Investigating the Relationship between Employee Engagements and Work Outcomes: A Case Study of Employees of Tejarat Bank, Ilam Province

Mohamadhosain Askarinia¹, Yasanallah Porashraf², Mohmmad Taaban³

Abstract

The purpose of present study is to investigate the relationship between employees’ engagement and work outcomes. The method used in the current research is descriptive and correlational- Structural Equation Modeling. The sample for the study includes all managers and employees of Tejarat Banks of Ilam which consists of 1000 people. Using Morgan Table, 278 were selected for the research sample; the method of sampling was correlational sampling. The instrument to collect the data was a questionnaire whose validity was confirmed by specialist and professors. The Cronbach's alpha for the validity of the questionnaire was equal to .916 by the LISREL validity model, which indicated that the questionnaire was valid. Finally, the data was analyzed using LISREL software and by Structural Equation Modeling analysis. The results showed that there is a positive and direct relationship between employees’ engagement and organizational commitment, organizational citizenship behavior, job satisfaction, and the desire to stay.

Keywords: Employees’ engagement, organizational commitment, organizational citizenship behavior, inclination to maintenance, job satisfaction

1. Introduction

Work engagement is a positive state of mind regarding the one’s job, which is classified into three domains of power, specialty, and attraction. Power refers to the high level of energy, flexibility in working time and effort, persistence and stubbornness at work even when the individuals find it difficult. Specialty refers to a cognitive-affective domain of the individuals in relation to work, enthusiasm, inspiration, pride, and challenges. This is the level of engagement with work which leads to identifying levels of work. Attraction refers to a state in which individuals are so deeply focused on work that time passes quickly for them and it is not easy for them to stop working. Employees who are highly attracted to work consider their jobs to be significant, desired, intriguing and challenging. They tend to apply knowledge, skills, and resources to develop their work (Abaszade et al., 1392, p 37). In employees’ view, organizational commitment refers to values and goals of organization and is the tendency of a member to stay in the organization. With the increasing speed and scale of change in organizations, managers are consistently looking for ways to create improve employees’ engagement in work, which is an advantage in competition and results in improving the job attitudes such as job satisfaction, performance, not taking a working day off, and tendency to leave.

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2. Theoretical Framework

Work Outcomes

In the present research, work outcomes includes organizational commitment, organizational citizenship behavior, desire to stay, and job satisfaction.

Organizational Commitment

It seems that not enough attention has been paid to “Organizational commitment” in the literature on management in Persian, and it has been considered with the general meaning of commitment or often mistaken with this it (Estrone, 1377). Many definitions has been presented for “Commitment” from different perspectives. Various definitions such as conscience, work ethics, willingness, responsibility. Despite all the differences between the literal meaning of “commitment” as a word and its meaning in the term “organizational commitment”, they have been considered as equals. In other words, like many of organizational psychological concepts, “commitment” has been defined in many ways and measured on different dimensions (Shekarzade, 1381). Meyer describes commitment as the individuals’ energy and loyalty to a social system (Meyer, 2002). He also defines it as a set of internalized norms to perform activities in a way in order to achieve organizational goals and interests (Meyer, 2001).

Organizational commitment is an expression of organizational dependence (Saruqi, 1375). Martyr Motahari defines commitment as “a commitment to principles, philosophy, or conventions which people believe and accept. A committed person is faithful to his covenant and protects its purposes” (Motahari, 1368). Numerous concepts such as conscience, work ethic, desire, and responsibility are considered equal to the concept of commitment, despite having different meaning. In other words, like many other organizational psychological concepts, organizational commitment is defined in different ways (Shekarzade, 1381).

Organizational Citizenship Behavior

The concept of organizational citizenship behavior was introduced to the world of science by Batman and Organs for the first time in the early 1980s. The preliminary researches which were conducted on the context of organizational citizenship behavior were mostly to identify the behavior or responsibility of employees which were often overlooked. Although, these behaviors were measured imperfectly or often were overlooked, they are effective in improving organizations (Mostabseri & Nejati, 1387; Rezaee Kelidbory & Salimi, 1387). These actions and behaviors that occur in the workplace are defined as:

"A set of voluntary behaviors that are not part of one's official duties, but nonetheless are performed and result in improving the duties and organization roles" (Mostabseri & Nejati, 1387).

For example, a worker may not need to work overtime or stay late at work, but stays after his officials working hours are over, helps others, and facilitates the organization’s performance (Rezaee Kelidbory & Salimi, 1387).

Job Satisfaction

Job satisfaction literally is defined as a sense of contentment and happiness.

Definition of job satisfaction: Job satisfaction is the result of employees' perceptions which provides content, job context, and what is beneficial for employees. Job satisfaction is a delightful, positive feeling and the outcome of job satisfaction differs according to the person’s experience. This positive feeling helps the employees’ mental and physical health. In an organization, higher level of job satisfaction reflects a desired organizational atmosphere which leads to attraction and keeping employees in their jobs. Job satisfaction may be the result of factors such as the nature of the job, salary, job development, and condition
of job environment (Arnold & Feldman, 1988, quoted in Hooshangi). In another definition of job satisfaction, it is divided into two types:

1. The internal satisfaction which is obtained through developing and carrying out some of the social responsibilities and flourishing the abilities and individuals’ willingness.

2. The external satisfaction which is obtained through the external factors such as working conditions, salary rate, bonuses, type of work, and the relationship between employer and employee (Ginzberg, et al., 1951, quoted in Shafiabadi).

Desire to Stay

In the primary theories, inclination to maintenance was used to define organizational commitment. While the external environment and job’s nature are used to determine the organizational commitment. Nevertheless, many researchers such as Reichers O’Reilly and Balfour and Kesler discussed that inclination to maintenance should be considered as an outcome of organizational commitment and not an aspect of it. In the studies on the relationship between the inclination to maintenance with all three dimensions of simulated commitment, continuity commitment (relationship seeking) were positively correlated with transaction commitment.

Employees’ Engagement

“Employees’ engagement” is a term which has been the focus of attention in management and has been expanded by Towers Watson, Gallup, D.D.I, Mercer, etc. Besides the popularity of this term, there are still a lot of controversy regarding its conceptualization and definition, which has made the scholars to reveal the difference between this concept and job satisfaction, organizational commitment, organizational citizenship behavior, and to explain job engagement (Macey & Schneider, 2008). Job satisfaction is a pleasant or positive emotional state which a person have about evaluation of his job or job experience. The extent to which an individual identifies with organization and its goals is called job engagement (Little, 2006). There is no uniform consensus on the definition of the concept of attachment. Some of the most common definitions are described below.

William Kahn (1992), the first researcher in this field, defines engagement as putting all one got to do his role at work. In the definition of engagement, individuals use all their physical, emotional, and cognitive dimensions to play their roles. Lack of engagement is isolating oneself from work roles. In the absence of engagement, employees would be isolated physically, cognitively, and emotionally from their work roles.

Rothbard (2001) defines engagement as a psychological presence which has a tendency to cover two fundamental component of attention and attraction. “Attention” refers to the availability of knowledge and the time spent on thinking about one’s role; while attraction implies being drown in the role and the extension of one’s concentration on the role.

Expressing the variables of study in the form of conceptual model and research hypotheses
Meslech, Shawly, and Little (2001) define engagement as the opposite polar or antithesis of exhaustion. According to Meslech et al. engagement is distinguished from exhaustion by three characteristics of energy, participation, and adequacy, which are the exact opposites of three dimensions of exhaustion (fatigue, cynicism, and inadequacy).

Shawly et al. (2002) defined engagement as a positive state of mind, satisfying, and related to work which is distinguished by three indexes of being enthusiastic, forgoing, and attracted. Enthusiasm is recognized with a high level of energy and mental endurance while working. Being forgoing refers to getting involved with work and experiencing a sense of being significant, desired, and challenged. And being attracted is distinguished by complete focus, and getting attracted happily to work, which causes time to pass quickly and stopping work to be hard.

Research Hypotheses

First hypothesis: There is significant relationship between organizational commitment and employees’ engagement.

Second hypothesis: There is a significant relationship between employees’ engagement and organizational citizenship behavior.

Third hypothesis: There is a significant relationship between employees’ engagement and desire to stay.

Fourth hypothesis: There is a significant relationship between employees’ engagement and job satisfaction.

3. Methodology

This research is an applied, quantitative-descriptive, and correlative survey. The population under study were the staff of Tejarat Banks of Ilam Province, which are 1000 employees. Using Morgan Table 278 employees were selected for sample. To gather the data, a combined method of library research and survey was used. The library research was done to establish the theoretical framework for the study and questionnaires were used for gathering the data.

<table>
<thead>
<tr>
<th>variables</th>
<th>Level of scale</th>
<th>Likert</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job engagement</td>
<td>Ordinal</td>
<td>5 point likert scale</td>
<td>Schaufeli et al. (2006)</td>
</tr>
<tr>
<td>Organizational involvement</td>
<td>Ordinal</td>
<td>5 point likert scale</td>
<td>Schaufeli et al. (2006)</td>
</tr>
<tr>
<td>Organizational commitment</td>
<td>Ordinal</td>
<td>5 point likert scale</td>
<td>Allen, N.J., Meyer (1990)</td>
</tr>
<tr>
<td>Organizational citizenship behavior</td>
<td>Ordinal</td>
<td>5 point likert scale</td>
<td>Ologbo C. Andrewa, Saudah Sofianb (1998)</td>
</tr>
<tr>
<td>Customers’ citizenship behavior</td>
<td>Ordinal</td>
<td>5 point likert scale</td>
<td>Groth, M. (2005)</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>Ordinal</td>
<td>5 point likert scale</td>
<td>Gooyner (1998)</td>
</tr>
<tr>
<td>Desire to stay</td>
<td>Ordinal</td>
<td>5 point likert scale</td>
<td>Wiener &amp; Vardi (1980)</td>
</tr>
</tbody>
</table>
Questionnaire’s Reliability and Validity

In the present study, to determine the validity of the questionnaire, content validity was used. In this case, the quality and quantity of questions was examined by professors. For the reliability of the questionnaire, the Cronbach's alpha coefficient was used. Results are presented in the below table.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Number of items</th>
<th>Cronbach's alpha coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job engagement</td>
<td>6</td>
<td>907%</td>
</tr>
<tr>
<td>Organizational engagement</td>
<td>7</td>
<td>896%</td>
</tr>
<tr>
<td>Organizational commitment</td>
<td>8</td>
<td>939%</td>
</tr>
<tr>
<td>Organizational citizenship behavior</td>
<td>7</td>
<td>884%</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>10</td>
<td>943%</td>
</tr>
<tr>
<td>Desire to stay</td>
<td>4</td>
<td>893%</td>
</tr>
<tr>
<td>total</td>
<td>72</td>
<td>916%</td>
</tr>
</tbody>
</table>

As it can be seen in the above table, the Cronbach's alpha coefficients for all variables are above 70% indicating a high reliability for the questionnaire.

Evaluation of the Structural Model

The examination of the structural model is presented in figure-2 and 3, which includes all hypotheses of the research.

Examining Research Hypotheses and Conclusions

First hypothesis: There is significant relationship between organizational commitment and employees’ engagement.

Second hypothesis: there is a significant relationship between organizational citizenship behavior and employees engagement.

Third hypothesis: there is significant relationship between employees’ engagement and desire to stay.

Fourth hypothesis: There is significant relationship between employees’ engagement and job satisfaction.

According to Table 3, given that all the significant numbers of the hypotheses (t-value) is greater than 1.96, therefore all of the research hypothesis are confirmed. So, we can conclude that there is a significant and positive relationship between employees’ engagement, organizational commitment, organizational citizenship behavior, job satisfaction, and the desire to stay.
Fig 2: structural model of the research in the standard estimation mode

Chi-Square=878.17, df=430, P-value=0.00000, RMSEA=0.077
Figure 3: Structural Model in the Significant Coefficients Mode
4. Review of Literature:

In 1389, Vahid Aghamohammadi studied the relationship between organizational commitment and engagement and job satisfaction among the staff of a hospital. The results of his study revealed that organizational commitment and engagement have a linear positive correlation with job satisfaction, and the related regression linear equation is predicted as $0.95X + 0.07 = 375$.

Hamidi et al. (1390), investigated the effect of organizational citizenship behavior on the loyalty of customers in their research. The results of this study which was done on a financial and credits institution in Qazvin province, showed that customer satisfaction can improve customer loyalty and increase in the organizational citizenship behavior has a strong positive effect on the customer satisfaction and their willingness to receive the services again.

5. Conclusions

This study investigated the relationship between employees’ engagement and work outcomes, which includes organizational commitment, organizational citizenship behavior, job satisfaction, desire to stay, in Tejarat Banks of Ilam. To achieve this goal, four hypotheses were developed based on the review of literature. Using Cronbach's Alpha coefficients, employees’ engagement in relation with work outcome was examined and all the four hypotheses were confirmed. The results showed that employees’ engagement and work outcome are strongly related. Also, there is a positive and significant relationship between employees’ engagement, organizational commitment, organizational citizenship, desire to stay, and job satisfaction.

6. Suggestions

Since there is a positive and significant relationship between employees’ engagement and organizational commitment, it is suggested that the bank managers focus more on their staffs’ engagement, and also try to increase their organizational commitment by making an effort for the bank’s success, loyalty to the organization, getting the personal values in line with the organization’s values, and creating a sense of being indebted to the bank.

Given that there is significant positive relationship between employees’ engagement and organizational citizenship behavior, bank managers are advised to try to increase the employees’ engagement with the bank. Attention must be paid to the rate of their organizational citizenship behavior through observing the law, protecting the official rules, doing works beyond the job description, volunteering to work late to finish important projects, having work communication, preventing and solving encounters between staff, and helping others to prevent problems for coworkers.
Considering the positive relationship between employees’ engagement and desire to stay, it is suggested to banks to pay more attention to employees’ engagement, and also increase the desire of the staff to stay with the bank through preventing the employees to quit their jobs, avoiding early retirement, making the employees to feel satisfied with doing their responsibility, receiving help from the coworkers to facilitate the affairs in the bank.

Considering the fact that there is a positive and direct relationship between the employees’ engagement and job satisfaction, top bank managers are advised to improve job satisfaction as well as employees’ engagement by giving the staff a chance to give their suggestions without fear, planning for future years, establishing a fair salary, providing hygiene and welfare services, retirement, and insurance for the employees.

References


Sanagoo et al. (1384). Examination of the concept of organizational commitment from the faculty members’ point of view. Journal of Iran University of Medical Sciences, No. 52, Fall 1385.


