

Employee engagement and technology: a case study analysis of best practice in Italian SMEs

by

Francesco Campione

A thesis submitted to

International Telematic University Uninettuno

in partial fulfillment of the requirements

for the degree of Doctor of Business Administration

Research Supervisor: Prof. Vincent English

March 3, 2023

Abstract

The role of the employee remains a critical aspect in any firm, especially for small and medium-sized enterprises (SMEs). Among scholars and practitioners, a growing body of research has demonstrated that happy and engaged employees lead to better performance. In recent years, employee engagement is even more crucial and difficult to achieve in a hybrid work environment (working from the office and from home). Despite that, the effective management of workers is still a slow and difficult approach to implement.

The central aim of this research is to examine the ways in which technology is being used to engage employees and to develop a best practice model for using technology to obtain high levels of work engagement in the context of Italian SMEs. To perform that, this work focused on both the negative and positive experiences of using technology. Indeed, little research has explored technology as a driver for employee engagement in Italian SMEs. Furthermore, the research's outcome is to develop a best practice model for improving employee engagement through technology and so enabling employees to feel more engaged and less disconnected.

This research concentrated on Italian context, surveying employees from Italian SMEs. Unfortunately, that confirmed the poor performance of Italian companies about employee engagement showed by Gallup's reports of the last years: Italy is the last country among those studied by Gallup, with a mediocre 4% of engaged employee (in 2021).

The current research is a combination of both exploratory (describing the current impact of technology on employee engagement in SMEs) and evaluative studies (assessing the extent to how technology can drive engagement). Moreover, within the mixed methods design, a multiple case study strategy was conducted.

The secondary sources used include data and information from the extant literature around employee engagement and the technology and work interface, and from databases (like 'EBSCO Information Services'), books, and web sites (of scholars, universities, associations, and practitioners). The primary sources include two measures: The Techno-Work Engagement Scale (TechnoWES) and the Technostress scale; and in-depth personal interviews (with subject-matter experts and workers from companies selected as the sample from Italian SMEs).

The research was designed to undertake an in-depth study on a small number of SMEs, interviewing their employees, and conducting a multiple case study analysis. The selection of firms was made between the Italian SMEs on the entire territory, with no focus on any specific region, industry, or size. Furthermore, information on these aspects was collected for further analysis.

Quantitative data from primary sources analyzed in this research has been tested using descriptive statistics, and with the Cronbach's alpha coefficient for verifying its consistency, whereas qualitative data was analyzed using thematic analysis.

It is important to say that the most important precondition to a strong and long-lasting employee engagement at Italian SMEs is a genuine positive approach of companies owners to workers. Without that, any framework to improve technology use, and any effort put in its implementation, are useless. What emerged clearly from the in-depth interviews with workers at Italian SMEs is that the main obstacle to employee engagement is the old-style Italian SMEs owners' custom to perceive their employees only as a *mere company asset* – just a number; that invalidates any contribution to engagement made by both technology and good relationship with colleagues.

The current research was not intended to study the problem of disengagement at work from the lens of organizational behavior; thus, the outcome of the research is a best practice model that could improve employee engagement through technology, and a crucial prerequisite is a working environment where the company atmosphere is not harmful.

Lastly, it is important to study further the problem of disengagement and with different perspective; so, a suggestion for future studies is to inquire the problem of disengagement among Italian SMEs with the help of organizational behavior. The latter would help to better understand and define the root cause of disengagement in Italian SMEs, and the best practice model developed in this research will build upon that and work as a catalyst to improve the engagement among workers.

Keywords: Engagement; Well-being; TechnoWES, Technostress; Eustress; Technology; Best practice model; Italy; SME.

Table of Contents

Acknowledgements.....	2
Abstract.....	3
1 Introduction.....	9
1.1 Context.....	9
1.2 Current data on engagement.....	10
1.2.1 Data from Gallup’s ‘State of the Global Workplace’ reports.....	12
1.3 Theoretical and practical gaps, and research rationale.....	13
1.4 Research aim, questions, and objectives.....	14
1.4.1 Research aim.....	14
1.4.2 Research questions.....	14
1.4.3 Research objectives.....	14
1.5 Conclusion.....	15
2 Literature Review.....	17
2.1 Introduction.....	17
2.1.1 The definition of SME.....	17
2.2 Organizational theories.....	18
2.2.1 Industrial and Organizational Psychology.....	18
2.2.2 Systems Design.....	19
2.3 Concepts and theories of motivation.....	20
2.3.1 Motivation and evolution of its concept.....	20
2.3.2 Measuring performance and productivity.....	22
2.3.3 Connection between personality and work motivation.....	22
2.4 Employee engagement.....	23
2.4.1 Defining engagement.....	23
2.4.2 Outcomes of engagement.....	24
2.4.3 Variations in engagement.....	25
2.4.4 Drivers and barriers to engagement.....	26
2.4.5 A chronological literature review of the main theories.....	29
2.4.6 Measuring the engagement.....	44
3 Methodology.....	55
3.1 Introduction.....	55
3.2 Research design.....	55
3.2.1 Research strategy.....	56
3.2.2 Research method.....	56

3.2.3	Sampling	57
3.2.4	Research stages	58
3.2.5	Data analysis strategy.....	59
3.2.6	Validity and reliability issues	60
3.3	The quantitative study	60
3.3.1	Questionnaire.....	61
3.4	The qualitative study.....	62
3.5	Ethical considerations	64
3.5.1	Level of access.....	64
3.5.2	Informed consent.....	65
3.5.3	Data protection and data management.....	65
3.5.4	Conflict of interest.....	66
3.6	Summary of research methodology.....	66
4	Results and Data analysis – Quantitative data.....	68
4.1	Introduction.....	68
4.2	Participants.....	68
4.3	Measures	70
4.4	Data analysis.....	72
4.4.1	TechnoWES.....	72
4.4.2	Technostress Creators.....	73
4.4.3	Technostress Inhibitors	79
4.4.4	Job satisfaction	82
4.4.5	Organizational commitment	83
4.5	Conclusion	84
5	Results and Data analysis – Qualitative data	86
5.1	Introduction.....	86
5.2	Participants.....	86
5.3	Key Words and Main Themes	88
5.3.1	Word cloud	88
5.3.2	Words frequencies and analysis.....	89
5.3.3	Main themes and tree nodes	98
5.4	Discussion.....	98
5.4.1	Research Question 1: To what extent is technology enhancing work engagement in Italian SMEs?	99
5.4.2	Research Question 2: How is technology increasing (or decreasing) work engagement?.....	100

5.5	Conclusions.....	100
6	Findings discussion	103
6.1	Introduction.....	103
6.2	Technology and its impact on organizations.....	103
6.2.1	Consequences of technology for employees	103
6.2.2	Needs of <i>disconnection</i>	107
6.3	Improving engagement leveraging on technology	108
6.3.1	Virtual meeting and virtual teams.....	108
6.3.2	Techno-work engagement	110
6.3.3	Flow	111
6.3.4	Eustress	112
6.4	Delivering employee engagement programs correctly.....	118
6.5	A digital platform for improving engagement	126
6.6	Lack of participation to well-being initiatives	128
6.7	Some approaches from practitioners.....	129
6.8	The framework (best practice model).....	130
6.8.1	Design employee engagement initiatives	131
6.8.2	Improving suggestions.....	133
6.8.3	The digital tool.....	135
6.9	Conclusion	136
7	Conclusion	137
7.1	Introduction.....	137
7.2	Theoretical contribution	138
7.3	Practical contribution.....	139
7.4	Research rationale aim and objectives	139
7.5	Literature gaps addressed	140
7.6	Overview of the main empirical findings	140
7.7	Research limitations	142
7.8	Further areas for research.....	144
8	Appendix A (quantitative)	145
8.1	Copy of the questionnaire used	145
8.2	Copy of the answers	151
9	Appendix B (qualitative).....	152
9.1	Participant information sheet	152
9.2	Consent form.....	154
9.3	Questions list.....	155

9.4	Words frequencies in digits.....	156
10	Appendix C (best practice model – diagrams)	162
10.1	Design employee engagement initiatives	163
10.2	Improving suggestions	166
10.3	The digital tool.....	169
	Index of Figures	171
	Index of Tables	172
	References.....	173