

**The Effect of Black Tax on Employee Engagement: The Mediating Role of Idiocentrism-Allocentrism-A Case of Pharmaceutical Industry in Zimbabwe**

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**Abstract:** Employees in the Pharmaceutical industry are coming late to work and knocking off early. These actions unveiled by the employees are likely to incur economic costs on the employer, occasioned by low employee productivity. Owners of production have expressed concern over the general low staff morale in the pharmaceutical sector. While most studies have concentrated on internal job-related factors as drivers of employee engagement, this study seeks to assess employee engagement as being influenced by black tax, an external factor. The main aim of the research was to establish the influence of black tax on employee engagement, being mediated by idiocentrism-allocentrism, particularly focussing on the pharmaceutical manufacturing and retailing industry in Bulawayo, Zimbabwe. The study employed the philosophical approach of pragmatism to guide the whole research. The researcher adopted a multi-stage sampling technique supported by the census technique to pick participants from the population. Closed and open-ended questionnaires were used to collect data from qualified pharmacists who are working in both the manufacturing and retailing industry in Bulawayo. Statistical Package for Social Sciences v23 (Process v3.5 by Andrew F. Hayes) was used to test the hypothesised relationship among variables. Qualitative data were analysed using thematic analysis. The results suggest that black tax directly influence employee engagement in the presence of a mediator (idiocentrism-allocentrism). Furthermore, the results indicate that the indirect coefficient was partially significant, which means that idiocentrism-allocentrism has a partial influence on employee engagement. The researchers recommend that management should ensure that employees are motivated all the time. They should implement an open-door policy so that employees can share their issues that affect their engagement level at work.

**Keywords:** *Black Tax, Employee Engagement, Idiocentrism-allocentrism, Social Exchange, Behavioural.*

## 1. Introduction

Black tax is referred to extra money that black working people or entrepreneurs are spending every month to support their extended families (Magubane, 2016). It can also be defined as a financial obligation which the working class pay to look after their relatives who are not capacitated to fend for themselves (Ratlebjane, 2015). While looking at black tax concerning who it affects, in the South African society, Ratlebjane, (2015) established that black tax was almost exclusively associated with working-class black people. This added pressure, over and above work-related activities tends to reduce and disrupt employee concentration, commitment, application and total devotion to work, hence influencing effective employee engagement. Engaged employees are more productive for the firm (Johnson, 2016). Employee engagement is a critical component that can augment the growth of the organisation in any sector or industry. Employee engagement is clearly expressed by Knight & A. (2009) as the dedication, vigour and absorption which is exhibited by employees towards their work. Employee engagement enhances production which can lead to maximum output due to effort displayed by employees. Workers are a veritable instrument of organisational success and hence it is essential to keep them engaged in their work (Tran, 2018).

If employees are fully committed to the organisation, its business outcome will also improve and customer satisfaction is also achieved easily. However, in Zimbabwean culture, it is the norm for those who are financially stable to support their relatives who are weak in terms of financial capabilities. In this culture, grown-up children are obligated to look after their parents and younger siblings. So, this research is very important because it highlights the effect of black tax, an external variable on employee engagement. In 2008, the Gallup Management Group pointed out that employee engagement is important because engaged employees have 51% lower turnover, 27% less absenteeism, 18% more productivity and 12% higher profitability (Balaji, 2007). In the pharmaceutical industry, employees play a prolific role in the research and development of new drugs, manufacturing of human drugs, and contributing to the Gross Domestic Product of the country. However, the sector is contributing less as compared to other sectors in the country. The table

below shows the contributions of the mining sector, agriculture sector and pharmaceutical sector, in terms of each sectors export percentages on their total output.

**Table 1: Export Contribution**

Industry/Sector	Export Percentage
Mining	60%
Agriculture	40%
Pharmaceutical	10%

**Sources:** (Hawkins, 2009; UNIDO, 2011; UNIDO, 2017)

Table 1 indicates that the pharmaceutical industry is failing to produce and export more drugs outside the country, which might increase its GDP contributions. However, the above construct might be necessitated by the fact that the industry is experiencing high employee turnover, absenteeism and a high number of employees who report to work late (Okoye, Modebe, Nwanneka, Achugamonu, & Isior, 2016). It is interesting to note that, objectives of the pharmaceutical industry cannot be reached if employees are not engaged (Okoye et al., 2016). Some scholars have indicated that lack of employee engagement is instigated by the poor work environment, mental attitude, values and high expectations of employees, (Johnson, 2016). However, while the above factors immensely contribute to the lack of employee engagement, there is scant research that has been done to assess the influence of black tax on employee engagement. This analysis seeks to close the gap identified in the literature and also evaluate the effects of the black tax on employee engagement. Further, the researcher would like to find out the moderating role of idiocentrism-allocentrism on black tax and employee engagement.

**Statement of the Problem:** Pharmacists from different pharmaceutical companies are being given warnings by their immediate supervisors due to their behaviour at work. They report to work late and knock off early most of the time. Further to that, when they are at work, they spend most of their time responding to their electronic mails and receiving outside phone calls, which hinders production. These actions by the employees are likely to incur economic costs on the employer, occasioned by low employee productivity. In addition, control authorities of the industry have expressed concern over the general low staff morale in the pharmaceutical sector. While most studies have concentrated on internal job-related factors as drivers of employee engagement, this study seeks to assess employee engagement as being influenced by black tax, an external factor unrelated to the employee's job environment, being mediated by idiocentrism-allocentrism.

**Research Objectives:**

- To identify the causes of the existence of black tax;
- To determine the effect of black tax on employee engagement
- To establish the effect of black tax on idiocentrism-allocentrism
- To examine the effect of idiocentrism-allocentrism on employee engagement
- To ascertain the mediating effect of idiocentrism-allocentrism on the relationship between black tax and employee engagement.

**Research Hypotheses:**

- H<sub>1</sub> There is a positive relationship between black tax and employee engagement.
- H<sub>2</sub> There is a positive relationship between black tax and idiocentrism-allocentrism.
- H<sub>3</sub> There is a positive relationship between idiocentrism-allocentrism and employee engagement.
- H<sub>4</sub> Idiocentrism-allocentrism mediates the relationship between black tax and employee engagement.

**2. Literature Review**

**Theoretical Framework:** Theories that underpinned the study are behavioural and social exchange theory.

**Behavioural Theory:** Behaviour refers to everything that humans do, both verbal and nonverbal. Behaviourism is of the view that attitude should be expounded by observable experiences, not by mental processes. Behaviour refers to the learning approach (Maag, 2014). Behaviourists like Skinner and Watson

believed that behaviour is affected by external forces (Manila, 2012). Skinner posited that human beings are controlled by their experience, which means that engagement is not only affected by what happened within the circles of the organisation but also by other external forces like relatives demands (black tax) which can affect it. However, this entails that external stimuli can affect how employees behave at work. The external stimuli may either build or destroy employee engagement.

**Social Exchange Theory:** The theory is based on the philosophical and psychological orientations deriving from utilitarianism on one hand and behaviourism on the other side. Social exchange is defined as the exchange of activity. The exchange can be rewarding or costly between the least two persons (Coyle- Shapiro & Diehl, 2018). For example, a person who was taken to school by a relative can have the obligation to reciprocate when the other part is no longer capacitated. Ratlebjane, (2015) indicated that black tax is the money that is used by employed black people to support their relatives, parents and young siblings. However, through helping each other financially, some people are obliged to return that favour when they are capacitated to do so in life, thus paying black tax.

**Employee Engagement:** Knight & A. (2009) defined engagement as working together of employees to accomplish the objectives of the organisation “the joining of organisational employees’ selves to their work roles. In engagement, employees dedicate themselves physically, cognitively and emotionally during role performance”. While *Tran*, (2018) views personal engagement as the commitment of employees to their job responsibilities. Three elements can be viewed as the strong contributing factors of employee engagement and these are dedication, vigour and absorption aspects. The above-stated dimensions of employee engagement are influenced based on the psychological experiences of the self-in-role.

**Importance of Employee Engagement:** Employee engagement is a fundamental tool that enhances the growth and sustainability of an entity. There are a plethora of outcomes that are necessitated by employee engagement. These positive outcomes include organisational performance, employee productivity, employee retention and customer loyalty (Tanto, Lambey, & Pandowo, 2017). Several pieces of research indicated that employee engagement is relevant to organisational performance. Singh, (2018) revealed that employee engagement positively impacts organisational performance. Similarly, Ongel, (2010) in his research revealed that there is a positive relationship between employee engagement and organisational performance. Further to that, a high level of employee engagement compels employees to participate in organisational decisions and pursue learning objectives (De Waal & Pienaar, 2013). Committed and engaged employees develop new knowledge to respond to new opportunities.

In addition, if employees are engaged, they are eager to support the organisation and also engage themselves in mentoring and work volunteering (Truss, 2013). Engaged employees have the enthusiasm and energy to meet challenging objectives, hence that zeal enhances employee productivity. Still, further, employee engagement demonstrates commitment, involvement, participation, enhanced skills and energy that employees bring to work and these are a fundamental proxy of their dedication to the entity. When employees are engaged, it means that motivation is high, stress levels are low and their morale would be constantly increasing (Truss, 2013). However, the above indicators lead to low turnover. As we are now living in a global village, pharmaceutical companies need to follow both global and local standards. The way employees perceive their work is key because it influences the quality of their work, which instigate customer satisfaction and loyalty (Singh, 2018).

**Drivers of Employee Engagement:** Employee engagement is rooted in training and development, pay and benefits, involvement, health and safety and work-life balance. Commitment and the energy from the employees for their work are required by every owner of the production. These can be acquired through the training of employees (Azeem et al., 2010). Training and development has a positive bearing on an individual’s performance at work and compels individuals to be engaged. Through training, employees acquire technical skills, interpersonal skills and knowledge which improve their jobs efficiently and effectively at the workplace. Pay and benefits are some of the ingredients which can coerce employees to be engaged (Singh, 2018). Employees need a transparent system of pay and benefits so that they can be engaged in their job roles. Engaged employees have the zeal to help each other, share ideas, enjoy their work and

automatically have pride in their work. So, engaged employees are motivated by the above-stated variables (Zainol, Hussin, & Othman, 2016).

**Black Tax:** Mhlungu (2015) defined black tax as the shorthand used to express the financial obligations of providing for extended family as a result of challenges faced by black people in a society. Magubane, (2016) suggested that black tax refers to both social and economic care, such as money, shelter, food and clothing. Overall, black people who are working provide for their extended families. Black tax is necessitated by high rates of unemployment in Africa (Ratlebjane, 2015). Broken family structures such as divorce or the death of a parent cause other people to stretch their hands financially to the extended families and friends. Growing up in such a situation strengthens family bonds and teaches those who are involved to consider family networks (Ratlebjane, 2015). Given the high unemployment rate in Zimbabwe and the traditional collectivist orientation of black people, it is almost likely that every person who is working or who is financially stable is in one way or another paying black tax. In a family set up in Zimbabwe, few people are employed and they are obliged to take care of their parents, young siblings and other family members. Therefore it can be noted that black tax is a very significant factor especially to black people in Africa (Mhlungu, 2015).

**Importance of Black Tax:** Black tax is a fundamental issue especially in a society of black people. People who are on payroll must take care of their relatives who are not capacitated to look after themselves. In a country like Zimbabwe, where the unemployment rate is above 95%, it becomes a moral duty of those who are lucky to be employed to help their relatives who are struggling to fend for themselves in life (Mahembe, 2011). Maslow's hierarchy of needs highlighted that there are basic needs that are supposed to be met by any human being. These basic needs include food, water and shelter. People must have food to eat, water to drink, and a place to call home before they can think about anything else. If any of these physiological needs are absent, people are compelled to meet the missing needs through other means available to them. If they fail to meet the above necessities, they ask for help from relatives or friends. Consequentially, the person who helps is directly paying black tax, even though that tax is not known in the workplace (Ratlebjane, 2015). Extended family support becomes an important aspect of coping and a basic resource of social capital. Experiencing relative economic challenges lead to higher levels of extended family involvement (Magubane, 2016). Therefore black tax exists in black society.

**Causes of Black Tax:** Black Tax springs from family members, extended family and social networks (Magubane, 2016). Black tax is necessitated by the rate of unemployment. People who are not employed are forced to seek help from their relatives and friends (Mhlungu 2015). Further, black tax is also caused by broken families for example death of a parent or all parents may necessitate the existence of black tax. Close relatives are forced to look after children who are left behind because of death. Still, further, divorce is another problem that causes black tax. Normally, in African society, a man is supposed to financially support the family, however, if the man decides to detach himself from the family, it means that the mother is supposed to look for financial help from relatives, hence black tax exists (Mhlungu 2015).

**The Mediating Role of Idiocentrism-Allocentrism:** Idiocentrism-allocentrism stands for personal level orientations of individualism and collectivism (Shemueli, Westman, Chen and Bahamonde, 2019). Society plays a vital role to cause the above two dimensions to be higher on average. However, individuals may differ from their community's trends because personal experiences are very influential (Shemueli et al., 2019). At an individual level, idiocentrism and allocentrism can be characterised as a set of values that may affect the way a person behaves, feels and controls the situation they face in the workplace. Black tax is something that happens in family circles but employees are forced to carry the effects to the workplace (Mhlungu, 2015). Shemueli et al. (2019) stated that employees with high idiocentrism are independent and they want to achieve their own goals. Therefore, the researcher wanted to find out if idiocentrism can mediate the effect of black tax on employee engagement. Employees with high allocentrism influence employee engagement because they want to achieve the objectives of a group or organisation. In this regard, allocentrism acknowledges agreement and cooperation within the organisation, beyond personal or cultural issues to attain organisational goals.

### Empirical Evidence: Black Tax and Employee Engagement

**Causes of the Existence of Black Tax:** Magubane (2016) carried out a study in South Africa focusing on Black tax. The research revealed that black tax is caused by a lack of financial resources within the families. The findings above were also supported by Ratlebjane (2015) who carried out similar research in South Africa on how 'black tax' cripples youth's aspirations. The research revealed that due to limited job opportunities, young people who are lucky enough to have a job ended up supporting those relatives who are less well-off and siblings without parents due to death or divorce. Ratlebjane (2015) noted that the high cost of living is another element that causes the existence of black tax. It was revealed that the previous generation's cost of living was lower and several basic needs and utilities were free as compared to the present generation. This means that family incomes required for basic sustenance have been reduced hence necessitating the need for employed relatives to intervene financially and through other means. Therefore, the causes of black tax can be highlighted as unemployment and death of parents or divorce while kids are still young.

**Black Tax and Employee Engagement:** There is still limited literature when it comes to the effect of black tax on employee engagement. However, black tax can be in the form of financial support or social support. Employees go to work because they need financial support to satisfy their different needs, hence black tax is another need that can compel employees to be dedicated to their work. Both financial and social support might directly affect the engagement of employees. Extrapolating from the above lead us to the following hypothesis:

**H<sub>1</sub>:** There is a positive relationship between black tax and employee engagement.

**Black Tax and Idiocentrism-Allocentrism:** There is a paucity of research on black tax and idiocentrism-allocentrism particularly in Zimbabwe. However, Shemueli et al. (2019) posited that employees with high idiocentrism are independent and they want to achieve their own goals. Further to that, employees with high allocentrism want to achieve the objectives of a group. In this regard, it can be assumed that black tax necessitates idiocentrism-allocentrism. Due to the above assumption, the following hypothesis was formulated:

**H<sub>2</sub>:** There is a positive relationship between black tax and idiocentrism-allocentrism.

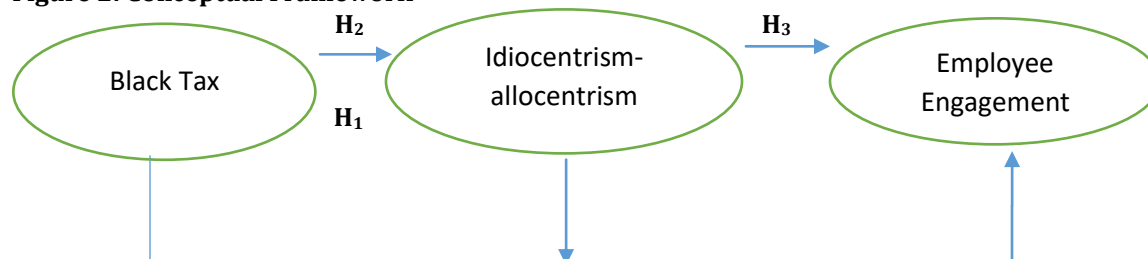
**Idiocentrism-Allocentrism and Employee Engagement:** Idiocentrism simply means individualism and allocentrism refers to collectivism. There is scant research on the effect of idiocentrism-allocentrism on employee engagement. However, if employees work in teams or collectively, they make relationships and these relationships might enhance their engagement in their job roles. Further to that, employees who believe in themselves, concentrate on their own goals, hence they can be engaged in their work. Therefore it can be assumed that:

**H<sub>3</sub>:** There is a positive relationship between idiocentrism-allocentrism and employee engagement.

**Mediating Role of Idiocentrism-Allocentrism on Black Tax and Employee Engagement:** We assume that high allocentric orientation might strengthen the relationship between black tax and employee engagement because there is sparse literature on their effect. Deducing from the above lead us to the following hypotheses:

**H<sub>4</sub>:** Idiocentrism-allocentrism positively moderates the relationship between black tax and employee engagement.

**Figure 2: Conceptual Framework**





**Measures Employee Engagement:** There are so many measurements of employee engagement that can be employed. The engagement was measured using the short version of the Utrecht Work Engagement Scale (Drake, 2012). The instrument comprises of nine items, for example (“My job inspires me”) that represents three variables of employee engagement that is dedication, vigour and absorption. Items were rated on a five-point scale ranging from 1 (strongly disagree) to 5 (strongly agree).

**Idiocentrism-Allocentrism:** It was measured using a scale developed by Dorfman and Howell, (1998), that assesses the cultural orientation dimensions of idiocentrism-allocentrism at the individual level. Six items, for example (“group welfare is more important than individual rewards”), were rated on a five-point Likert scale ranging from 1 (strongly disagree ) to 5 (strongly agree). For the study, researchers operationalised the cultural orientation of all allocentrism as high and idiocentrism as low.

**Black Tax:** There is scant information on the measurement of black tax. Therefore researchers operationalised the cultural intelligence scale developed by Ang, Van Dyne, Koh, Ng, Templer, Tay and Chandrasekar, (2007), to measure black tax. The 20 item scale was scored on a five-point Likert scale rating from 1 (strongly disagree) to 5 (strongly agree).

**Gaps Noted in Literature:** The critical research gap that this study sought to fill was to assess the relationship between black tax and employee engagement. Most of the scholars only concentrated on internal job-related drivers which influence employee engagement, largely ignoring external drivers which can affect employee engagement (Tran, 2018). Previous researchers have established that employees are motivated to be engaged by issues such as training and development, performance appraisal, communication at work, equal opportunities and fair treatment, health and safety, cooperation, family friendliness, leadership and job satisfaction (Tran, 2018). However, there is scant research that has assessed whether the black tax (as an external factor) may drive or hinder employee engagement.

### 3. Research Methodology

The research was based on pragmatism philosophy as the researcher sought to ascertain causal relationships using both quantitative and qualitative methods. Pragmatism means solving some issues or challenges in a real or practical way rather than by using theory or abstract principles. Pragmatism allows the study to adopt both quantitative and qualitative research to have an in-depth understanding of issues that are being assessed (Bryman & Bell, 2007). For example in this study, researchers wanted to know if external factors like black tax affect employee engagement and the mediating role of idiocentrism-allocentrism. The nature of this research supports the adoption of a survey research design. Survey research design is normally employed in quantitative research projects, and it also involves sampling a representative percentage of the population (Bryman & Bell, 2007). Furthermore, survey research design can also be used in qualitative research, making it significant for the study. The surveys yield quantitative data that can be evaluated empirically. Surveys are normally used to assess causative variables between different types of data. For example, this study wanted to establish whether black tax has got any effect on employee engagement. The data were quantified and examined to provide insights that were used to form the conclusions. The population under study was the pharmaceutical industry including both manufacturing and retailing firms operating in Bulawayo. The city has got three registered companies that are manufacturing human drugs.

It was also revealed that in Bulawayo there are 88 registered pharmacies and each pharmacy employed only one qualified and registered pharmacist. There are 16 clinics and 3 big hospitals. The population for this study was therefore 122. The multi-stage sampling technique was used because there are different entities such as clinics, hospitals, pharmacies and drug manufacturing companies operating in Bulawayo. The multi-stage sampling method uses several distinct techniques. In this technique, the population is divided into groups at different stages. The sampling frame was studied by researchers and it revealed that the population was 122 pharmacists who are employed in various organisations. Clinics and hospitals were excluded because it was realised that not all of them had functional pharmacies or pharmacists. The population was reduced to 103. The researchers then adopted a census technique, which is applicable when dealing with a small population. The sample size was therefore 103 participants. A census study is used when the population is very small or if it is reasonable to include the entire population (Singh & Masuku, 2014). It is

called a census sample because data is gathered from every member of the population. Although cost considerations make this impossible for large populations, a census is more attractive for small populations of about 200 or less (Singh & Masuku, 2014). Thygesen & Ersbøll, (2014) used the entire population of 100 as a sample in their research of strengths and limitations in register-based epidemiology. A census eliminates sampling error and provides data on all the individuals in the population. The table below shows the sample size.

**Table 2: Population Size and Sample Size**

Sector	Population	Sample Size
Manufacturing companies	7	7
(Pharmacists)		
Retail Pharmacies (Pharmacists)	96	96
<b>Total</b>	<b>103</b>	<b>103</b>

The study used both closed and open-ended questionnaires because of their flexibility in allowing participants to respond on their own time. Furthermore, questionnaires are easy to administer as compared to other research instruments and they also have wide geographical coverage. Questionnaires can gather more information from a large group of people within a short period and in a relatively cost-effective way. Since the time frame of research is limited but accurate results are required, questionnaires cover-up by getting some of the required information at a small time frame given (Habimana, 2013).

**Reliability of the Study:** All respondents were given the same questionnaire to improve the reliability of the research. The questionnaire was tested using SPSS version 23 and the Cronbach Alpha was 0.712. Montshiwa & Moroke, (2014) note that if the Cronbach Alpha is more than 0.6 it means that the questionnaire is reliable, therefore the questionnaire was reliable for the current study.

**Validity:** The researcher designed the questionnaire using the research questions which were formulated based on the research objectives. This was to ensure that the responses from the field research would answer research questions formulated to address the research problems, which is content validity. In addition, a pilot test was conducted on a limited number of respondents to ascertain whether the research instrument was gathering relevant data for the study.

**Data Analysis and Presentation:** Thematic analysis model was used to analyse qualitative data. Statistical package for social sciences v23 (Process v3.5 by Andrew F. Hayes) was used to assess the effect of black tax on employee engagement, mediated by idiocentrism-allocentrism.

#### 4. Findings

**Causes of the Existence of Black Tax:** Most of the responses indicated that black tax is caused by the high rate of unemployment in Zimbabwe. If people are not employed, they tend to seek help from their family members who are employed. Moreover, the results indicated that black tax is necessitated by divorce and the death of relatives. Therefore, the above results are constant with the results of Magubane (2016) and Ratlebjane (2015) who carried their studies in South Africa and revealed that unemployment and divorce are the sources of black tax.

**Regression Analysis: SPSS Process:** Regression analysis was used to test the effect of black tax on employee engagement, mediated by idiocentrism-allocentrism. According to Hayes and Rockwood (2019), the mediation test should meet three conditions in the regression analyses: For a mediation effect to be confirmed, the predictor X (Black Tax) must predict M (Idiocentrism-allocentrism), and the M (Mediator) must predict the outcome Y (Employee engagement). For complete mediation to be confirmed, the predictor variable (Black Tax) must not have a significant predictive effect on the outcome variable (Employee engagement) in the presence of the mediator variable (Idiocentrism-allocentrism). Where the predictor variable is still significant, then partial mediation is confirmed.

### Testing Hypotheses

**Table 3: Regression Analysis Using SPSS Mediation Process (Model 4)  
Black Tax and Employee Engagement**

Outcome Variable: Emp eng						
Model Summary						
R	R-sq	MSE	F	df1	df2	p
.43	.18	.01	155.36	1.00	245.00	.000
Model						
	coeff	se	t	P	LLCI	ULCI
constant	1.70	.14	11.79	.000	1.42	1.99
Black Tax	.17	.04	12.46	.000	.40	.55

Regression analysis was used to examine the hypothesis that black tax affected employee engagement. Results indicated that black tax had a weak significant predictive effect on employee engagement,  $B = .17$ ,  $SE = .04$ , and  $p$ -value = .000 which is less than .005. These results supported the  $H_1$ , although the effect is weak. Approximately 18% of the variance in employee engagement was accounted for by the predictor ( $R^2 = .18$ ). Therefore we accept the  $H_1$  which assume that there is a positive relationship between black tax and employee engagement.

### Black Tax and Idiocentrism-Allocentrism

**Table 4: Black Tax and Idiocentrism-Allocentrism**

Outcome Variable: Idio Allo						
Model Summary						
R	R-sq	MSE	F	df1	df2	p
.46	.22	.28	67.98	1.00	245.00	.000
Model						
	coeff	se	t	P	LLCI	ULCI
constant	1.83	.15	12.60	.000	1.54	2.12
Black Tax	.30	.04	8.24	.000	.24	.39

The results in table 4 indicated that black tax had a significant predictive effect on idiocentrism-allocentrism,  $B = .30$ ,  $SE = .04$  and  $p$ -value = .000. These results supported the  $H_2$ . Approximately 22% of the variance in idiocentrism-allocentrism was accounted for by the predictor ( $R^2 = .22$ ). Therefore, it can be suggested that black tax triggers both individualism and collectivism. Black Tax necessitates other employees to mind their own business at the same time it compels other people to work as a team. Therefore the study accepts the  $H_2$  which assert that there is a significant positive relationship between black tax and idiocentrism-allocentrism.

### The Mediating Effect of Idiocentrism-Allocentrism on Black Tax and Employee Engagement

**Table 5: Mediating Effect of Idiocentrism-Allocentrism on Black Tax and Employee Engagement**

Outcome Variable: Emp eng						
Model Summary						
R	R-sq	MSE	F	df1	df2	P
.58	.34	.24	114.31	2.00	244.00	.000
Model						
	coeff	se	t	P	LLCI	ULCI
constant	.99	.17	5.76	.000	.65	1.32
Black Tax	.25	.04	8.85	.000	.27	.43
Idio Allo	.31	.04	6.72	.000	.29	.51

Regression analysis was used to examine the hypothesis that idiocentrism-allocentrism mediates the effect of black tax on employee engagement. Results in Table 5 indicated that black tax had a significant predictive



effect on employee engagement,  $B = .25$ ,  $SE = .04$ ,  $p = 0.000$ , and idiocentrism-allocentrism was a significant predictor of employee engagement,  $B = .31$ ,  $SE = .04$ ,  $p = 0.000$ . Black Tax had a significant predictive effect on employee engagement in the presence of the mediator, (idiocentrism-allocentrism), which is consistent with partial mediation. Approximately 34% of the variance in employee engagement was accounted for by the predictors ( $R^2 = .34$ ). The results indicated that idiocentrism-allocentrism partially mediates the relationship between black tax and employee engagement. Therefore, the results showed that black tax had a significant effect on employee engagement without being mediated by idiocentrism-allocentrism. Therefore it is concluded that idiocentrism-allocentrism partially mediates the relationship between black tax and employee engagement. Therefore it is concluded that idiocentrism-allocentrism partially mediates the relationship between black tax and employee engagement.

**Table 6: Direct and Indirect Effect**

<b>The Total Effect of X on Y</b>						
Effect	se	t	P	LLCI	ULCI	c-ps
.38	.04	12.46	.000	.40	.55	.70
Direct effect of X on Y						
Effect	se	t	P	LLCI	ULCI	c-ps
.25	.04	8.85	.000	.27	.43	.52
Indirect effect of X on Y						
Idio-Allo	Effect	BootSE	Boot LLCI	BootULCI		
	.13	.03	.08	.17		

The indirect effect was tested using a percentile bootstrap estimation approach with 5000 samples implemented with the PROCESS macro Version 3 (Hayes, 2017). The results in Table 6 indicated that the indirect coefficient was partially significant,  $B = .13$ ,  $SE = .03$ . The direct effect was significant in the presence of the mediator with  $B = .25$  and  $SE = .04$ . The total effect contributed by the black tax on employee engagement is 65.8% and idiocentrism-allocentrism (mediator variable) contributed 34.2% which confirmed that the indirect coefficient was partially significant.

## 5. Conclusion and Recommendations

The results revealed that the causes of the existence of the black tax are that most people are closely linked to their parents, siblings and other relatives. This is consistent with the traditional collectivist orientation of black people. The study found out that most people are unemployed and those who are fortunate to get employment to have the duty to financially and morally support their relatives. However, the results are constant with the results of Magubane, (2016) and Ratlebjane, (2015) who also revealed that young professionals in South Africa are failing to prosper because of the responsibilities they have, which is necessitated by their backgrounds. Furthermore, the results uncovered that black tax has a direct effect on employee engagement on the presence of the mediator (idiocentrism-allocentrism), which means that an indirect coefficient was partially significant. The results are linked with Social exchange theory which stated that black people are obliged to help others in return for the favours they offered them before (Andriani, 2013). Therefore, it can be concluded that black tax has a significant effect on employee engagement. Pharmacists need money to support their families and that compels them to be engaged in their profession to the extent that they can work for more than one organisation.

**Recommendations:** Recommendations to follow were gathered after a thorough understanding of the problem and assessing data obtained from black tax and employee engagement. Researchers recommend that human resource management should ensure that employees are motivated at all times. They should implement an open-door policy so that they know some of the external issues which affect employees. Management should promote socialisation at work so that employees can share their different experiences in life. For example, they should create a day where employees are involved in different activities such as playing soccer, netball, volleyball, cricket, and athletics.

**Areas for Further Research:** The research has given an insight into the area of black tax and employee engagement, moderated by idiocentrism-allocentrism and how black tax impacts employee engagement. The

following aspects should be considered for future research: Future research should replicate the same topic but focus on other sectors. If possible, it is also a noble idea to do a comparative study because black tax depends on the culture of the society, further to that, such research will make an informed judgement with a larger sample. It is also ideal to do a qualitative study on black tax in Zimbabwe. Future research should consider using longitudinal research design, using the same topic. In addition, future studies should consider using a different theoretical lens to underpin the same topic.

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