Martin, J.I. (2010). Conducting an internet-based survey: benefits, pitfalls, and lessons learned. *Social Work Research*, 34(2), 122-128.
- Avery, D. R., McKay, P. F., & Wilson, D. C. (2007). Engaging the aging workforce: The relationship between perceived age similarity, satisfaction with coworkers, and employee engagement. *Journal of Applied Psychology*, 92(6), 1542-1556.
- Bailey, C., Madden, A., Alfes, K., & Fletcher, L. (2017). The meaning, antecedents and outcomes of employee engagement: A narrative synthesis. *International Journal of Management Reviews*, 19(1), 31–53.
- Bakker, A.B., & Leiter, M.P.(Eds.). (2010). Work engagement: A handbook of essential theory and research. New York, NY: Psychology Press.
- Bakker, A.B. and Xanthopoulou, D. (2013). Creativity and charisma among female

leaders: the role of resources and work engagement. *International Journal of Human Resource Management*, 24, pp. 2760–2779.

Barnette, J. J. (2000). Effects of stem and likert response option reversals on survey internal consistency: If you feel the need, there is a better alternative to using those negatively worded stems. *Educational and Psychological Measurement*, 60(3), 361–370. <https://doi.org/10.1177/00131640021970592>

Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-1182.

Barrick, M. R., Thurgood, G. R., Smith, T. A., & Courtright, S. H. (2015). Collective organizational engagement: Linking motivational antecedents, strategic implementation, and firm performance. *Academy of Management Journal*, 58(1), 111-135.

Bernthal, R. (2016, October 28). *Battle for the ages in financial services*. Retrieved from <https://thefinancialbrand.com/61966/millennial-baby-boomer-financial-banking-preferences/>

Borman, W.C. and Motowidlo, S.J. (1997). Task performance and contextual performance. The meaning for personnel selection research. *Human Performance*, 10, pp. 99–109.

Capowski, G., & Peak, M., H. (1994). Ageism: The new diversity issue. *Management Review*, 83, 10-15.

CFA Institute. (2016). *Gender diversity in investment management: new research for*

- practitioners on how to close the gender gap*. Retrieved from https://www.cfainstitute.org/learning/future/Documents/gender_diversity_report.pdf
dfCFA Institute. (2017).
- Citi Group (2013). *Exploring the concept and characteristics of “people alpha.”*
Retrieved from http://www.focusgroup.com/wpcontent/uploads/2015/11/People_Alpha.pdf
- Coetzee, M., & De Villiers, M. (2010). Sources of job stress, work engagement and Career orientations of employees in a South African financial institution. *Southern African Business Review*, 14(1), 27-58.
- Cohen, J. (1988). *Statistical Power Analysis for the Behavioral Sciences*. Hillsdale, NJ: L. Erlbaum Associates.
- Crampton, S. M., & Wagner, J. A. (1994). Percept-percept inflation in micro-organizational research: an investigation of prevalence and effect. *Journal of Applied Psychology*, 79, 67–76.
- Crawford, E. R., LePine, J. A., & Rich, B. L. (2010). Linking job demands and resources to employee engagement and burnout: A theoretical extension and meta-analytic test. *Journal of Applied Psychology*, 95(5), 834–848.
- Creswell. J.W. (2012). *Educational research: Planning, conducting, and evaluating quantitative and qualitative research* (4th ed.). New York, NY:Pearson.
- de Leeuw, E.D. (2008). Choosing the method of data collection. In de Leeuw, E.D., Hox, J.J.
- Dillman, D.A.(Ed.) *The International Handbook of Survey Methodology* (pp.113 -135). New York, NY: Taylor & Francis Group,LLC.

- Eagly, A.H. (1987). *Sex differences in social behavior: A social -role interpretation*. Hillsdale, NJ:Erlbaum.
- Etikan, I., Musa, S.A., Alkassim, R.S. (2015) Comparison of convenience sampling and purposive sampling. *American Journal of Theoretical and Applied Statistics*, 5(1), 1-4.
- Faul, F., Erdfelder, E., Lang, A. G. & Buchner, A. (2007). G*Power 3: A flexible statistical power analysis program for the social, behavioral, and biomedical sciences. *Behavior Research Methods*, 39(2), 175-191.
- Gerhart, B., & Rynes, S. L. (2003). *Compensation: Theory, evidence, and strategic implications*. Thousand Oaks:Sage.
- Good, W.R. (1983). Measuring performance. *Financial Analysts Journal*, 39(3), 19-23.
- Gupta, N., & Sharma, V. (2016). Exploring employee engagement: A way to better business performance. *Global Business Review*, 17(3), 45-63.
- Green, S. (1991). How many subjects does it take to do a regression analysis. *Multivariate Behavioral Research*, (26)3 499-510.
- Harter, J.K., Schmidt, F.L., Agrawal, S., & Plowman, S.K. (2013). 2012 Q12 meta-analysis: The relationship between engagement at work and organizational outcomes. Washington, DC: The Gallup Organization.
- Harter, J. K., Schmidt, F. L., Asplund, J. W., Killham, E. A., & Agrawal, S. (2010). Causal impact of employee work perceptions on the bottom line of organizations. *Perspectives on Psychological Science*, 5(4), 378-389.
doi:10.1177/1745691610374589

- Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis. *Journal of Applied Psychology, 87*(2), 268-279. doi:10.1037/0021-9010.87.2.268
- Heckathorn, D. D. (2011). Comment: Snowball versus Respondent-Driven Sampling. *Sociological Methodology, 41*(1), 355–366.
- Hoon Song, J., Kolb, J. A., Hee Lee, U., & Kyoung Kim, H. (2012). Role of transformational leadership in effective organizational knowledge creation practices: Mediating effects of employees' work engagement. *Human Resource Development Quarterly, 23*(1), 65-101. doi:10.1002/hrdq.21120
- James, J. B., McKechnie, S., & Swanberg, J. (2011). Predicting employee engagement in an age-diverse retail workforce. *Journal of Organizational Behavior, 32*(2), 173-196.
- Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal, 33*(4), 692-724.
- Kular, S., Gatenby, M., Rees, C., Soane, E., & Truss, K. (2008). Employee Engagement: A Literature Review. Retrieved from <https://core.ac.uk/download/pdf/90447.pdf>
- Kuvaas, B. (2006). Work performance, affective commitment, and work motivation: The roles of pay administration and pay level. *Journal of Organizational Behavior, 27*(3), 365-385.
- Lok, P., & Crawford, J. (1999). The relationship between commitment and organizational

- culture, subculture, leadership style and job satisfaction in organizational change and development. *Leadership & Organization Development Journal*, 20(7), 365-374.
- Lutton, L. P., Warren, G. (2017, July). *Balance of power tilts away from asset managers*. Retrieved from <http://www.morningstar.com/advisor/t/119539547/balance-of-power-tilts-away-from-assetmanagers.htm>
- Malhorta, N.K., Kim, S.S., & Patil, A. (2006) Common method variance in IS research: A comparison of alternative approaches and a reanalysis of past research, *Management Science*, 52, 1865-1883.
- Maslach, C., Schaufeli, W. B., & Leiter, M. P. (2001). Job burnout. *Annual Review of Psychology*, 52(1), 397-422.
- Maxey, D., & Dieterich, C. (2017, April 1). Indexes beat stock pickers even over 15 years. *The Wall Street Journal*. Retrieved from <https://www.wsj.com/articles/indexes-beat-stock-pickers-even-over-15-years-1492039859>
- Meade, A.W., Watson, A.M., Kroustalis, C.M. (2007, April). *Assessing Common Method Bias in Organizational Research*. Paper presented at the 22nd Annual Meeting of the Society for Industrial and Organizational Psychology, New York.
- Morgan, G. (2006). *Images of organization*. London, United Kingdom: Sage Publications.
- Morgan Stanley. (2017). *An investor's guide to gender diversity*. Retrieved from <https://www.morganstanley.com/ideas/gender-diversity-investor-guide>
- Olson, R., Verley, J., Santos, L., & Salas, C. (2004). What we teach students about the

- Hawthorne studies: A review of content within a sample of introductory IO and OB textbooks. *The Industrial-Organizational Psychologist*, 41(3), 23-39.
- Osborne, J. W. (2017). *Regression & linear modeling: Best practices and modern methods*. Thousand Oaks, CA: SAGE Publications.
- Parker, S. K., & Griffin, M. A. (2011). Understanding active psychological states: Embedding engagement in a wider nomological net and closer attention to performance. *European Journal of Work and Organizational Psychology*, 20, 60–67.
- Passive Management. (2018). In Investopedia online. Retrieved from <https://www.investopedia.com/terms/p/passivemanagement.asp>
- PricewaterhouseCoopers. (2012). Millennials at work: Reshaping the workplace in financial services. Retrieved from <http://www.pwc.com/gx/en/financial-services/publications/assets/pwc-millennials-at-work.pdf>
- Rich, B., Lepine, J. A., & Crawford, E.R. (2010). Job engagement: Antecedents and effects on job performance. *Academy of Management Journal*, 53(3), 617-635.
- Rothbard, N. P., (2001). Enriching or depleting? The dynamics of engagement in work and family roles. *Administrative Science Quarterly*, 46(4), 655-684.
- Saks, A.M., (2006). Antecedents and consequences of employee engagement. *Journal of Managerial Psychology*, 21(7), 600-619.
- Saks, A. M., & Gruman, J. A. (2011). Manage employee engagement to manage performance. *Industrial and Organizational Psychology*, 4, 204-207.
- Saks, A. M., & Gruman, J. A. (2014). What do we really know about employee engagement?. *Human Resource Development Quarterly*, 25(2), 155-182.

- Schaufeli, W. B., Salanova, M., González-Romá, V., & Bakker, A. B. (2002). The measurement of engagement and burnout: A two sample confirmatory factor analytic approach. *Journal of Happiness Studies*, 3(1), 71-92.
- Shaw, R. (2015, February 23). Working beyond five generations in the workplace. *Forbes*. Retrieved from <https://www.forbes.com/sites/rawnshah/2015/02/23/working-beyond-five-generations-in-the-workplace/#51e1049b296e>
- Shuck, B., Adelson, J. L., & Reio, T. G. (2017). The employee engagement scale: Initial evidence for construct validity and implications for theory and practice. *Human Resource Management*, 56 (6), 953-977.
- Shuck, B., Osam, K., Zigarmi, D., & Nimon, K. (2017). Definitional and conceptual muddling: identifying the positionality of employee engagement and defining the construct. *Human Resources Development Review*, 16(3), 263-293.
- Shuck, B., Reio, T. G., & Rocco, T.S. (2011). Employee engagement: An examination of antecedent and outcome variables. *Human Resource Development International*, 14(4), 427-445.
- Shuck, B., & Wollard, K. (2010). Employee Engagement and HRD: A Seminal Review of the Foundations. *Human Resource Development Review*, 9(1), 89-110.
- Simmering, M., Fuller, C.M., Richardson, H. A., Ocal, Y., & Atinc, G.M. (2015). Marker variable choice, reporting, and interpretation in the detection of common method variance: a review of demonstration. *Organizational Research Methods*, 18(3), 473-511.
- Simpson, M.R., (2009). Engagement at work: A review of the literature. *International*

- Journal of Nursing Studies*, 46, 1012–1027.
- Soane, E., Truss, K., Alfes, K., Shantz, A., Rees, C., & Gatenby, M. (2012). Development and application of a new measure of employee engagement: The ISA Engagement Scale. *Human Resource Development International*, 15(5), 529-547.
- SurveyMonkey. (2019). Retrieved from <https://www.surveymonkey.com/>
- Swanson, R.A.(2001) Human resource development and its underlying theory. *Human Resource Development International*, 4(3), 299-312.
- Thomas, K. W. (2002). *Intrinsic motivation at work: Building energy & commitment*. San Francisco: Berrett-Koehler Publishers.
- Valian, V. (1998). *Why so slow? The advancement of women*. Cambridge, MS:MIT Press.
- Vijaya,M. (2011). Analysis of employee engagement and its predictors. *International Journal of Human Resource Studies*,1(2), 15-26.
- Ware, J. (2017). *Money, meaning, and mindsets: Radical reform for the investment management industry*. CreateSpace Independent Publishing Platform.
- Ware, J., & Falk, M. (2016). Top performing equity teams: The common factors they share. Retrieved from <http://www.focusgroup.com/wp-content/uploads/2015/11/Top-Performing-Equity-Teams.pdf>
- Ware, J., & Robbins, K. (2014). Investment tribes: Understanding the subcultures in asset management firms. Retrieved from <http://www.focusgroup.com/wp-content/uploads/2015/11/Investment-Tribes.pdf>
- Wildermuth, C. (2010). The personal side of engagement: The influence of personality

factors. In S. Albrecht (Ed.), *Handbook of employee engagement: Perspectives, issues, research, and practice* (pp. 197-208). Cheltenham, England: Edward Elgar.

Xanthopoulou, D., Bakker, A. B., Demerouti, E. & Schaufeli, W.B. (2009). Reciprocal relationships between job resources, personal resources, and work engagement. *Journal of Vocational Behavior, 74*(3), 235–244.

Xanthopoulou, D., Bakker, A. B., Demerouti, E., & Schaufeli, W. B. (2009). Work engagement and financial returns: A diary study on the role of job and personal resources. *Journal of Occupational and Organizational Psychology, 82*(1), 183-200. doi:10.1348/096317908X285633

Xanthopoulou, D., Bakker, A. B., Ilies, R. (2012). Everyday working life: Explaining within-person fluctuations in employee well-being. *Human Relations, 65*(9), 1051-1069.

APPENDICES

Appendix A Request to Advertise the Survey

[*Name*],

I hope this note finds you well! I am contacting you to participate in a study on employee engagement in the active asset management industry. I am currently in the doctoral candidacy phase of a PhD program at the University of Louisville and working on my dissertation. I am beginning the data collection process for my dissertation research study. There is very little research on this topic in our field. Over the course of my work I have discovered the reason for this lack of research is likely due to how difficult it is to collect data from such busy professionals!

If you are able to help me with data collection by personally completing the survey and sharing the survey link with the group at [*Organization Name*] I would really appreciate it! The survey is only twenty-three questions (none of which require an open-ended response) and should only take around five minutes to complete.

I am more than happy to share my findings (approximately October 2019) with you and the group / team at [*Organization Name*]. Additionally, I am glad to answer any questions that participants might have related to the study. I can be reached at Elizabeth.Brenner@RiverRoadAM.com

The survey can be completed [HERE](#).

Thank you so much!

Elizabeth A. Brenner
Doctoral Candidate
Human Resources and Organizational Development
University of Louisville

Appendix B Survey Instructions & Consent for Participation

Dear Survey Participant:

You are being invited to participate in a research study by answering questions in an electronic survey focused on employee engagement in the active asset management business. The study is being conducted by Elizabeth Brenner as part of her doctoral student research under the guidance of Brad Shuck of the University of Louisville. There are no known risks for your participation in this research study. The information collected may not benefit you directly. The information learned in this study may be helpful to others. The information you provide will be used for academic research. Your completed survey will be securely stored within SurveyMonkey and electronically downloaded for data analysis at the University of Louisville. The survey will take approximately five minutes to complete.

Individuals from the Department of Educational Leadership, Evaluation, and Organizational Development, the Institutional Review Board (IRB), the Human Subjects Protection Program Office (HSPPO), and other regulatory agencies may inspect these records. In all other respects, however, the data will be held in confidence to the extent permitted by law. Should the data be published, your identity will not be disclosed.

Taking part in this study is voluntary. By answering survey questions you agree to take part in this research study. You do not have to answer any questions that make you uncomfortable. You may choose not to take part at all. If you decide to be in this study you may stop taking part at any time. If you decide not to be in this study or if you stop taking part at any time, you will not lose any benefits for which you may qualify.

If you have any questions, concerns, or complaints about the research study, please contact: Elizabeth Brenner (502) 552-8006 or Dr. Brad Shuck (502) 852-7396.

If you have any questions about your rights as a research subject, you may call the Human Subjects Protection Program Office at (502) 852-5188. You can discuss any questions about your rights as a research subject, in private, with a member of the Institutional Review Board (IRB). You may also call this number if you have other questions about the research, and you cannot reach the research staff, or want to talk to someone else. The IRB is an independent committee made up of people from the University community, staff of the institutions, as well as people from the community not connected with these institutions. The IRB has reviewed this research study.

If you have concerns or complaints about the research or research staff and you do not wish to give your name, you may call 1-877-852-1167. This is a 24 hour hot line answered by people who do not work at the University of Louisville.

Thank you!

Elizabeth A. Brenner
Doctoral Candidate

Dr. Brad Shuck
Associate Professor

Appendix C
Employee Engagement Scale - Shuck et al., 2017

Instrument Section	Sub-factor	Item
Employee Engagement	Cognitive	I am really focused when I am working.
Employee Engagement	Cognitive	I am really focused when I am working.
Employee Engagement	Cognitive	I concentrate on my job when I am at work.
Employee Engagement	Cognitive	I give my job responsibility a lot of attention.
Employee Engagement	Cognitive	At work, I am focused on my job.
Employee Engagement	Emotional	Working at my current organization has a great deal of meaning to me.
Employee Engagement	Emotional	I feel a strong sense of belonging to my job.
Employee Engagement	Emotional	I believe in the mission and purpose of my company.
Employee Engagement	Emotional	I care about the future of my company.
Employee Engagement	Behavioral	I really push myself to work beyond what is expected of me.
Employee Engagement	Behavioral	I am willing to put in extra effort without being asked.
Employee Engagement	Behavioral	I often go above what is expected of me to help my team be successful.
Employee Engagement	Behavioral	I work harder than expected to help my company be successful.

Note: Responses will use a 5-point Likert scale, where 1= strongly disagree and 5 = strongly agree.

Appendix D
IRB Approval



Human Subjects Protection Program Office
MedCenter One – Suite 200
501 E. Broadway
Louisville, KY 40202-1798
Office: 502.852.5188 Fax: 502.852.2164

DATE: June 20, 2019
TO: Brad Shuck, PhD
FROM: The University of Louisville Institutional Review Board
IRB NUMBER: 19.0610
STUDY TITLE: The Relationship between Employee Engagement and Work Performance for Individuals Working in Active Asset Management: Examining the Moderating Effect of Age, Gender, and Job Function
REFERENCE #: 687291
IRB STAFF CONTACT: Jackie Powell, CIP
 852-4101
 jspowe01@louisville.edu

This study was reviewed and approved with changes on 06/19/2019 by the Chair of the Institutional Review Board and the changes were approved by the HSPPO staff on 6/20/19. This study was approved through Expedited Review Procedure, according to 45 CFR 46.110(b), since this study falls under Category 7: Research on individual or group characteristics or behavior (including, but not limited to, research on perception, cognition, motivation, identity, language, communication, cultural beliefs or practices, and social behavior) or research employing survey, interview, oral history, focus group, program evaluation, human factors evaluation, or quality assurance methodologies

This study now has final IRB approval from 06/20/2019 through 06/19/2022.

This study was also approved through 45 CFR 46.116 (C), which means that an IRB may waive the requirement for the investigator to obtain a signed informed consent form for some or all subjects.

The following items have been approved:

Submission Components			
Form Name	Version	Outcome	
Submit for Initial Review	Version 1.0	Approved as Submitted	
IRB Study Application	Version 1.2	Approved as Submitted	
Study Document			
Title	Version #	Version Date	Outcome
Preamble (unsigned consent),	Version 1.0	06/12/2019	Approved
Email Request for Survey Participation	Version 1.0	06/12/2019	Approved
Survey	Version 1.0	06/12/2019	Approved

IRB Protocol	Version 1.0	06/12/2019	Approved
--------------	-------------	------------	----------

Your study does not require annual continuing review. Your study has been set with a three year expiration date. If your study is still ongoing you will receive iRIS automated reminders to submit a request to continue your study prior to the expiration date above.

All other IRB requirements are still applicable. You are still required to submit amendments, personnel changes, deviations, etc... to the IRB for review. Please submit a closure amendment to close out your study with the IRB if it ends prior to the three year expiration date.

Human Subjects & HIPAA Research training are required for all study personnel. It is the responsibility of the investigator to ensure that all study personnel maintain current Human Subjects & HIPAA Research training while the study is ongoing.

For guidance on using iRIS, including finding your approved stamped documents, please follow the instructions at

<https://louisville.edu/research/humansubjects/iRISSubmissionManual.pdf>

Please note: Consent and assent forms no longer have an expiration date stamped on them. The consent/assents expire if the study lapses in IRB approval. Enrollment cannot take place if a study lapses in approval. For additional information view Guide 038.

Site Approval

If this study will take place at an affiliated research institution, such as KentuckyOne Health, Norton Healthcare or University of Louisville Hospital/James Graham Brown Cancer Center, permission to use the site of the affiliated institution is necessary before the research may begin. If this study will take place outside of the University of Louisville Campuses, permission from the organization must be obtained before the research may begin (e.g. Jefferson County Public Schools). Failure to obtain this permission may result in a delay in the start of your research.

Privacy & Encryption Statement

The University of Louisville's Privacy and Encryption Policy requires such information as identifiable medical and health records: credit card, bank account and other personal financial information; social security numbers; proprietary research data; dates of birth (when combined with name, address and/or phone numbers) to be encrypted. For additional information: <http://security.louisville.edu/PolStds/ISO/PS018.htm>.

Implementation of Changes to Previously Approved Research

Prior to the implementation of any changes in the approved research, the investigator will submit any modifications to the IRB and await approval before implementing the changes, unless the change is being made to ensure the safety and welfare of the subjects enrolled in the research. If such occurs, a Protocol Deviation/Violation should be submitted within five days of the occurrence indicating what safety measures were taken, along with an amendment to revise the protocol.

Unanticipated Problems Involving Risks to Subjects or Others (UPIRTSOs)

In general, these may include any incident, experience, or outcome, which has been associated with an unexpected event(s), related or possibly related to participation in the research, and suggests that the research places subjects or others at a greater risk of harm than was previously known or suspected. UPIRTSOs may or may not require suspension of the research. Each incident is evaluated on a case by case basis to make this determination. The IRB may require remedial action or education as deemed necessary for the investigator or any other key personnel. The investigator is responsible for reporting UPIRTSOs to the IRB within 5 working days. Use the UPIRTSO form located within the iRIS system to report any UPIRTSOs.

Payments to Subjects

As a reminder, in compliance with University policies and Internal Revenue Service code, all payments (including checks, pre-paid cards, and gift certificates) to research subjects must be reported to the University Controller's Office. For additional information, please contact the Controller's Office at 852- 8237 or controll@louisville.edu. For additional information:

<http://louisville.edu/research/humansubjects/policies/PayingHumanSubjectsPolicy201412.pdf>

The committee will be advised of this action at a regularly scheduled meeting.

If you have any questions, please contact the IRB analyst listed above or the Human Subjects Protection Program office at hsppofc@louisville.edu.



Peter M. Quesada, Ph.D., Chair
Social/Behavioral/Educational Institutional
Review Board PMQ/jsp

We value your feedback. Please let us know how you think we are doing:
<https://www.surveymonkey.com/r/CCLHXP>

CURRICULUM VITA

Elizabeth Aubrey Brenner

College of Education and Human Development | University of Louisville | 1905 South 1st
Street, Louisville, KY 40292 | etaubr01@louisville.edu | 502.552.8006 |

EDUCATION

Ph.D. Candidate in Educational Leadership & Organizational Development (2019)

University of Louisville, Louisville, KY

Concentration: Human Resource Development

Dissertation Area: Employee Engagement in Active Asset Management

Advisor: Dr. Brad Shuck

M.A. Human Resource Education 2011

University of Louisville, Louisville, KY

B.A. Psychology 2009

University of Kentucky, Lexington, KY

PROFESSIONAL DESIGNATIONS

HR Certification Institute (HRCI®)

Senior Professional in Human Resources (SPHR®) 2015

PROFESSIONAL EXPERIENCE

River Road Asset Management, Louisville, KY

Director of Human Resources 2015 – Present

Human Resources Manager 2014 – 2015

Human Resources Specialist 2012 – 2014

Human Resources Coordinator 2010 – 2014

Research Coordinator 2009 – 2010

AWARDS AND HONORS

River Road Asset Management, Louisville, KY

Nominated Executive Committee Member 2019

Leadership Award 2014

Rising Star Award

2012

River Road Award

2010