

Key Drivers of Employee Engagement in Banking Sector: An Empirical Investigation

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Abstract

Interest in Employee Engagement has increased considerably over the last decade among academicians and practitioners. It is viewed as a critical contributor to the organisation success and the engaged employees are seen to be the strategic partner of this success. But it is challenging task for the organisations to engage these existing workforces. Unlike the other sectors, the turnover rate of the employees and the number of unengaged employees is comparatively high in banking sector due to which high prominence is given to employee engagement in this sector. However, employee engagement has rarely been studied in the banking sector and little is known about its drivers too. The study throws light on the key driver's Training and Development, Co-Worker Relationship, Perceived Organisational Support and Reward and Recognition of employee engagement and to know the impact of these drivers on employee engagement. The paper also tries to suggest some employee engagement strategies that can be successfully implemented in the banking sector in order to enhance the engagement level of the employees. The study is based on the primary data collected from 284 employees working in banking sector. Questionnaire contained items to measure the different drivers of Employee Engagement. WarpPLS was employed to measure the strength of the relationship between different drivers and Employee Engagement. The average age group of the respondents was 31 to 40 and 60 percent were male. Participants have an average of 5 years of work experience. Results indicate that co-worker relationship is the most prominent driver that influences employee engagement in an organisation, followed by Reward and Recognition. Findings of the study are discussed, together with limitations and suggestions for future research.

Keywords: Employee Engagement; Training & Development; Reward and Recognition; Perceived Organisation Support; Co-worker Relationship.

Introduction

In the recent era, the changes in the economy have made the organisations recognise the importance of the employees in the organisation. With the advancement of technologies organisations are highly in need for skilled and competent employees who can excel in both technical and innovative perspective. As organisations endeavour to outshine in the market the wellbeing of every employee working for them is important. Companies focused on employees as a real asset to the organisation

and viewed employee engagement as one of the key parameters for the growth of the organisation. Over the years one of the toughest challenges faced by the organisation was to attract and retain the talented employees. There was a huge gap between the demand and supply of workforce who are really skilled and talented. It became essential to improve the morale of the employees as well as to increase the productivity of every organisation. As a result, the employee engagement touted as the pinnacle of positive employee behaviours.

Employee engagement in brief describes the level of emotional commitment and involvement an employee has towards his role and to the organisation. Employee Engagement was first conceptualised by William A. Kahn (1990) as the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. As

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the employee engagement levels go higher the employees are more likely to perform their role and responsibilities at a higher quality level. They tend to be more committed to their work and are inclined to show extra role behaviour. He is positively connected with his organisation and shows a constructive attitude towards work and to his colleagues and leave the organisation at a reduced rate. Organisations are using their engaged employees as a strategic tool to enhance their competitiveness. Based on a study conducted by Harvard Business Review (HBR), employee engagement is becoming the centre of attraction to the management and employee engagement inevitably helps the organisation to cut down the recruiting and retention costs.

Background of the Study

Banking sector in India had undergone tremendous reforms over the years. But we could see that Indian banking sector was battling one storm after another over the past few months. That was a period of scams, toxic assets and sinking profitability in banks. This sector was drowned to certain extent by the increase in non-repayment of loans by the corporate and by the growth of Non-Performing Assets (NPA) in bank. This created waves of turbulence and stuttered even the very existence of many public sector and private sector banks and generated lot of uncertainty not only for the administrative level staff but also for each banker working in these banks. The pressure on the entire banking system to retrieve the lost performing asset is very high. This had also affected the monetary and non-monetary rewards packages and even the welfare provisions provided to these bankers.

Immense pressure on banking sector has affected the work-life balance of each bank employee. This coercion which is a result of loss of funds in bank had affected the training and development practices given to the bankers; the rewards and recognition given by the bank and even the total support given by the bank to its staff members.

At this scenario a study about the employment engagement levels in bank is very important. It is also important to evaluate the present engagement strategies adopted by the banks in order to come forward with revised engagement strategies.

Review of Literature

Employee engagement

Employee engagement is a highly relevant

concept for the managers in organisations during the period of 1999- 2006 as it was fundamental in determining the organizational success. One of the oldest literatures put forth by Goffman in 1961 states that engagement is a "spontaneous involvement in the role and a visible investment of attention and muscular effort."

The evolution of the concept employee engagement can be traced to Kahn's article "Psychological Conditions of Personal Engagement and Disengagement at Work" which appeared in a 1990 edition of the Academy of Management Journal. Comprehensively the approach used here was designed to give in a grounded theoretical framework that exemplify how psychological experiences of work and work contexts shape the processes of people presenting and absenting their selves during task performances (Kahn, 1990). He suggest that employees tend to contribute more when they are emotionally, cognitively and physically engaged in the work they do and have a chance to outperform the role they take up. The employees tend to realise that they play a very vital role in the organisation and the absence of them can create vacuum in the organisation. In his study Kahn also suggests the psychological conditions of meaningfulness, safety, and availability as the three important conditions together with which people perform their different roles. Psychological meaningfulness can be conceptualised as a "feeling that one is receiving a return on investments of one's self in a currency of physical, cognitive, or emotional energy. People experienced such meaningfulness when they felt worthwhile, useful, and valuable-as though they made a difference and were not taken for granted (Kahn, 1990, p.704)." Psychological safety is marked by a "sense of being able to show and employ self without fear of negative consequences to self-image, status, or career(Kahn, 1990, p.705)." Psychological safety results from "trusting relationships (especially with superiors), well-defined roles and expectations that clarify the bounds for safely expressing oneself, and sensing that failed initiatives are more likely to be occasions for learning than strife. In lieu of such protective boundaries, people can feel unsafe and thus guard themselves by withdrawing rather than whole-heartedly investing themselves in their work (Edmondson, 1999)." Psychological availability is the "sense of having the physical, emotional, or psychological resources to personally engage during a particular moment" (Kahn, 1990, p.714). It is a critical psychological condition for complete engagement with one's work that permits "a focus on tasks rather than anxieties" (Kahn, 1990, p.716).

Later in the academic literature many authors came up with many definitions which included the components of engagement also. Rothbard in 2001 defined engagement as a psychological presence and described its two components Attention and absorption. Attention refers to time one is cognitively available and spends thinking about a role while absorption means being immersed in a role and the amount of one's attention on a role. In a qualitative study conducted by Schaufeli and Bakker (2001), they defined engagement to be a positive, satisfying work oriented mindset that is characterized by vigor, dedication, and absorption. This significant contribution led to the development of a multidimensional construct with three major dimensions of engagement. Vigor is often characterised by high levels of energy and mental effort in order to perform a task. Dedication is the being engrossed and devoted in the work with a high level interest and satisfaction. Absorption happens when one is fully immersed in the work that is being done and finds it difficult to disconnect or lose track of it. (Gonzalez-Roma et al., 2006). Fleming and Asplund (2007, p.2) moved further and defined employee engagement as the ability of the employer to capture the heads, hearts, and souls of employees working for them so as to inculcate a self driven desire and passion for achieving excellence. Cook (2012) defined engagement as employee's positive thinking, feeling and relation with the organisation in achieving organizational goals for all the stakeholders.

Drivers of employee engagement

Different studies conducted on employee engagement have identified various drivers or antecedents of employee engagement. Britt et al. (2001) identified employee involvement and commitment as the major engagement drivers in an organisation. Say, Stay and Strive were the three predictors of employee engagement that was identified by Hewitt Associates (2004). IES in 2004 recognised leadership, relationships at work, total reward, recognition, work life balance and work itself as the important antecedents of employee engagement. A study conducted by Towers Watson (2009) found that Rational, Emotional, and Motivational parameters are the three drivers of engagement. Rational parameter explains the ability of the employees to understand the roles and responsibilities entitled to him. Emotional one defines how much enthusiasm employee can bring to work. Motivation alone measures the willingness of the employee to put in voluntary efforts in order to carry out their role.

Mani in 2011 conducted a study to identify the predictors of employee engagement which identified four drivers as employee welfare, empowerment, employee growth and interpersonal relationships (Mani, 2011). According to Joshi and Sodhi (2011) job content, compensation/monetary benefits, work-life balance, top-management employee relations, scope for advancement and career growth and team orientation/team work were the major predictors of employee engagement in an organisation. According to Maslach et al., job engagement is associated with a feasible workload, Availability of choices, less control, recognition and rewards, a supportive work group, Equality and justice, and evocative and treasured work.

Conceptual framework and Hypothesis Formulation

In this paper we have primarily focused on four specific drivers of employee engagement that can affect the employees in the banking sector.

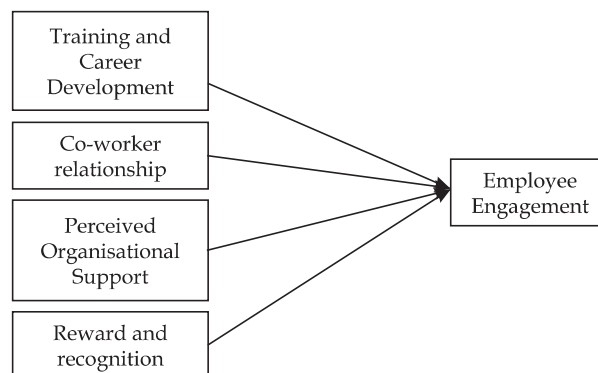


Fig. 1: Conceptual framework on the drivers of employee engagement.

Training and Career Development

Training and career development is a key dimension that has a major impact on the engagement levels of employees. Training refers to organised approach to learning and development for improving the individual, team, and organizational efficacy (Goldstein & Ford 2002). Development can be defined as the actions that lead to the acquirement of new knowledge or skills for personal growth. Training can be beneficial at the team and organisational level. It not only improves one's technical knowledge but also widely enhances the strategic ability (Kozlowski et al. 2001, Kraiger et al. 1993). The training and career development programmes develop the confidence level of the employees and motivates them to be more engaged in the work they are committed to. It

provides the employees a platform to develop their and competencies which in turn can be utilised by the organisation itself. Alderfer (1972) emphasised that "satisfaction of growth needs depend on a person finding the opportunity to be what he or she is most fully and become what he or she can". The training and development provides a clear career pathway for the employees and they become clear about what has to be achieved in order to excel. This career path training should be given great care as it ensure the growth of the employees and which automatically enhance the level of engagement. Therefore, H1 is the following:

H1: Training and Career Development will be positively related to Employee Engagement.

Co-worker Relationship

Co-worker relationship is viewed as one of the major aspect that has a direct impact on employee engagement. This relationship can influence the employee attitudes and behaviours. A survey revealed that when employees build a pace with one another there relation with the management also becomes better (Hodson, 1997) based on which the author concluded that co-worker relationship is a prominent driver of many organizational behaviours. (Avery, Mckay, & Wilson, 2015). A hostile relationship with the co-workers in the organisation can help the employee to experience a feeling of psychological safety and well being. These employees tend to be more engaged in the roles and exhibit the true selves to co workers in doing the work. Harrison et al.,2006 suggests that employees with high co worker relation tend to show greater satisfaction which indeed help them to invest high amount of engagement in their work roles. In the study by Lutgen-Sandvik and colleagues (2011), employees want their workplace to be viewed as a family where there is a close relationship between employees and employers. Theses relations are essential for a strong communication pathway and organizational success. Thus, the second hypothesis is as follows:

H2: Co-worker Relationship will have a positive relation on Employee Engagement.

Perceived Organisational support

Perceived Organizational Support (POS) is now discussed in a wide range in many of the literatures. It refers to the employee's belief that

organisation value the contribution made and cares about their well-being. In other words when employees believe that their organisation really value their contribution and cares about them, they tend to show high level of engagement and commitment to the organisation. Thereby they are able to create a sense of obligation in the minds of the employees to be concerned about the organisations growth and welfare (Rhoades et al., 2001). Perceived organisational support can be related to many the of the employee attitudes like well-being; job satisfaction; affective commitment; job performance; fairness; organizational rewards; and employees' morale and motivation. Therefore, the H3 is as follows:

H3: Perceived Organisational Support will have a positive impact on Employee Engagement.

Reward and Recognition

Reward and recognition is another higher need that the organisations need to take care of. Rewards play a vital role in influencing the job performance and are positively associated with motivation. Flynn (1998) claims that rewards and recognition activities help the organisation to build up confidence level of the employees, improve the motivation and morale level. Further the organisation can create a bonding between them. The ultimate aim of recognition and reward program is to make the employees believe that the organisation truly value the contribution made and wanted them to connect it to their performance. These programs can be in terms of monetary benefits or non monetary forms such as appreciations. This can ultimately lead to engaging the employees in their job. When the employees get an unexpected recognition, hike in their pay they tend to create a favourable working environment which increase the level of motivation (La Motta,1995). Highly motivated employees function as the key in achieving organisation growth, goal, strategies etc. Kahn (1990) states that the engagement level of employees varies as a function of their perceptions of the benefits they receive from a role. Baron (1983) argued when the organisation value and recognise the employees work they tend to show high level of working competence and performance. Managers need to recognise and reward the employees on a regular basis which can have a very huge impact on engagement. Thus the H4 is as follows:

H4: Reward and Recognition will be positively related to Employee Engagement.

Objectives of the Study

To study about the key drivers of employee engagement in banking sector.

Even though there are a numerous factors which have been identified to influence employee engagement, this research paper tries to present a comprehensive picture of major drivers of employee engagement. The factors identified here from the literature review are tested to study their strength to predict employee engagement.

To suggest some strategies that can be implemented in the banking sector to engage employees

Through this study we intend to suggest some strategies that can be put into practice in banking sector.

Methodology

An empirical research was conducted to identify the major drivers of employee engagement in Banking Sector.

Measurement Scale

The questionnaire for the study consists of variables namely -Training and Career Development (TD), Co-worker Relationship (CWR), Perceived Organisational Support (POS), Reward and Recognition (RR) and Employee Engagement. Each construct was measured using multiple items on a five-point scale ranging from strongly agree to strongly disagree with regard to the various statements that measured the variables and the respondents were asked to rate each item. A six-item scale for measuring Training and Development was adopted from Tanwar & Prasad (2017). Work Experiences Scale (WES; May et al., 2004) and adapted by Olivier and Rothmann (2007) was used for measuring Co-Worker Relationship. The six-item scale for measuring Reward and Recognition was adopted from Job Descriptive Index (Balzer et al.,1997) The 8 item scale for measuring Perceived Organisational Support was adopted from Eisenberger et al., (1986). The nine item scale for measuring Employee Engagement was taken from Soane et al., (2015)

Sampling and data collection

A total of 360 questionnaires were distributed among employees working in different private sector banks of Kerala and 284 valid responses were

collected, resulting in a 79 per cent response rate. A Convenient sampling method was used to select the employees from clerical to managerial levels in different private sector banks. Data analysis was carried out using the WarpPLS 5.0 program.

Analysis and Results

Partial Least Squares Structural Equation Modeling (PLS-SEM; Hair et al. 2011; Henseler et al. 2016) was used to test the research hypotheses. Different analyses in the study were carried out using the WarpPLS tool (Kock 2015a; Kock 2015b). The standard two-step modeling process: measurement model and structural model (Hair et al. 2011; Henseler et al. 2016; Kock 2015b) was followed here. The psychometric properties were validated using guidelines available from the literature on PLS (Hair et al. 2011; Henseler et al. 2016; Kock 2015b).

Measurement model

The measurement model validity was assessed using the recommended criteria and the hypothesised model was also found to be acceptable (Kock, 2015b). The test results contained in Table1 illustrates that the composite reliability (Kock, 2015b) coefficients and Cronbach's alpha coefficients of all the measures exceeded the threshold value of 0.70. Thus, the reliability of the indicators was established. Convergent validity was assessed by evaluating the Average Variance Extracted (AVE) test on the variables. The values in Table 1 support convergent validity as all AVEs exceeded the recommended threshold value of 0.50 (Henseler et al., 2016).

Table 1: Model Evaluation Results

Drivers	AVEs	Composite Reliability	Cronbach Alpha
Training and career development	0.536	0.872	0.821
Co-worker Relationship	0.672	0.953	0.945
Perceived Organisation Support	0.778	0.954	0.942
Reward and Recognition	0.595	0.921	0.902
Employee Engagement	0.703	0.955	0.947

Discriminant validity was assessed using the Fornell-Larcker criterion (Fornell and Larcker 1981) whereby the average variance shared between each construct and its measures should be greater than the variance shared between the construct and other constructs.

In Table 2, all the diagonal values (square roots of AVEs) are greater than the off-diagonal numbers in the corresponding rows and columns, and demonstrate discriminant validity (the correlations for each construct is less than the square root of the average variance extracted by the indicators measuring that construct indicating adequate discriminant validity).

Table 2: Square root of AVE for Discriminant validity

	TD	CWR	RR	POS	EG
TD	0.732	0.577	0.428	0.575	0.572
CWR	0.577	0.820	0.482	0.639	0.728
RR	0.428	0.482	0.882	0.527	0.552
POS	0.575	0.639	0.527	0.771	0.580
EE	0.572	0.728	0.552	0.580	0.839

Structural Model analysis

Once the reliability and validity were established, the model was tested using Warp PLS. The integrated model output with all the variables obtained after analysis is shown in the Table 3.

Table 3: Model fit and quality indices

Average path coefficient (APC)=0.236, P<0.001
Average R-squared (ARS)=0.626, P<0.001
Average adjusted R-squared (AARS)=0.621, P<0.001
Average block VIF (AVIF)=1.933, acceptable if <= 5, ideally <= 3.3
Average full collinearity VIF (AFVIF)=2.104, acceptable if <= 5, ideally <= 3.3
Tenenhaus GoF (GoF)=0.641, small >= 0.1, medium >= 0.25, large >= 0.36
Sympson's paradox ratio (SPR)=1.000, acceptable if >= 0.7, ideally = 1
R-squared contribution ratio (RSCR)=1.000, acceptable if >= 0.9, ideally = 1
Statistical suppression ratio (SSR)=1.000, acceptable if >= 0.7
Nonlinear bivariate causality direction ratio (NLBCDR)=1.000, acceptable if >= 0.7

The criteria stated in Table 3 are considered to assess the model fit with the data, It is recommended that the P values for the average path coefficient (APC), average R-squared (ARS) and average

adjusted R-squared (AARS) all be equal to or lower than 0.05; that is, significant at the 0.05 level. The APC, ARS, and AARS values in this model are found to be significant. Globally accepted model fit indices are presented in Table 3.

The GoF index referred to as 'Tenenhaus GoF, is a measure that gives the model's explanatory power and is the commonly accepted model fit index for PLS-based path modeling (Henseler and Sarstedt, 2013). Tenenhaus et al. (2005) defined the GoF as the square root of the product between what they refer to as the average communality index and the ARS.

From the table 3 it can inferred that the index value is 0.641, which was above the cut-off value of 0.1 (for small effect size), 0.25 (for medium effect size), and 0.36 (for large effect size). The Simpson's paradox index is a measure of the extent to which a model is free from Simpson's paradox instances (when a path coefficient and a correlation associated with a pair of linked variables have different signs), an indication of causality problem (Pearl, 2009; Wagner, 1982). The SPR was found to be 1, which denotes that there are no instances of Simpson's paradox. RSCR index measures the extent to which a model is free from negative R-squared contributions.

As the RSCR value is 1 (being the ideal condition), there are no negative R-squared contributions in the model. Similarly SSR index is the measure of the extent to which a model is free from statistical suppression instances (Mac Kinnon et al.). As the value is 1, it means that the model is free from it (instances of path coefficients are greater than one).NLBCDR is a measure of the extent to which bivariate nonlinear coefficients of association provide support for the hypothesised directions of the causal links in a model; here value is 1, which means that there are no instances of reversed hypothesis causality in this model. From the above details, the overall model quality and fit indices are found to be acceptable.

The R2 (coefficient of determination) value of the model is 0.63 (Figure 2) which suggest that the modelled variables can explain 63 percent of the variance of the respective dependent variable. The path coefficients (β) and path significance (p-value) were also examined to test the relationships between the constructs in the research model.

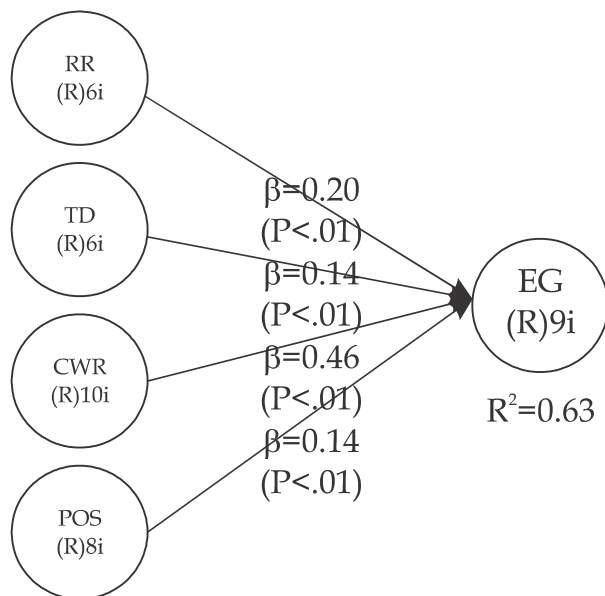


Fig. 2: Results of the Structural Model Analysis.

Hypothesis Testing

The results of the Structural Model Analysis divulge that Training and Career Development has a positive impact on Employee Engagement ($\beta=0.14, p<0.001$). Thereby the first hypothesis of the study is established. The relationship between Co-worker Relationship and Employee Engagement also found to be significant with $\beta=0.46$, and p value <0.001 . Thus second hypothesis is confirmed. It can also be seen that Perceived Organisational Support has a significant positive effect on Employee Engagement ($\beta=0.14, p<0.001$). Hence the third hypothesis is established here. The results of the analysis also illustrate that Reward and Recognitions has a positive impact on Employee Engagement $\beta=0.20, p<0.001$ which validates to the fourth hypothesis.

Findings and Discussion

Employee Engagement has emerged as an important concept in management which is perceived differently by different organisations. The present study attempted to provide insights into the impact of the drivers (Training and Career Development, Co-worker Relationship, Perceived Organisational Support, Reward and Recognition) on Employee Engagement in banking sector. The results of the Partial Least Squares Structural Equation Modeling indicate that the independent variables identified to influence employee engagement do have a significant impact in determining the engagement level of the employees. The results obtained provide a

strong empirical support for the proposed model. The analysis conceded significant results in the proposed direction for all the hypotheses. Overall, the structural model explained 63% (R^2 of EG was 0.63%) of variance thus highlighting the important role of the antecedent variables had on predicting Employee Engagement.

From the Structural Model it can be noted that co-worker relationship ($\beta=0.46, p<0.001$) is the most prominent factor that influences employee engagement in banking sector. The antecedents taken in the study Training and Career Development ($\beta=0.14, p<0.001$), Co-worker Relationship ($\beta=0.46, p<0.001$), Perceived Organisational Support ($\beta=0.14, p<0.001$), Reward and Recognition ($\beta = 0.20, p<0.001$) had a positive significant effect Employee Engagement. This signifies the importance of a good training and career development programmes, good interpersonal harmony with fellow members, Reward and Recognition Strategies, Perceived organisational support in the banking sector for anyone to be engaged positively at work. In summary, all proposed hypotheses were supported.

Interestingly, our findings reveal that the employees sampled in the present study were likely to be engaged and the model provides us an accessible way to understand the reasons why. By revealing the interplay of the antecedent factors to predict Employee Engagement, the model can help the banking sector to plan employee engaging strategies that will ensure increase in engagement. Interestingly, when we examine the relative importance of the antecedents to engagement in the research model, we find that Co-worker Relationship and Reward and Recognition are the stronger predictor of Employee Engagement as compared to others. This suggests that employees are viewing their workplace as a big family and wanted to have strong relationship with the co-workers. They are also highly engaged by the existing rewards and recognition provided by the bank. Despite the hardships, they overwhelmingly report that Training and Career Development, Perceived Organisational Support are also important employee engagement drivers. This finding is echoed in the structural model. That is, employees who perceive higher organizational support are more likely to reciprocate with greater levels of engagement in their job and in the organization

Recommendations

The study also intends to recommend some of the strategies that can be effectively implemented

in banking sector so as to engage their employees.

1. Developing a culture with being friendly and cooperative co-workers who values teamwork. This can exhibit an improved engagement in the employees
2. Encouraging opportunities on the overall learning, training and development of the employees. The organisation should make provisions for career enhancement in order for ensuring development and growth in their career paths. This can aid to retain human assets and build competencies.
3. Organisations should ensure that job descriptions are updated regularly so as to include new challenging roles to keep employees engaged and motivated. This can synergize them to get empowered which in turn boost up their productivity level.
4. Rewards and Recognition is another significant and endorsed strategy that every organisation should enormously focus to engage and retain the employees.
5. Effective internal communication and work collaboration in all processes is another method used. Communication should be honest and two-way between managers and employees to ensure employees feel engaged and part of the decision making process. If employees feel that their performance is recognised and rewarded they will put in more effort and likewise,
6. Fair treatment among all employees and equal opportunities to perform irrespective of any demographical difference.
7. Taking a customised approach where each employee is given due consideration will help to create more engaged workforce.

Implications of the study

The paper elicits the key drivers of Employee Engagement which can be nurtured in an organisation in order to bring in more amicable environment for engaging the employees. In today's competitive business world the study widens the scope of Employee Engagement to take care of the unstaunched workforce who may leave the organisation anytime. The company has to invest in building a harmonious environment in the organisation for the employees where they enjoy a good Co-Worker Relationship, Organisation Support, training and development and Reward and Recognition. This study implied that having a good relationship with co-workers leads to positive

engagement of the bank employees. Employee engagement can also be improved by providing better rewards and recognition to its staff. This study revealed that perceived organisation support plays a key role in employee engagement in banks. Bank employee's engagement can also be driven by providing better training and career advancing opportunities to them.

The implications involve significant influence for organisations in terms of improvement in productivity and hence signify ample economic impact for organisations. This study frames out various factors which need to be taken care of in-order to engage bank employees so that they exhibit far better commitment to their job and organisation. The study actually portrays the key drivers of engagement which leads to organisation citizenship behaviours and for reducing turnover in banks.

Limitations of the Study and Scope for Further Research

As in all cases of research this study has limitations. This study has not been extended to attempt a comparison between public sector and private sector bank employees. Further research can be done in this area to identify the drivers leading to employee engagement in each sector. Moreover, the study mainly focused the clerical to managerial levels and employee engagement at each level of the banks may be different. This answers the call to focus further on either level for more accurate results. A comparative study can also be done to identify which levels in the banking sector are more engaged. A similar study can be conducted to a larger sample which will dole out a greater degree of generalisation of the results. This study focused on learning the key drivers of employee engagement in banking sector. Further attempts can be made required to learn about various outcomes of employee engagement especially in banking sector.

Conclusions

The above study emphasises the importance of employee engagement in an organisation and also identifies the various drivers that have a significant effect on Employee Engagement.

The R2 value obtained from PLS-SEM indicates that the key drivers Co-Worker Relationship, Training and Development, Perceived Organisational Support and Reward and

Recognition can explain 63 percent of the variance of the respective dependent variable which is the Employee Engagement here. The analysis indicates that out of the four key drivers, Co-Worker Relationship and Reward and Recognition tend to have a greater influence on Employee Engagement. Thus the organisation should ensure that there is a congruent atmosphere inside the organisation which can influence the employee to be more engaged. A well advanced comprehensible and unwavering working environment can synergise them to get empowered which in turn can enhance their contributions. A better Reward and Recognition system can boost the confidence of the employees to work more which can lead them to take up new challenging roles. This can help the organisation to reap long term benefits including productivity increase, organisation success etc.

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