



Factors Affecting Employee Engagement: The Moderating Role of Self-Efficacy: Empirical evidence from Ethiopian Insurance companies

By

Mohammed Jemal

**A Thesis Submitted in Partial Fulfillment of the Requirements for the Degree
of Master of Art in Business Administration**

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Master of Business Administration (Regular Program)

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Advisor: Lakew Alemu (PhD)

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College of Business and Economics

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Statement of Certificate

This is to certify that Mohammed Jemal has completed his thesis entitled “Factors Affecting employee engagement: the moderating role of self efficacy study on Ethiopian insurance industry” is his original work and is submitted for examination with my approval as thesis.

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DECLARATION

I hereby declare that the thesis /Project work/entitled “**Factors Affecting employee engagement: the moderating role of self efficacy; study on Ethiopian insurance industry**” submitted to the School of Business and Economics, Addis Ababa University for the award of the Degree of Masters of Business Administration is based on my original research work carried out by me myself under the supervision and guidance of Lakew Alemu (PhD). I declare that this study is my original work and has not been submitted earlier in full or in a part there, for the award of other similar degree, Diploma, Fellowship, Associate ship or any other similar titles to this or any other University or Institutions.

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Acronyms

EE: employee engagement

SE: self-efficacy

JCR: job characteristics

PJF: person job fit

BR: benefit and recognition

WLB: work life balance

HR: human resources

OCB: organizational citizenship behavior

J-D: job demand

ANOVA: Analysis of Variance

SPSS: Statistical Packages for Social science

SD: Standard Deviation

IVF: Variance Inflation Factor

α, β : Coefficient of an equation

ϵ : Error

df: Degree of freedom

Abstract

Employee engagement is playing an important role in contemporary Human resource practice that become the focus of Today's literature, both academic and professionals and has been recognized as a weapon to survive in global competitive environment (Saks, 2006; Macey and Schneider, 2008). Yet the study and practice of employee engagement is not overwhelming, especially in understanding the antecedents considering the individual differences. The goal of this thesis was to investigate and analyze factors affecting employee engagement and the moderating role of self efficacy in Ethiopian insurance industry. A quantitative, cross-sectional research design was adopted. This study used two sampling stages. The first one is to sample out the company's (strata's) from the insurance industry and secondly a number of respondents within the selected companies. Data were collected from the sample of 347 from five companies in the insurance industry through self-administered standard questionnaire. Descriptive statistics, correlation, regression analysis and hierarchical regression analysis were used to analyze the data with the aid of SPSS version 20. And additionally Hayes process model version 3.3 was used for computing and depicting the moderation analysis. The results show that job characteristics, benefit and recognition, self efficacy and person job fit significantly influence the level of employee engagement, whereas, Work life balance, supervisory support is found to be statistically insignificant in predicting the level of employee engagement. The study also finds that self efficacy has a moderating role on the relationship between predictors (benefit and recognition, work life balance and supervisory support) and employee engagement. The study recommended that insurance companies should handle employee engagement with a great concern for their competitive advantage. The is study deem job and organization engagement as a single construct called 'employee engagement' however further research may consider investigating job and organization engagement independently and further investigate the moderating effect of other personality traits in predicting employee engagement.

Keywords: *Employee Engagement, Job Characteristics, Self-Efficacy, Person Job Fit, Supervisory Support, Benefit and Recognition, Work Life Balance, Insurance Industry, Hierarchical Regression, Social Exchange Theory.*

Chapter one

Introduction

This study focuses on Identifying Factors affecting employee engagement: the moderating role of self-efficacy on Ethiopian insurance industry and on this part of the paper the researcher try to provide some insights about the ground and expectations were the study is conducted. Thus this introductory part of the study contain; the background of the study, the problem statement, research question, the objectives and Scope that guided this paper work.

1.1 Background of the study

“the most magical and tangible and ultimately the most important ingredient in the transformed business landscape is people” (Fiorina, 2000).

In today’s global economy, the fact that human resource is the valuable resource in the organization is becoming concrete. It is generally accredited that human resources are the most important asset in any organization and human capital is becoming the key focus of organizations in gaining competitive advantage. To realize success organizations should get the best out of the skills and abilities of their employees and use various strategies’ to keep them engaged (Armstrong, 2008). Therefore Like any other industry the success of organization in insurance industry is more depends on the quality of man power they possess and how much they are engaged.

Kahn (1990) reveal that people can use varying degrees of their selves, physically, cognitively, and emotionally in work role performances, that given appropriate conditions they prefer to use and express in the course of the role performance. Thus given a certain conditions employees may choose to bring themselves in or disengage and withdraw themselves from their job and organization. This illustrate that people come up to their job with varying intensity of themselves mentally and emotionally, given this organizations should figure out the factors or the conditions that makes employees come to their job with optimal level of themselves (emotionally, cognitively and physically).

Employee engagement has become a hot topic in recent years among consulting firms and in the popular business press. However, employee engagement has rarely been studied in the academic literature and relatively little is known about its antecedents and consequences (Saks, 2006).

Human resources professionals are becoming increasingly interested on employee engagement and called upon to support the development of consciousness and strategies that facilitate employee engagement in the work place (Macey and Schneider, 2008). Thus the concern of employee engagement is becoming a burning issue among many stockholders of business and academics.

Kahn (1990) the prominent scholar in employee engagement defines engagement as “the harnessing of organization members selves to their work roles; in engagement, people employ and express themselves physically, cognitively and emotionally during role performance”.

In addition, Schaufeli, Salanova, Gonzalez & Bakker (2002) defined Work engagement as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption. Vigor is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in ones work, and persistence even in the face of difficulties. Dedication is regarded as a sense of significance, enthusiasm, inspiration, pride and challenge. And Absorption is characterized by fully concentrating on and being deeply engrossed in ones work, where time passes quickly and one has difficulty detaching oneself from work. Therefore the above definition elaborate that employee engagement accounts for the simultaneous investment of available energies into a work role and provide inclusive view of self and it also offers a more comprehensive explanation for job performance.

Proponents of employee engagement (Bakker & Demerouti, 2008; Kahn, 1990; Schaufeli et al., 2002; Madhura & Pandita, 2014; Welch, 2011; Saks, 2006; Schaufeli&Bakker, 2004; Engel Brecht’s, 2006, Bakker, 2011; Gallup, 2005 and Robinson, 2004) claim that employee engagement is highly related with positive organizational outcomes.

There is a significant body of scholarly literature relating to the impact of employee engagement on organizational outcomes. Saks (2017) after a vigorous analysis of different literatures on employee engagement come to know that employee engagement to be associated with positive

organizational level outcomes such as higher shareholder returns, greater return on assets, shareholder value, profitability, productivity, and customer satisfaction.

Engaged employees have more positive job attitudes, higher task, job, and contextual performance and organizational citizenship behavior, better health and Well-being and are less likely to quit (Bakker, Corpanzon & Demerouti, 2010). Therefore, it is clearly in the organization's interest to understand the drivers of employee engagement to get the multiple positive outcomes of engaged employee.

In addition to this, Kahn (1990) Reported that personally engaged behavior simultaneously conveys and bring alive self and obligatory roles. People become physically involved in tasks, whether alone or with others, cognitively vigilant, and empathically connected to others in the service of the work they are doing in ways that display what they think and feel, their creativity, their beliefs, and values and their personal connections to others. This interestingly reveals engaged employee didn't only employ themselves to the role; but they also motivate and bring others toward this psychological state through their connectivity, communication and positive emotions, thus they are helpful in creating conducive and motivated working environment.

Unfortunately, many recent researches and report in different countries and organizations shows that there are more disengaged employees than there are engaged employees in today's organizations (Saks, 2017).

According to Gallup (2013) the global Employee engagement survey depicted that for Middle East, North Africa and for sub-Saharan regions, the level of employee engagement at work place is only 10%, which is very low as compared with the USA and Canada which is 29%. Given the above Survey, Ethiopia is one of the countries in the lower engagement Rate region, and this will have an implication on the industries operating in the country and on the overall economic performance of the country.

Employee engagement is becoming more decisive especially in a customer service focused sector such as insurance industry, where the survival of the firm highly depends upon the effort and quality of employee they poses and the standard of the service delivered by the employees who have direct contact with clients.

In any country the financial sector plays a vital role in the economic development of the country. The insurance industry in Ethiopia is still an emerging industry with many challenges including competent professionals on the area. So the industry needs to create engaged employees to sustain and overcome the challenges.

Among the many challenges faced by Ethiopian insurance companies the lack of experienced, qualified and motivated work force which makes their operation continue, lack of public awareness about insurance and incapability to retain existing customer and employees are the most pressing one (Temesgen, 2015).

Different scholars have identified the antecedent of employee engagement using different models and theory's; Saks (2006) identified six driver of employee engagement using Social Exchange theory. He explains that employees are more likely to exchange their engagement for resources and benefits provided by their organization. Bakker & Demerouti (2007) demonstrate Job demand- resource model to analyze the driver of employee engagement, they explain different job related demand and resources to explain factors of employee engagement. Additionally, Khan (1990) uses his model of the three psychological conditions which He called: meaningfulness, safety and availability to identify antecedents of employee engagement. But, interestingly Most of the antecedent variables identify from those different models are almost identical, which makes the process of identifying driver of employee engagement flexible and easy.

In this study the researcher analyzed the factors affecting employee engagement, or what organizations need to do to make their employees engaged? Therefore, Depending on the theoretical and empirical review conducted, the researcher was proposed six potential antecedent variables, which are: job characteristics, reward and recognition, person job fit, work life balance and supervisory support as a predictor of employee engagement and self-efficacy as a moderating variable which were proposed to influence the relationship between the dependent variable (employee engagement) and the multiple independent variables identified.

The researcher believes this paper will add a pool of knowledge on the literature of employee engagement specifically on drivers of employee engagement using a moderating variable which is rarely studied on the area.

1.2 Statement of the problem

Today's organizations don't just needs employees, but a motivated and engaged workforce which are ready to go extra miles especially in service industry which demand higher level of human capital.

Engaged employees have more positive job attitudes, higher task, job, and contextual performance and organizational citizenship behavior, better health and Well-being (e.g., lower anxiety, depression, and stress), and are less likely to quit. (Bakker, Corpanzon & Demerouti, 2010) Therefore, it is clearly in the organization's interests to understand the drivers of employee engagement to get the multiple positive outcomes of employee engagement.

Employee engagement is a matter of concern for leaders and managers in organizations across the globe; they recognize it as a vital element affecting organizational effectiveness, innovation and competitiveness (Welch, 2011).

Employee Engagement is a concept gaining significant importance in the past 10 years (Madhura & Pandita, 2013). and there are plenty of studies on those periods, yet scholars acknowledge that there is much more to discuss and clarify on the concept of employee engagement. Thus the researcher believes this paper contribute to clarify and add knowledge on the literature of employee engagement specifically on drivers of employee engagement.

As indicated by the global employee engagement survey the sub- Saharan countries are rated with low level of employee engagement (10%) compare to USA and Canada (29%) which clearly indicates the industries in the region has some work to do to improve the level of employee engagement (Gallup 2013).

Therefore, Ethiopia as one of the countries in the region and the issue of employee engagement will have an implication on the industries operating in the country and on the overall economic performance of the country.

On the Global Human Capital Trends, Deloitte Company report (2015) indicates that the insurance industry is going through a tremendous change which needs different competitive advantage to survive which; is human capital. They stated that traditionally, an insurance company's survival depended on its strict adherence to the industry's conservative, risk-averse philosophies. However, changes in the workforce, technology and customer expectations require that insurers adapt quickly to help ensure their survival. Technology has eliminated barriers to entry, and customers have more influence than ever before. To meet these challenges, insurance leaders must make engagement a top priority.

Additionally Asseged (2018) also state that the competitive landscape exists though and will favor those in the insurance industry who take advantage of the market by positioning themselves for long-term gains. But capitalizing on the current challenge and turning it into a real opportunity will require new strategies that leverage human capital and increase productivity. Therefore the issue of human capital specifically employee engagement is a significant issue in this industry.

Scholars Schaufeli & Bakker (2004) & Khan (1992) have tried to indicate that employee engagement level varies between individuals; and they also state the sources of this difference can be the working condition and personal resources. Unfortunately there is no rigorous study conducted to identify how the personal resource (optimism, self-efficacy, resilience, and self esteem) bring individual difference on the level of employee engagement and how this resource helps to mobilize other job resources and demands.

Therefore, this paper will try to extend the literature on driver of employee engagement by incorporating or examining the moderating role of self-efficacy on the antecedents of employee engagement.

Moderator is a qualitative or quantitative variable that affects the direction and/or strength of the relation between an independent or predictor variable and a dependent or criterion variable (Baron and Kenny, 1986). This research therefore advances the limitation of the mainstream direct relationship between the antecedents of employee engagement (independent variable) and

employee engagement as dependent variable, which fails to capture individual's resource difference in determining the level of employee engagement.

In the process of reviewing literature on employee engagement we come up with ample of researches conducted in USA and western countries. And we have also observed that there are very few researches in Africa specifically in Ethiopia on this domain., However as per our review we never come across a research on antecedent of employee engagement in insurance industry in Ethiopia, Therefore this area gap will make this paper unique.

Despite various studies conducted in different countries on antecedents of employee engagement, it may not be appropriate to consider the finding for our country thus duo to the fact that the difference on employees knowledge, culture, preference, life standard and resources and the overall environment of the country, we need to conduct the study with the context of Ethiopia.

The empirical evidence made available in the country such as Derara (2014) which studies antecedent of employee engagement on commercial bank of Ethiopia fails to include important variables such as person job fit, work life balance and self-efficacy as a predictor of employee engagement, the researcher also fails to see the individual differences on the effect of antecedent conditions. Therefore those variables are worthy to incorporate and to consider individual difference in determining the factors of employee engagement. Thus, the researcher will try to employee a broader perspective on antecedent of employee engagement through including the moderating role of self-efficacy in the relationship between antecedents of employee engagement. The research didn't find specific studies on the moderating role of self-efficacy in employee engagement.

1.3 Research questions

This research has given answer for the following research questions.

1. What are the factors affecting employee engagement in Ethiopian insurance industry?
2. Does employee self-efficacy moderate the relationship between the independent variables and Dependent variable (employee engagement)?

1.4 Objective of the study

1.4.1 General objectives

The general objective of the study was to investigate the factors affecting employee engagement and the moderating role of self efficacy.

1.4.2 Specific objective

The study has the following specific objectives:

- ❖ To identify whether Job characteristics has a significant effect in predicting employee engagement in Ethiopian insurance industry.
- ❖ To examine whether Rewards and recognition has a significant effect on employee engagement in Ethiopian insurance industry.
- ❖ To investigate whether work life balance has a significant effect on employee engagement in Ethiopian insurance industry.
- ❖ To investigate whether Person- Job fit has a significant effect on employee engagement in Ethiopian insurance industry.
- ❖ To identify whether supervisory Support has a significant effect on employee engagement in Ethiopian insurance industry
- ❖ To identify whether self efficacy has a significant effect on employee engagement in Ethiopian insurance industry
- ❖ To discover the moderating role of employee self-efficacy on the relationship between the independent variables (Job characteristics, Rewards and recognition, work life balance and supervisory Support) and employee engagement.

1.5 Significance of the study

The significance of this study is to produce results that can add value in understanding the concept and practices of employee engagement in Ethiopian insurance industry.

The central thrust of human resource professionals in the insurance industry is to create and retain engaged employee for their organization which can contribute a great deal to the competitiveness of the organization, therefore the findings of this study will contribute a lot to

insurance industry in Ethiopia on how to formulate and implement strategies related with employee engagement.

The finding of the study also contribute to the insurance industry by recommending the possible factors that drive employees engagement which in turn promote the organization with the positive outcomes of engaged employees.

In addition to the above mentioned benefits, this research will open the door and serve as a stepping stone for other researchers who want to make further study on the area afterwards.

1.6 Scope of the study

Different researchers come up with plenty of antecedents of employee engagement using different theories. But this paper is limited to Six variables namely Person- Job fit , job characteristics, supervisory support, work life balance and Reward and recognition proposed as antecedent condition for employee engagement.

Different reports and papers indicate that the problem of employee engagement is Nationwide and in every industry, but this paper will be limited on the study of employee engagement in insurance industry in Ethiopia. Ethiopian insurance companies have employees working in various cities in Ethiopia, but the research is done only on branches located in Addis Ababa Ethiopia

Researchers (Saks, 2017; Bakker and Demerouti,2008; Piccolo and Jason 2006) have try to develop a model of employee engagement by indicating different constructs of employee engagement (job engagement, organizational engagement, team engagement and task engagement) and postulate their respective drivers for each constructs. But this paper will limit itself from discussing each type of Constructs rather will focus on general employee engagement.

Chapter Two

Review of literature

On this part of the paper the researcher present a comprehensive review of relevant literature in an attempt to position the study in an appropriate theoretical framework. Therefore the researcher try to identify, read, analyze, summarize and evaluate scholarly articles and related materials on employee engagement.

2.1 Definition of employee engagement

Even if we have amply of researches on the area of employee engagement, there are still inconsistence on the definition and interpretation of its components, antecedents and outcomes and the Difference between employee engagements with other related organizational behavior constructs such us employee commitment, involvement, citizenship behavior and Job satisfaction. Therefore employee engagement is defined, operationalization and measured in different ways by different scholars despite the fact that all of them are heading toward explaining the concept of person- role relationship and how to get optimum level of self on the job.

Kahn (1990) the prominent scholar on employee engagement, after analyzing different theories of psychology, sociology, and motivation explains the concept of Person-role relationship and articulate ,How a person express and employee or withdraw and defend himself from role performance. This interestingly laid the floor for the analysis of positive organizational psychology including employee engagement.

Kahn (1990) define engagement 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’’. And personal disengagement is ‘‘the uncoupling of selves from work roles; in disengagement, people withdraw and defend themselves physically, cognitively, or emotionally during role performance. Thus Engaged employee will present the full self to the role assigned for in terms of his physically, cognitive and emotional components of self.

The cognitive aspect deals with employee's beliefs about the organization, its leaders and working conditions, the emotional aspect concerns how employees feel about the organization and its leader and the physical aspect of employee engagement concerns the physical energies exerted by individuals to accomplish their roles (Kular, Gatenby, Rees, Soane, & Katie Truss, 2008).

The other commonly used definition of employee engagement is a definition by Schaufeli, Salanova, Gonzalez & Bakker (2002) they defined Work engagement as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption. Through this definition they explain how individual could be energetic, enthusiastic and happy toward their job. The three psychological state of mind proposed by this definition are the most important measures of employee engagement used by many instruments including the Utrecht Work Engagement Scale (Maslach, Leiter & Schaufeli, 2001).

Robinson (2004) shortly defines engagement as “a positive attitude held by the employee towards the organization and its values”. He describe an engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization.

Maslach, Leiter & Schaufeli (2001) come with different definition of engagement with relative to burnout accordingly; engagement refers to energy, involvement, and professional efficacy, which are considered to be the direct opposites of burnout dimensions (i.e., exhaustion, cynicism, and lack of professional efficacy). They also report that engagement can be assessed by the opposite pattern of scores in Maslach Burnout Inventory (MBI) dimension, which is a technique developed to measure burnout level of individuals. Therefore it's expected from the scholars in the area to analyze the literatures on employee engagement that could add to the knowledge on how to understand and conceptualize employee engagement. And show Directions for further reaches on the area.

2.2 Concepts of employee engagement

To understand the concept of employee engagement well, we need to analyze how each scholar conceptualize their idea given the definition articulated by the scholars, Therefore known the

different definition of employee engagement by different scholars they have conceptualized employee engagement with their specific perspectives.

Khan (1990) after he conducted a study on a psychological condition of employee engagement and disengagement in summer camp counselors and staff at an architecture firm he found that there were three psychological conditions related with engagement and disengagement at work. These psychological conditions are: meaningfulness, safety, and availability. Together, the three conditions shaped how people inhabited their roles. And he also explains what the personal, work related and organizational factors that contributes for each of the psychological condition of employee engagement.

Psychological Meaningfulness :- Psychological meaningfulness arise when the person felt that he is receiving a return in the form of different element for the investment of his physical, cognitive and emotional self to the job. In psychological meaningfulness an individual believes he can make a difference and his job will help others and felt significant for his job. Lack of meaning-fulness is connected to people's feeling that little was asked or expected of their selves and that there is little room for them to give or receive in work role performance. This prompt that employee will be engaged when he feel that his work gives him meaning, which means an individual has purpose, destiny and anticipated return that makes him to strive toward a role performance. (Khan, 1990)

He additionally state Job characteristics, role characteristics and work interaction to be positive predictors of meaningfulness and meaningfulness is found to have the strongest relation to different employee outcomes in terms of engagement.

In addition May et al (2004) conduct study on the three psychological conditions and found that job enrichment, person- job fit and co-worker relationship to be positively related with the condition of meaningfulness.

Oldham & Hackman (2010) on their discussion of job design articulate that, the three characteristics of job (Skill variety, task significance and task identity) proposed, will contribute to the experienced meaningfulness of the work. When these three psychological states were present that is, when jobholders experienced the work to be meaningful, felt personally

responsible for outcomes, and had knowledge of the results of their work they would become internally motivated to perform well.

Psychological Safety:- Psychological safety was be experienced as feeling able to show and employ one's self without fear of negative consequences to self-image, status, or career. People felt safe in situations in which they trusted that they would not suffer for their personal engagement.

The relationship an individual have with families. Groups and organizations will create contexts in which people feel more or less safe in taking the risks of self-expression and engaging the processes of change. In the two studies, situations promoting trust were predictable, consistent, clear, and nonthreatening; people were able to understand the boundaries between what was allowed and disallowed and the potential consequences of their behaviors, when situations are unclear, inconsistent and unpredictable, or threatening, personal engagement is deemed too risky or unsafe (Khan, 1990).

Psychological safety is associated with elements of social systems that created more or less nonthreatening, predictable, and consistent social situations in which to engage. From his study Khan (1990) found that Rewarding co-worker and supportive supervisor relations were positive predictors of safety.

May et al,(2004) also indicate Individuals feel 'safe' when they perceive that they will not suffer for expressing their true selves at work. In a safe environment, individuals understand the boundaries surrounding acceptable behaviors. However, unsafe conditions exist when situations are ambiguous, unpredictable and threatening.

Psychological Availability:- Psychological availability is the sense of having the physical, emotional, or psychological resources to personally engage at a particular moment. It measures how ready people are to engage, given the distractions they experience as members of social systems. In this study, people were more or less available to place their selves fully into role performances depending on how they coped with the various demands of both work and network aspects of their lives. This psychological dimension interestingly states it's not only the job or the organization that matter but, personal resource or competency of an individual will also

predict the personal engagement. And the impact of the work context and organization also determined given the personal resource an individual possess Khan (1990).

Khan (1990) Also propose the individual elements that measure psychological availability as: depletion of physical energy, depletion of emotional energy, individual insecurity and outside lives. So individuals with depletion of physical and emotional energy and who feels insecure with his environment will withdraw himself from his roles and become difficult to avail him to the expected role.

May, Gilson and Harter (2004) conduct study on Kahn's 1990 meaningfulness, safety and availability model and found that all three psychological conditions exhibited significant positive relations with engagement.

However, Khan (1990) fails to explain how those psychological conditions combined and what level of each condition is needed to personally engage? What if the individual have strong meaningfulness and at the same time feel unsafe? What is the hierarchy of the psychological conditions? And which one (meaningfulness, safety, availability) is more contribute to personal engagement? How they compensate each other? These questions should clearly get answered, because sometimes individuals may not inclusively have feeling of meaningfulness, safety and availability at the same time.

The other concept worthy dealing is the concept by Schaufeli, et al (2002) which defines engagement as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption. Employees become more engaged when they feel the work they do is meaningful and work that make them feel safe and when employee is psychologically available on his work.

Vigor: - is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one's work, and persistence even in the face of difficulties.

Dedication: - is characterized by a sense of significance, enthusiasm, inspiration, pride, and challenge. Dedication is similar to job involvement and includes high levels of psychological identification with one's job; however it goes beyond traditional conceptions of involvement as a

cognitive state to include an affective state or a strong feeling of involvement (Witemeyer, 2013).

Absorption:- is characterized by being fully concentrated and deeply engrossed in one's work, whereby time passes quickly and one has difficulties with detaching oneself from work.(Csikszentmihalyi, 1990), added that Being fully absorbed in one's work comes close to what has been called 'flow', a state of optimal experience that is characterized by focused attention, clear mind, mind and body unison, effortless concentration, complete control, loss of self-consciousness, distortion of time, and intrinsic enjoyment.

To criticize this study: the study didn't clearly shows the different organizational ,job and personal factors leads to the proposed three engagement dimensions (absorption, Vigor and Dedication) and the relationship between them. The other Weakness with this argument developed by Schaufeli, et al (2002) And its measurement Utrecht Work Engagement Scale (Schaufeli and Bakker, 2003), that measures the vigor, absorption and dedication dimensions of work engagement, is that its more narrowly emphasize to work engagement, which is the single construct of employee engagement (Macey and Schneider, 2008).

Furthermore, Schaufeli(2012) indicate that the conceptualization by Khan (1990) and Schaufeli, et al (2002) that define engagement in its own right and agree that it entails a behavioral-energetic (vigor), an emotional (dedication), and a cognitive (absorption) component, which explain both conceptualizations avail the same concept.

2.3 Employee Engagement Theories and Models

2.3.1 Job demands–resources Model

The job demands–resources view assumes that although every occupation may have its own specific working condition associated with employee well-being, these conditions can be classified in two general categories, job demands and job resources; that constitute all-encompassing model that may be applied to various occupational settings, regardless of the particular demands and resources involved (Bakker &Demerouti, 2007).

In the study of antecedent and consequences of employee engagement, the most obviously used model is the job demands-resources, (JD-R) model. This model organizes majority of job attributes and other related working conditions with two overarching categories demands and resources.

Bakker & Demerouti (2007) discover that previous studies have consistently shown that job resources such as social support from colleagues and supervisors, performance feedback, skill variety, autonomy, and learning opportunities are positively associated with work engagement.

Chen (2007) study employee engagement with China's context and state that job resources (job autonomy, financial rewards, participative decision making, and supervisory support) are significant factors in shaping employee engagement.

Schaufeli & Bakker (2004) also come up with similar finding that Job resources play as extrinsic motivational role, because resourceful work environments foster the willingness to dedicate one's efforts to the work task. In such environments, it is likely that the task will be completed successfully and that the goal will be attained. For instance, supportive colleagues and performance feedback increase the likelihood of being successful in achieving one's work goals. In either case, be it through the satisfaction of basic needs or through the achievement of work goals, the outcome is positive, and engagement is likely to occur.

Thus, job resources are assumed to have a direct positive relationship with engagement, which in turn influences important downstream outcomes such as in-role performance, extra-role performance, creativity, and financial returns. (Rich & Crawford 2010), therefore given this discussion, Job resources are assumed to play either an intrinsic motivational role because they foster employees' growth, learning, and development or an extrinsic motivational role because they are instrumental in achieving work goals. Bakker (2011) also states the importance of job resources as a relevant factor helping employees gain their motivational potential when they are confronted with high job demands (e.g., quantitative, emotional, and cognitive demands).

In case of Job Demand, We don't have a clear convincing relationship with employee engagement; scholars come up with different findings in relation with job demand and employee engagement, Evidence concerning the relationship between job demands and engagement is

ambiguous, there are scholars (Bakker ,2004) who claim that job demand cannot predict employee engagement, and scholars (Schaufeli et al, 2008), who found some constraints of job demand to be related with employee engagement.

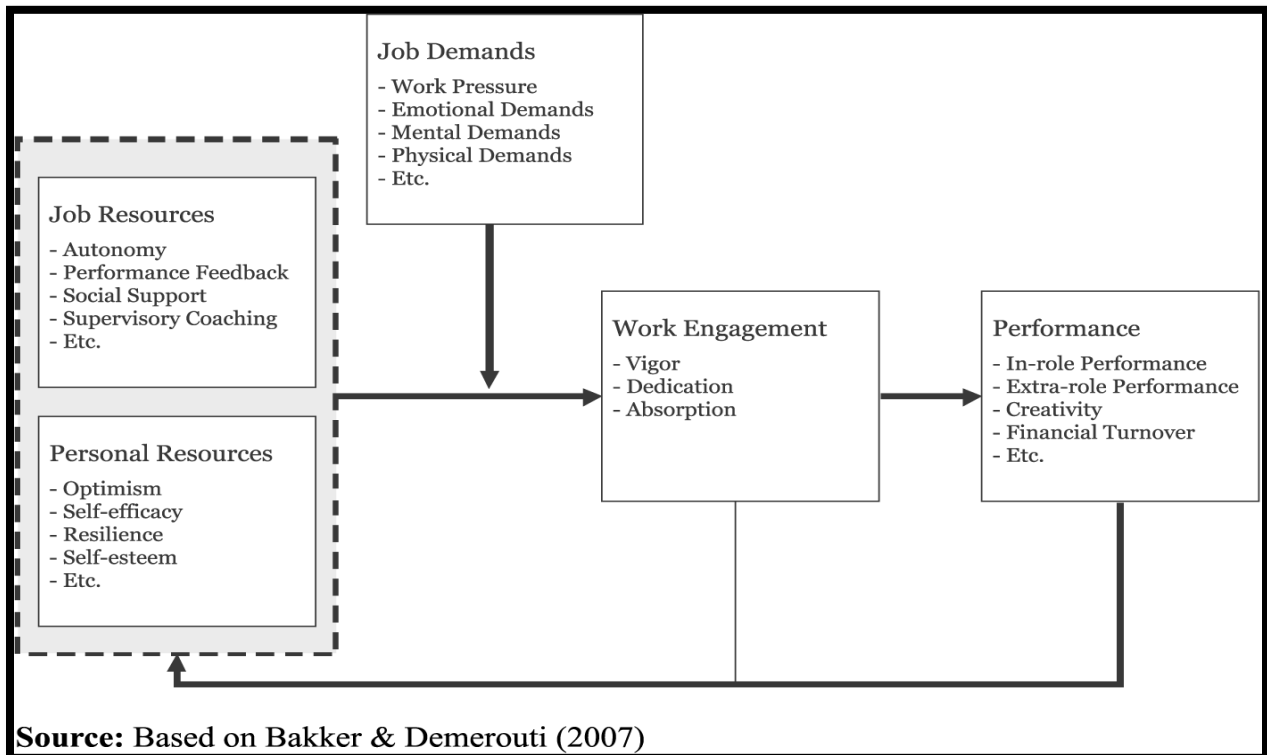
Job Demands are the “things that have to be done.” Clearly, in every job something has to be done. More specifically, we refer to job demands as those physical, psychological, social, or organizational aspects of the job that require sustained physical and/or psychological (i.e., cognitive or emotional) effort and are therefore associated with certain physiological and/or psychological costs. Although job demands are not necessarily negative, they may turn into job stressors when meeting those demands requires high effort and is therefore associated with high costs that elicit negative responses such as depression, anxiety, or burnout (Schaufeli & Bakker, 2004).

Job demands refer to those physical, social, or organizational aspects of the job that require sustained physical or mental effort and are therefore associated with certain psychological costs (e.g., exhaustion) and include aspects such as workload, time pressure, and difficult physical environments (Rich and Crawford 2010).

Rich and Crawford (2010) come up with new perspective to see job demand engagement relationship by differentiating the different types of job demand through the transactional theory of stress, they propose that job demand can be categorize as challenging stressors and hindrance stressors. Challenges tend to be appraised as stressful demands that have the potential to promote mastery, personal growth, or future gains. Examples of challenges include demands such as a high workload, time pressure, and high levels of job responsibility. Employees tend to perceive these demands as opportunities to learn, achieve, and demonstrate the type of competence that tends to get rewarded. Hindrances tend to be appraised as stressful demands that have the potential to thwart personal growth, learning, and goal attainment. Examples of hindrances include demands such as role conflict, role ambiguity, organizational politics, red tape, and hassles. Employees tend to perceive these demands as constraints, barriers, or roadblocks that unnecessarily hinder their progress toward goal attainment and rewards that accrue as a result of being evaluated as an effective performer (Rich and Crawford 2010).

Therefore, Challenging demands will positively related to engagement because they trigger positive emotions and active, problem-focused coping styles that increase willingness to invest energy in efforts to meet these demands. Individuals may work very passionately to respond to challenge demands because they believe doing so is meaningful and important, even though They simultaneously recognize that doing so may also leave them feeling exhausted. On the other hand, hindrances demand would negatively relate to engagement because they result in negative emotions and passive, emotion-focused coping styles that reflect withdrawal and reduced employee engagement. Individuals may be very detached in addressing hindrance demands because they believe they will be frustrated by having to waste additional energy and personal resources, beyond the exhaustion they may experience from having to deal with these obstacles (Rich and Crawford 2010). But commonly most of experts on this area believe that Job resources predicted employee engagement better than job demand did.

Figure 2. 1: The JD-R model of work engagement, (Bakker &Demerouti, 2008)



2.3.2 Social Exchange theory

Social exchange theory is among the most influential conceptual paradigms for understanding workplace behavior (Cropanzano & Mitchell, 2005).

This theory first used to discuss employee engagement by Saks (2006) he explains what drive employee to engage or disengage using the social exchange theory. He declares that one way for individuals to repay their organization is through their level of engagement. That is, employees will choose to engage themselves to varying degrees and in response to the resources they receive from their organization. Bringing oneself more fully into one's work roles and devoting greater amounts of cognitive, emotional, and physical resources is a very profound way for individuals to respond to an organization's actions. It is more difficult for employees to vary their levels of job performance given that performance is often evaluated and used as the basis for compensation and other administrative decisions. Thus, employees are more likely to exchange their engagement for resources and benefits provided by their organization.

2.3.3 Burnout

The other rarely used theory on the discussion of employee engagement is the burnout theory of psychology. By which scholars propose to take burnout as an opposite psychological condition to engagement. Thus we can discuss engagement using the concept and measure of burnout.

Burnout is a prolonged response to chronic emotional and interpersonal stressors on the job, and is defined by the three dimensions of exhaustion, cynicism, and inefficacy (Maslach et al 2001) which indicate the negative relationship an individual could have with his job and organization.

Maslach & Leiter (1997) stated burnout as an erosion of engagement with the job, what started out as important, meaningful, and challenging work becomes unpleasant, unfulfilling, and meaningless. Energy turns into exhaustion, involvement turns into cynicism, and efficacy turns into ineffectiveness. Accordingly, engagement is characterized by energy, involvement, and efficacy which are the direct opposites of the three burnout dimensions (**exhaustion, cynicism, and inefficacy**). Therefore, engagement can be measured by the opposite pattern of scores on the three Maslach Burnout Inventory dimensions (Maslach & Jackson, 1981). This interestingly discuss that if an individual have high score in burnout measure, that means high exhaustion,

cynicism and inefficacy in the job then it's clear that an individual has a lower level of engagement or he is disengaged to his role in the organization and vice versa.

Contrary to this Schaufeli et al (2001) state that even if burnout is the positive synthesis of engagement by which Burnout is characterized by a combination of exhaustion (low activation) and cynicism (low identification), whereas engagement is characterized by vigor (high activation) and dedication (high identification). Furthermore, burnout includes reduced professional efficacy, and engagement includes absorption. Yet it's difficult to measure all dimension of engagement through the Maslach Burnout Inventory (Maslach&Jackson, 1981) Thus he proposed that employee engagement should be conceptualized by its own.

2.4 Employee Engagement and related constructs

The other most imperative thing to clarify on the study of employee engagement is to discuss and indicate the difference and similarities of employee engagement with other related constructs in organizational behaviors.

The literatures on engagement are struggling to demark the difference between engagement and other similar constructs such as commitment, involvement, job satisfaction and citizenship behavior, different scholars (Schaufeli and Bakker, 2004; Rich&Crowford, 2010; Saks, 2006; Schaufeli, 2012; Robinson 2004.& Khan 1990) Indicate that employee engagement is related but different from those established Organizational behavior constructs.

It would appear that there are sufficient grounds for arguing that engagement is related to, but distinct from, other constructs in organizational behavior (Saks 2006). From the definition and conceptualization of employee engagement we can find out that employee engagement contain most of the elements of related organizational behavior variables such us (employee commitment, Involvement, job satisfaction, motivation and other positive organizational behaviors).

Rich, at el, (2010) argues that employee engagement accounts for the simultaneous investment of available energies into a work role; it provides a more comprehensive explanation for job performance than do concepts that depict the self-more narrowly. This suggest that employee

engagement provide inclusive view of self, thus it provide more comprehensive explanation for employee and organizational performance than other familiar instruments that emphasize on narrower aspect of self.

In addition Khan (1990) reported that other constraints related with employee engagement such as job involvement often measures how present people are at work. Yet neither goes to the core of what it means to be psychologically present in particular moments and situations, and doing this requires deeply probing peoples experience and situations during the discrete moments that make up their work lives. This suggests that employee engagement can better predict positive organizational outcomes than constructs of organizational behaviors.

In addition Rich, Iepine & Crawford (2010) also postulate that engagement exceeds job involvement, job satisfaction and intrinsic motivation in explaining the relationship among the antecedents and performance outcomes. It's also indicated that operationally, the measures of engagement have for the most part been composed of a mixture of items representing one or more of the four different categories: job satisfaction, organizational commitment, psychological empowerment, and job involvement (Macey & Schneider, 2008).

2.4.1 Employee engagement and Job satisfaction

Job satisfaction is the extent to which work is a source of need fulfillment and contentment, or a means of freeing employees from hassles or dissatisfies; it does not encompass the person's relationship with the work itself (Maslach et al, 2001).

Work engagement is different from job satisfaction in that it combines high work pleasure (dedication) with high activation (vigor, absorption); job satisfaction is typically a more passive form of employee well-being. Work engagement is also different from motivation, in that it also refers to cognition (absorption) and affect (vigor) in addition to motivation (dedication). Not surprisingly then, work engagement is a better predictor of job performance than are many earlier constructs (Bakker, 2011).

In fact, the measures of engagement we have in use in the world of practice are highly similar to the measures used for assessments of job satisfaction (or climate or culture), albeit with a new

label. Although there may be room for satisfaction within the engagement construct, engagement connotes activation, whereas satisfaction connotes satiation (Erickson, 2005). In addition, although “satisfaction” surveys that ask employees to describe their work conditions may be relevant for assessing the conditions that provide for engagement (state and/or behavioral), they do not directly tap engagement. Such measures require an inferential leap to engagement rather than assessing engagement itself. This has practical significance because the advice the practitioner offers management on addressing engagement issues requires a similar inferential leap all too evident to the insightful executive (Macey & Schneider, 2008).

2.4.2 Employee Engagement and Job Involvement

Job involvement is similar to the involvement aspect of engagement with work, but does not include the energy and effectiveness dimensions (Maslach et al, 2001).

Job involvement results from a cognitive judgment about the need satisfying abilities of the job. Jobs in this view are tied to one’s self-image. Engagement differs from job involvement in that it is concerned more with how the individual employs his/her self during the performance of his/her job. Furthermore, engagement entails the active use of emotions and behaviours, in addition to cognitions. Finally, engagement may be thought of as an antecedent to job involvement in that individuals who experience deep engagement in their roles should come to identify with their jobs (May et al, 2004).

2.4.3 Employee Engagement and Commitment

Organizational commitment refers to an employee’s allegiance to the organization that provides employment. The focus is on the organization, whereas engagement focuses on the work itself (Maslach et al, 2001). They are indeed closely linked, high organizational commitment can increase engagement and high engagement can increase commitment. But people can be engaged with their work even when they are not committed to the organization except in so far as it gives them the opportunity to use and develop their skills. This may be the case with some knowledge workers (Armstrong, 2008). Saks (2006) claim that Organizational commitment also differs from engagement in that it refers to a person’s attitude and attachment towards their organization.

Engagement is not an attitude; it is the degree to which an individual is attentive and absorbed in the performance of their roles.

2.5 Drivers of Employee Engagement

Khan (1990) from the work of Hackman & Oldham (1980) articulate that work context, mediated by people's perceptions, creates the conditions in which employees are personally engage and/or disengage. This interestingly expresses that individual's engagement and disengagement is derived from the people themselves (personal resource), their work and its context. Therefore the researchers identify variables which believed to influence employee engagement from the literatures with the context of Ethiopian insurance industry and develop its hypothesis accordingly.

According to Maslach et al., (2001) six areas of work-life lead to either burnout or engagement: workload, control, rewards and recognition, community and social support, perceived fairness and values. The key implication from this concept is organizations that get strong on those areas will get their employee engaged, and if the organization fails to have those Work life areas their employee will feel psychological burnout.

2.5.2 Job Characteristics

Herzberg, an early scholars of management come up with revolutionary approach to job design which claims that to motivate employees to do good work, jobs should be enriched rather than simplified (Herzberg, 1966). Work should be designed and managed to foster responsibility, achievement, growth in competence, recognition, and advancement (Oldham & Hackman, 2010).

Oldham & Hackman (1976) develop a model that describes the job characteristics to analyze conditions that may intrinsically motivate employee toward their job performance. Which they call five “core” job characteristics indicated as follows:

Task significance: - the extent to which the job has a substantial and perceivable impact upon others in the immediate organization or external environment.

Task identity: - the 'extent to which the job requires completion of a "whole" and identifiable piece of work, doing a job from beginning to end with a visible outcome.

Skill variety: - the extent to which the job requires the worker to perform different activities calling for different skills and abilities.

Autonomy: - the extent to which the job gives the worker freedom, independence,' and discretion in scheduling work and determining procedures.

Feedback: - the extent to which the worker, in carrying out the activities required by the job, receives information about the effectiveness of his efforts.

They also articulate that, the three characteristics of job (Skill variety, task significance and task identity) proposed, will contribute to the experienced meaningfulness of the work. In addition, having autonomy would contribute to jobholders felt responsibility for work outcomes. And built-in feedback, of course, would provide direct knowledge of the results of the work. Thus when these three psychological states were present; that is, when jobholders experienced the work to be meaningful, felt personally responsible for outcomes, and had knowledge of the results of their work they would become internally motivated to perform well. And, just as importantly, they would not be able to give themselves a psychological pat on the back for performing well if the work were devoid of meaning, or if they were merely following someone else's required procedures, or if doing the work generated no information about how well they were performing.

Kahn (1990) in his study of employee engagement and disengagement of the summer camp counselors, state that when organization members are doing work that is challenging, clearly defined, Variety, allow the use of different skills, personal discretion, and the opportunity to make important contributions would provide psychological meaningfulness, which in turn increase engagement.

Comprehensive summaries of the literature on job characteristics theory have provided support for the notion that jobs regarded as challenging, important, and autonomous are more intrinsically motivating. (Piccolo & Colquitt, 2006)

Oldham (1975) also suggest that fundamental characteristics of jobs can establish conditions so that it is possible for workers to obtain personally rewarding experiences by doing well on their jobs. Thus by improving or enriching the characteristics of jobs, levels of internal motivation should be increased in many situations as should individual work performance.

In addition to this Saks (2006) conclude job characteristics related with engagement but in varying degree for job and organization engagement. Therefore our first hypothesis will be:

Hypothesis 1: A Job characteristic is positively related to employee engagement.

2.5.3 Perceived supervisory support

Supervisory support has been found to be an important predictor of employee engagement (chen, 2007; Othman & Nesurdin, 2013; Saks, 2006; Schaufeli and Bakker, 2004; Suharti&Suliyanto, 2012;Pawar 2016 ; Khan, 1990) .

From the job demand- resource model Bakker & demerouti (2008) proposed to predicted employee engagement, one of the job resource identified and discussed to be significant predictor of employee engagement is supervisory support.

In addition Chen (2007) study employee engagement with chine's context and state that job resources (job autonomy, financial rewards, participative decision making, and supervisory support) are significant factors in shaping employee engagement.

Khan (1990) on his analysis of the psychological conditions of employee engagement discuss that supportive managerial environment that allow people to try and fail without the consequences will make employee safe, which is one of the psychological conditions that make employee engaged.

Othman &Nasrudin,(2013) propose and revealed that supervisory support is a significant predictor of work engagement. They also explain supervisory support play as intrinsic motivation factor taking supervisory support as a job resource.

Saks (2006) on his analysis of the antecedent and consequence of employee engagement through social exchange theory proposed and found that perceived supervisory support is a significant predictor of employee engagement. He explains that when employee believes that their supervisor is concerned about them and cares for them, they will likely respond by attempting to fulfill their obligation to the organization by becoming more engaged. Therefore the second Hypothesis will be:

Hypothesis 2: Perceived supervisor support (PSS) will be positively related to employee engagement.

2.5.4 Person- Job fit

The person environment fit theory tell us that behavior, attitudes, stress and well-being arises not only from the person or environment separately, but rather by their fit or congruence with one another. This interestingly expresses, making the person or the environment separately conducive will not utterly give us the desire outcome or performance. The outcome will highly depend on how much an individual match with the environment. Edwards, Caplan & Harrison (1998) And one of the dimensions of person- environment fit stated is a supplies- values fit by which the persons preferences, wants or values is fit with the environment. That means weather the environment has similar value like a person do.

Sulistiowati(2018) study the effect of person job fit on three positive well-being states of engagement, life satisfaction and job satisfaction and conclude that person job fit exert a positive effect on the three outputs.

According to Holland as cited y Robbins and judge (2013) Individuals wellbeing and the propensity to leave a position depend on how well individuals match their personalities to a job. That is strong person job fit will lead for a better well-being (job satisfaction, engagement and other positive psychological state) and lower turnover.

Kristof et al (2005) define person job fit as the relationship between a person's characteristics and thus of the job or task they hold. He further explains person job fit as a match between an

individual's ability, need, desire and preference with the characteristic or the role of the job they hold.

War & Inceoglu (2012) in their analysis of well-being and person- job fit states that poor person job fit cause lower well-being (engagement and job satisfaction), they also elaborate that employees with person job fit are free to express themselves and in strengthening coworker relationship

May et al (2004) suggest that work roles that are aligned with individual's self –concept is associated with a more meaningful work experience, which is one of the khan's psychological condition of engagement. Memon et al (2015) also examine the person job fit and person organization as antecedent of employee engagement and found that person job fit encourages individuals toward a high level of engagement.

Hypothesis 3: Person- Job fit has a positive relationship with employee engagement.

2.5.5 Benefit and recognition

HRM aims to enhance motivation, job engagement and commitment by introducing policies and processes that ensure that people are valued and rewarded for what they do and achieve and for the levels of skill and competence they reach (Armstrong, 2008).

Saks (2006) in his model of employee engagement using social exchange theory sates that rules of exchange usually involves reciprocity or repayment rules such that the actions of one party lead to a response or action of the other. Thus employee thrives toward their roles when they expect some attractive response or benefit from their organization. Khan (1990) also state that there is a contract between the person and his role and the person agree and engage toward the contract containing clear and desired benefit.

From khan's psychological conditions; meaningfulness is stated as a feeling that one is receiving on investment of one's self in return of physical, cognitive or emotional energy. Thus the meaningfulness of the job is measured by, what opportunity do my job has to give and receive returns (Khan, 1990), Therefore People vary their personal engagements according to their

perceptions of the benefits, or the meaningfulness, and the guarantees, or the safety, they perceive in that situations.

Danish and Usman (2010) found that Reward and recognition have a significant impact on job satisfaction and employee motivation, which is a related construct with employee engagement. Chen (2000) state that worldwide organizations are increasingly adopting pay for performance, not only to encourage their employees to be more productive and efficient, but also to attract and retain highly valued employees and generate favorable attitude toward an organization.

We have also a supporting discussion on reward and benefit from the job demand - resource model by which one of the organizational resources that proposed as an antecedent of employee engagement is reward and benefit (Bakker & demerouti, 2007).

Cropanzano and Mitchell (2005) investigate and found that Rewards and recognition is positively related to employee engagement. Maslach et al, (2001) on their study of job burnout state that inappropriate and insufficient financial and social reward will create a feeling of inefficacy and 'burnout' which is the opposite condition of engagement, therefore if employees are rewarded appropriately financially and socially it will drive them toward engagement.

Based on the above discussion of the proposed determinants engagement, the fourth set of hypotheses is offered for this study.

Hypothesis 4: Rewards and recognition will positively related employee engagement.

2.5.6 Work life Balance

People have multiple roles in their life (family role, societal role and work role) and employed person have multiple roles in home and organization and most of the time many people encounter role conflict which likely cause distraction and high pressure.

(Bandarkarc & Pandita, 2014), express Work life Balance as a satisfactory level of involvement or 'fit' between the multiple roles in a person's life. They also add that the ability of the employee to find time for his work and family was a crucial factor to the success of his performance at the workplace.

Many changes in the workplace and in employee demographics in the past decade have led to an increased concern for the boundary between employee work and non-work lives (Hochschild, 1997). He discuss that as people increasingly interesting in family life, increasing working women and formation double income family make the issue of work life balance very much interesting. (Barnard & Potgieter, 2010) also state the interest on the work life balance lies on the conflict between the work and non-work life of an employee which arise from the incompatible pressure experienced in work and non-work role.

According to (khan, 1990), peoples outside lives can be a potential factor that may take people psychologically away from their role performance and psychological availability. Employees who are pre occupied by different non work events and ideas get distracted in their performance and loss energy. So employee should balance their work and life to avoid this distraction and loss of energy.

In contrast (Bakker &Demerouti, 2008) discover that the positive state of employee engagement (energy and enthusiasm) also appears outside work activities such as sport, creative hobbies and voluntary activities. They also add that engaged employees are not addicted to their work, they enjoy other things outside work and, unlike workaholics, they do not work hard because of a strong and irresistible inner drive, but because for them working is fun. (Ganesan, Azli&Fageeh, 2017), investigate the driver of employee engagement in Malaysian Health Care Industry and found that work life balance significantly affect employee engagement. Therefore our third Hypothesis will be:

Hypothesis 5: Work life balance has a positive relationship with employee engagement.

2.5.7 The role of self-efficacy as a moderating factor

On the analysis of employee engagement, scholars stated that engagement levels differ between individuals and one of the reasons stated are working condition and personal resources (Schaufeli& Bakker, 2004; Khan, 1990).Therefore to clearly identify the engagement level of our employee and the antecedent factors of employee engagement, we need to consider the personal resources individuals have possess as a moderator. Unfortunately there is no rigorous study conducted to identify how the personal resource (optimism, self-efficacy, resilience, and

self-esteem) bring individual difference and how this help individuals sustain the job demand expected on their role.

Self-efficacy refers to an individual's belief that he or she is capable of performing a task. The higher your self-efficacy, the more confidence you have in your ability to succeed. So, in difficult situations, people with low self-efficacy are more likely to lessen their effort or give up altogether, while those with high self-efficacy will try harder to master the challenge (Robbins & Judge, 2013), they also Added that Self-efficacy can create a positive spiral in which those with high efficacy become more engaged in their tasks and then, in turn, increase performance.

Grau, Salanova, Peiro (2001) explore the moderating role of self-efficacy on occupational stress and found that people with low level of generalized self-efficacy to be associated with more emotional exhaustion , greater cynicism and have low level of employee commitment specifically when they hold jobs with high autonomy, routine and high level of role conflict.

Xanthopoulou, Bakker,Schaufeli&Demerouti (2009) have shown that job and personal resources are mutually related and that personal resources can be independent predictors of work engagement. Thus, employees who score high on optimism, self-efficacy, resilience, and self-esteem are well able to mobilize their job resources and generally are more engaged in their work. Thus one of the personal resource identify as a predictor of higher engagement level is self-efficacy. Therefore this paper proposes:

Hypothesis 6: Self-efficacy will have a moderating role between the antecedent variables (job characteristics, reward and recognition, Work life balance, and supervisory support) and employee engagement.

Table 2. 1: Summary of empirical review

The following table (**Table 2.1**) summarizes some of the relevant findings of related empirical literatures used to shape our conceptual framework.

Author and year of publication	Findings
(Saks,2006)	The study conducted under the title:”antecedent and consequence of employee engagement” Result of the study discuss that perceived organizational support predicts both job and organization engagement; job characteristics predicts job engagement; and procedural justice predicts organization engagement. In addition, job and organization engagement mediated the relationships between the antecedents and job satisfaction, organizational commitment, intentions to quit, and organizational citizenship behavior. He also insists that there is a meaningful difference between job and organization engagements and their respective antecedents and outcome.
(May et al., 2004)	The study conducted to explore the determinants and mediating effects of the three psychological conditions – meaningfulness, safety and availability – on employees’ engagement in their work at .US. Midwestern Insurance company. Results from the study revealed that all three psychological conditions exhibited significant positive relations with engagement. Meaningfulness displayed the strongest relation. Job enrichment and work role. Fit were positively linked to psychological meaningfulness. Rewarding co-worker and supportive supervisor relations were positively associated with psychological safety, whereas adherence to co-worker norms and self-consciousness were negatively associated. Psychological availability was positively related to resources available and negatively related to participation in outside activities.

	Theoretical and practical implications related to psychological engagement at work are discussed.
(Bedarka&Pandita,2013)	The study explores the concept of employee engagement and studies the key drivers of employee engagement by analyzing specifically three divers, namely communication, work life balance and leadership. And found that all the three variables to be significantly related with employee engagement. The study also explores and found employee engagement to be related with organizational performance.
(Kahn ,1990)	In his study of employee engagement and disengagement at the summer camp counselors, state that when organization members are doing work that is challenging, clearly defined, Variety, allow the use of different skills, personal discretion, and the opportunity to make important contributions would provide psychological meaningfulness, which in turn increase engagement. He also clearly discusses the three psychological conditions of employee engagement (meaningfulness, safety and availability) which set the foundation for most of the research conducted on employee engagement.
(Othman&Nesurdin, 2013)	They study work engagement in Malaysian nurses, and the result of the study found and discuss that that supervisor support to have a significant relationship with work engagement and Co-worker support having a insignificant relationship with work engagement for the case area.
(Maslach et al.,2001)	on their study of job burnout they found and state that inappropriate and insufficient financial and social reward will create a feeling of inefficacy and' burnout' which is the opposite condition of engagement, therefore if employees are rewarded appropriately financially and socially it will drive them toward engagement.

(Chen , 2007)	<p>He study employee’s engagement within Chinese context and revealed that financial rewards, employee’s participation in decision making, supervisory support and job autonomy as a significant factor shaping the level of employee engagement. He also found engagement having a significant mediating role between job resource and turnover intention</p>
(Mauno et al. 2006)	<p>This is a longitudinal study among Finnish health care personnel which explore a Job demands and resources as antecedents of work engagement. The study showed that work engagement—especially vigor and dedication—was relatively frequently experienced among the participants, and its average level did not change across the follow-up period. In addition, the experience of work engagement turned out to be reasonably stable during the 2-year period.</p> <p>They also discover and discuss that Job resources predicted work engagement better than job demands. Job control and organization-based self-esteem proved to be the best lagged predictors of the three dimensions of work engagement. However, only the positive aspect of job control on dedication remained statistically significant after controlling for the baseline level of work engagement</p>
(Xanthopoulo et al. , 2009)	<p>This study investigates how daily fluctuations in job resources (autonomy, coaching, and team climate) are related to employees’ levels of personal resources (self-efficacy, self-esteem, and optimism), work engagement, and financial returns. Forty-two employees working in three branches of a fast-food company completed a questionnaire and a diary booklet over 5 consecutive workdays. Consistent with hypotheses, multi-level analyses revealed that day-level job resources had an effect on work engagement through day-level personal resources, after</p>

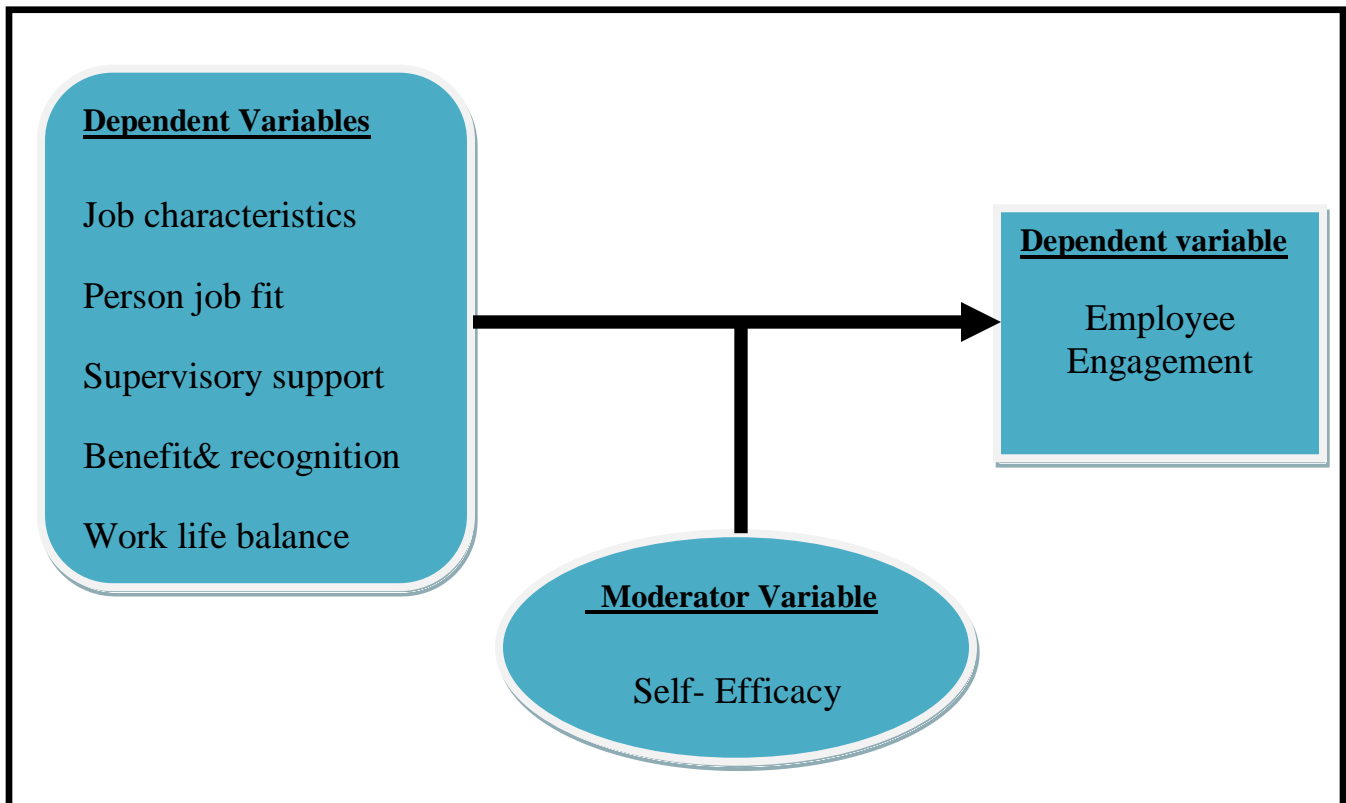
	<p>controlling for general levels of personal resources and engagement. Day-level coaching had a direct positive relationship with day-level work engagement, which, in-turn, predicted daily financial returns.</p> <p>This study interestingly indicates the changing level of employee engagement through time and point out that employee engagement to be a day to day continuous activity.</p>
(Salanova, Agut, Peiro, 2005)	<p>The researchers try to show the link of Organizational Resources and Work Engagement to Employee Performance and Customer Loyalty. The result suggests that providing work units with organizational resources increases their collective engagement, which in turn helps to foster an excellent service climate. This service climate consequently increases customer appraisal of employee performance and, hence, customer loyalty.</p>
(Schaufeli&Bakker,2004)	<p>On their study of Job demands–resources Model they come up with finding that Job resources play as extrinsic motivational role, because resourceful work environments foster the willingness to dedicate one’s efforts to the work task. In such environments, it is likely that the task will be completed successfully and that the goal will be attained. For instance, supportive colleagues and performance feedback increase the likelihood of being successful in achieving one’s work goals. In either case, be it through the satisfaction of basic needs or through the achievement of work goals, the outcome is positive, and engagement is likely to occur. They also explore job demand to have relatively little effect on employee engagement</p>

Source: Review of Empirical Literatures

2.6 Theoretical and Conceptual Frame work of the study

After reviewing the theoretical and empirical literatures, the researcher is able to identify the above five proposed determinants of employee engagement and one Moderating Variable. Therefore, based on the overall review of related literatures the following Research framework in which this specific study is governed is developed.

Figure 2. 2: Proposed conceptual framework



Source: Own constriction based review of literature

As indicated in the model we have three paths to create relationship among variables. The first path estimates the direct path between the antecedent variables and employee engagement. Thus on this path we have directly relate job characteristics, supervisory support, work life balance, person-job fit, benefit and recognition to employee engagement. The second path is the path that indicates the direct relationship between the moderator variable and employee engagement which means we consider the moderator variable as an independent variable (self-efficacy to employee engagement) and the 3rd path is the indirect path which estimates the path from each

independent variable to its hypothesized moderator and from moderator to the dependent variable. So under this path the effect of antecedent variables on employee engagement will be regressed indirectly through the moderating variable. It is hypothesized that when individual encompass different level of self-efficacy, the effect of those antecedent variables on employee engagements will change (strength and/or direction).

Chapter Three

Research Methodology

This chapter will present methodology; the plan and procedure on how the research systematically answers the objective of the study. Therefore under this part of the study the researcher will provide: an overview of the target population, research design, data sources and types, data collection methods, instrument, sample design, sampling frame, sample size determination, data processing and analysis, that will be carry out under this study.

3.1 Research Design and approach

In order to collect relevant empirical data for academic research, an appropriate approaches needs to be considered (Bryman & Bell, 2005; Blumberg et al., 2008). First an inductive or deductive research approach needs to be decided. Thereafter it must be decided to go along with qualitative or quantitative research, or a mixture of both.

Research approaches are plans and procedures for research that cover the steps from broad assumptions to detailed methods of data collection, analysis, and interpretation. And the approach selection of a research is based on the nature of the research problem or issue being addressed, the researchers' personal experiences, and the audiences for the study (Creswell, 2014). According to Creswell (2014) certain types of social research problems call for specific approaches. For example, if the problem calls for : the identification of factors that influence an outcome, the utility of an intervention or ,understanding the best predictors of outcomes, then a quantitative approach is best.

Quantitative approach involves the generation of data in quantitative form which can be subjected to rigorous quantitative analysis in a formal and rigid fashion (Kothari, 2004). Therefore, given the nature of data, the problem taken into account and pre-determined objectives in this study, the research design for this study was a cross-sectional descriptive survey type by applying quantitative research approach.

The rationale for the choice of cross-sectional descriptive survey method is the fact that this kind of research approach will provide relevant data about the research topic and support to meet the research objective since it involves collecting and analyzing numerical data and applying statistical tests. Hence the researcher believes this kind of approach is appropriate to the research problem identified.

3.2 Data type and source

While thinking of the data source, there are at least two types of data source the researcher may look for, the primary and the secondary data source. The primary data are those which are collected afresh and for the first time, and thus happen to be original in character. The secondary data, on the other hand, are those which have already been collected by someone else and which have already been passed through the statistical process. (Kothari, 2004)

For the sake of this research, the researcher was using both primary and secondary types of data. The primary data will be collected through structured questioner from the selected sample. The researcher will also use some secondary source of data, such as documents for different purposes in the research.

3.3 Population and Sampling Size

3.3.1 Target Population

The population for a study is that group (usually of people) about whom we want to draw conclusions (Babbie, 2007). Therefore our target population for this specific study was the employees of insurance companies in Ethiopia. According to the report of the national bank of Ethiopia (2018) there are 17 insurance companies operating in Ethiopia. Due to time and resource constraint and the type of data to be collected it is not efficient to use census. Thus selecting a sample is necessary. Given this the target population for the study is five insurance companies which are systematically selected as to represent the insurance industry.

For the purposes of convenience we divide the insurance companies into three generations given their years of establishment. Given that we have the first generation, second generation and third generation companies, then we randomly select one company from the first generation and two

Companies from the second and third generation each, Thus to make our generalization strong we take samples from the three generation insurance companies Accordingly, Ethiopian Insurance Corporation from the first generation; Bunna Insurance Company S.C. and Global Insurance Company S.C. From the second generation, Ethio-Life & General Insurance S.C. and Lucy Insurance S.C.; from the third generation are selected by which the research believes that they represent the insurance industry.

Table 3. 1: List of insurance companies with their respective population

S.N	List Of Insurance Companies	Year of Est.	No of staff	Target population
1	Ethiopian Insurance Corporation	1975	1857	1857
2	National Insurance Company S.C.	1994	142	
3	Awash Insurance Company S.C.	1994	541	
4	United Insurance Company S.C.	1994	393	
5	Africa Insurance Company S.C.	1994	340	
6	Nile Insurance Company S.C.	1995	375	
7	Nyala Insurance S.C.	1995	315	
8	Global Insurance Company S.C.	1997	168	168
9	Nib Insurance Company S.C.	2002	426	
10	Lion Insurance Company S.C.	2007	312	
11	Ethio-Life &General Insurance S.C.	2008	171	169
12	Oromia Insurance Company S.C.	2009	349	
13	Abay Insurance Company S.C.	2010	173	
14	Berhan Insurance S.C.	2011	161	
15	Tsehay Insurance S.C.	2012	186	
16	Lucy Insurance S.C.	2012	151	151
17	Bunna Insurance S.C.	2013	294	294
	Total		6352	2639

Source: National Bank of Ethiopia (2019)

3.3.2 Sample Size Determination

To draw the sample from the Target population, the sample size determination formula of Yamane, (1967) was used.

$$n=N/[1+N (e^2)]$$

Where: n = Sample size

N = Population size

E = Level of precision or acceptable sampling error (0.05) Therefore our sample size that can fit our target population is computed as follows:

$$\text{Sample size } (n) = 2639 / [1 + 2639(0.05)^2]$$

$$n = 347$$

Based on the above formula samples of 347 employees are selected from the target population.

3.3.3 Sampling technique

A sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample (Kothari 2004).

If a population from which a sample is to be drawn does not constitute homogeneous group, stratified sampling technique is generally applied in order to obtain a representative sample. (Kothari 2004)

Thus, for the purpose of this study Stratified or multistage sampling technique was used to select companies to be included in the study and simple random sampling will be conducted to select representative from identified clusters.

Once the sample size was determined the next step was determining the number of respondents that are going to be selected from each company. In order to do that a proportionate stratified sampling technique is used. In this technique the number of sampling unit drawn from each stratum is in proportion to the population size of that stratum. The following formula is used to compute samples from each stratum

$$n_h = (N_h / N) * n$$

Where n_h is the sample size for stratum h , N_h is the population size for stratum h , N is total population size, and n is total sample size.

Table 3. 2: Proportionate stratified sample size

S.N	List of target company's	Total strata size	Proportionate sample
1	Ethiopian Insurance Corporation	1857	242
2	Bunna Insurance Company S.C.	294	38
3	Global Insurance Company S.C.	168	22
4	Ethio-Life &General Insurance S.C.	171	23
5	Lucy Insurance S.C.	151	20
	Total	2639	347

Source: own computation (2019)

3.4 Data Collection Method

Data collection method describes all about how data is gathered or collected. There are various methods of data collection such as census, experiment, survey and observation.

In this study, the researcher use sample survey method where structured questionnaires that were compiled for the purpose of this research, with five point Likert scale, were administrated. A survey design provides a quantitative or numeric description of trends, attitudes, or opinions of a population by studying a sample of that population. From sample results, the researcher generalizes or makes claims about the population (Creswell 2014).

3.5 Variable measurement

For the purpose of this research, structured questionnaires were compiled /adopted from different previous literature and studies (Saks, 2006; Oldham &Hackman, 2010; May et. al 2004; Bandarkar & Pandita, 2014 and Daniels &McCarragher, 2000) in order to collect the necessary data to answer the research questions.

The first section of the questionnaire contain the demographic characteristics of the respondents were respondents are requested to provide information about their gender, age, year of service or experience and education level. The second section of the questionnaire contains questions related with each variable in the study.

The items are formed with a 5-point agreement–disagreement Likert format with 1=Strongly Disagree and 5=Strongly Agree and Almost never = Seldom = Sometimes = Often and Almost Always.

Employee engagement is measured by 13 items which indicates individuals cognitive, emotional and physical engagement at work adopted from (May et al 2004). An individual's self-efficacy is measured by 9 items from General self-efficacy scale by (Schwarzer & Jerusalem 1995) which mostly measures the general self-esteem an individual encompass and job characteristics is measured from the Oldham & Hackman (1976) model of job characteristics. With each item corresponding to a core job characteristic (autonomy, task identity, skill variety, task significance, feedback from others, and feedback from the job) as cited by (May et al 2004).

The other variable we have is Work role fit which is measured by averaging 4 items from May (2003) which directly measured individuals' perceived fit with their jobs and self-concept (Kristof, 1996). Supervisory support, Under this variable we tend to measure the Supportive supervisor relations with employee Supportive supervisor relations was measured by averaging 10 items as compiled by May et al 2004. Work life balance was measured with 10 items developed by Daniels and McCarragher Industrial Society (2000) as cited in Dex & Bond (2005) which helps to show an individual's balance between his job and his personal life.

3.6 Method of Data Analysis

After the researcher conduct the actual survey and collect the data, the data should go through the quantification process to make the data ready for analysis. Today, quantitative analysis is almost always done by computer programs such as Statistical package for Social science (SPSS) and Micro- Case. (Babbie, 2007) Thus for the purpose of this research the Statistical package for Social science (SPSS) were used to analyses the data which are obtained from primary sources. And specifically, inferential statistics (correlation and multiple regression analysis) was employed in this study.

A correlation is a design in which investigators use the correlational statistic to describe and measure the degree or association (or relationship) between two or more variables or sets of scores (Creswell, 2012).

Multiple regression analysis on the other hand adopted when the researcher has one dependent variable which is presumed to be a function of two or more independent variables. The objective of this analysis is to make a prediction about the dependent variable based on its covariance with

all the concerned independent variables (Kothari, 2004). Therefore regression analysis was employee to investigate the relationship between the dependent and independent variables.

Therefore, after the data was collected from the respective company's it was edited organized and analyzed using SPSS 20. Statistical tools such as descriptive statistics used to describe the phenomenon that exist at the time of the study in the form of frequency distribution, mean calculation and graphical representation; regression analysis was done to test the hypothesis and correlation analysis was done to establish the nature and degree of relationships between dependent variable (employee engagement) and independent variables (Person- Job fit , job characteristics, supervisory support, work life balance, self efficacy and Reward and recognition).

3.7 Reliability Test

Reliability is essentially a test by which our measurement method produces stable and consistent result, over instruments and over groups of respondents (Cohen et. al., 2005).

3.7.1 Reliability test

Previous related studies which employed similar assessment tool have tested the tool for its subscales reliability and scored medium to high Cronbach's coefficient Alpha. Consequently, to make sure the measurements of variables under this study reliability is conducted for each of the variable under the study (employee engagement job characteristics', self efficacy, person job fit, supervisory support, benefit and recognition and work life balance).

As stated by Nunnaly (1978) the closer the reliability coefficient to 1.00 is the better. In general, reliabilities less than 0.60 are considered poor; those in the range of 0.60 to 0.80 are considered good and acceptable. In this study, all the independent variables and dependent variable, met the above requirement. The alpha value for each variable is identified and summarized in Table-4 as shown below.

Table 3. 3: Reliability Statistics for all variables

Subscales	Cronbach's Alpha	Number of Items
Employee engagement	.864	10
Job characteristics'	.817	10
Self efficacy	.804	7
Person job fit	.856	4
Supervisory support	.914	9
Benefit and recognition	.731	7
Work life balance	.757	9

Source: Own Survey, computed in SPSS, 2019

3.7.2 Factor Analysis

Factor Analysis is a statistical technique used to describe variability among observed, correlated variables in terms of potentially lower unobserved variables called factors. Factor loading are part of the outcome from factor analysis which serve as a data reduction method designed to explain the correlations between observed variables using a smaller number of factors (wikipedia.org). The study variables checked for factor loading is stated in (Appendix A) one item was removed from the work life balance items because it doesn't fit to the rest of the items.

3.8 Ethical Consideration

The study gave due consideration to ethical issues such as confidentiality and anonymity. Therefore, the participants were first communicated as to the purpose and significance of the study and as their responses will be used only for academic purpose and kept confidential. They were assured that their names and their identity would remain anonymous to maintain the confidentiality of the information provided by the respondents, the respondents was instructed not to write their names on the questionnaire and respondents were included in the study based on their free will.

Chapter Four

Data presentation, analysis and discussion

This chapter is consists of the empirical findings from the survey and an analysis of the results. The first section presents an overview of the respondents profile and data distribution using descriptive statistics in order to visualize the result more clearly. This is followed by testing the hypotheses by analyzing the correlation and regression. Generally this part of the paper will present: descriptive statistics, correlation, regression analysis and moderated regression analysis with respective discussion of results.

4.1 Data Cleaning

Based on the methodologies specified in chapter three (stratified sampling), 347 questionnaires were distributed and 324 were returned for analysis. Meanwhile, in the process of cleaning the data for its completeness and practical response pattern, only 303 of the questionnaires were found valid or workable. Accordingly those 303 workable responses obtained from respondents were used for data analysis with Statistical Package for Social Science (SPSS) Version 20.

4.2 Respondents Demographic Information

As indicated in the instrument of the survey, the first part of our questionnaires is consists of the demographic characteristics of respondents The demographic information of the respondents were regarding to gender, age, marital status, experience and educational level of respondents which are used to describe the features of respondents and also check for possible correlation with the dependant variable . The results and analysis of demographic information obtained from the structured questionnaire are summarized below:

Table 4. 1: Demographic information of respondents (N = 303)

Variables	Category	Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Female	78	25.7	25.7	25.7
	Male	225	74.3	74.3	100.0
	Total	303	100.0	100.0	
Age	18-23	36	11.9	11.9	11.9
	24-29	113	37.3	37.3	49.2
	30-35	125	41.3	41.3	90.4
	36-41	11	3.6	3.6	94.1
	42-47	14	4.6	4.6	98.7
	48-53	3	1.0	1.0	99.7
	Over 53	1	.3	.3	100.0
	Total	303	100.0	100.0	
Experience	< 3 Years	86	28.4	28.4	28.4
	3-5 Years	69	22.8	22.8	51.2
	6-10 Years	110	36.3	36.3	87.5
	> 10 years	38	12.5	12.5	100.0
	Total	303	100.0	100.0	
Education Status	College Diploma	28	9.2	9.2	9.2
	1st Degree	246	81.2	81.2	90.4
	Masters and above	29	9.6	9.6	100.0
	Total	303	100.0	100.0	
Marital status	Married	83	27.4	27.4	27.4
	Single	209	69.0	69.0	96.4
	Divorced	10	3.3	3.3	99.7
	Widowed	1	.3	.3	100.0
	Total	303	100.0	100.0	

Source: Own Survey, computed in SPSS, 2019

As far as the composition of gender concerns the above table (Table 4.1) indicates that In the industry, the majority of the respondents, 225 (74.3%) were male, and 78 (25.7 %) are females. for this we can say that the number of males are considerably higher than females in the case area. With regard to age category, the highest number of respondents fall under the age group of 30-35 years, which accounts 125 (41.3%) of the total sample. Accordingly, 113(37.3%) respondents are at the age of between 36-41 years, whereas, 36(11.9%) respondents are on the age group of 18-23, 14 (4.6) are lies on the age group of 42-47 and 3 (1.0%) of the respondents are between the age of 48-53. The least number of respond also found on the age group above 53 (0.3%). In this regard, it can be observed that almost half of the population (53.2%) in the industry is below 35 years of age and from this result we can induce that the majority of employees in the case areas are at the young age group.

In case of educational background, BA/BSc degree holder respondents constitute the highest number with 81.2% (246), followed by masters holder and above 9.6 % (29) and 9.2% are diploma holders (28), Therefore, it is possible to say that academically, majority of respondents, who account 275 (90.4%) of sample respondents hold First Degree and above. To this end, given the industries primary services the education level of the respondents are consistent with the educational level requirement of the industry.

When we come to see the organizational tenure of the respondents, the large number of respondents, 131 (43.2%) stayed >3 years in the industry , whereas, significant number of respondents,87 (28.7%), have tenure of between 3 to 5 years . tenure information further tells us , among the total 303 respondents, 53 of them (17.2%) have an experience between 6 to 10 years and 33 (10.9%) of the total respondents have more than 10 years of experience in the industry which is the lowest margin of experience category . In this regard, it is observed that majority of the respondents (71.9%) have organizational tenure of less than 5 years. and the respondents have a mean of 1.96 years of insurance service experience with 1 – 4 measurement scale which indicate below average experience in the position. This further tell us that the insurance industry have weakness in retaining their employee.

This is consistent with the previous study's and reports which indicate Ethiopian insurance industry lacking experienced employee and indicated as one of the reason for the slow development of the insurance industry, Deloitte Company report (2015).

From the total respondents, the majority which is about 209 respondents (69.0% percent) is single, accordingly the marital status survey also make us to know 83(27.4%) of respondents to be marriage, 10 (3.3%) divorced and 2 (0.3%) having a widowed marital status which is the lowest category of the sample in the case area.

Generally the demographic data showed that male respondents representing 74.3% of the sample and the majority of respondents fell into the age groups below 35 which constitute (53.2%) of the sample and considerably large number of employees were single (unmarried) made up (69.0%). In terms of level of education, the biggest group had either a degree or above (90.4 %). Lastly majority of the respondents (71.9%) have organizational tenure of less than 5 years.

4.3 Descriptive Statistics for Variables

This section discusses the results of the survey in respect of the dependent and independent variables; accordingly we will discuss employee's status in each of the variables under study. Therefore Descriptive statistics in the form of arithmetic means and standard deviations for the respondents were computed for the multiple variables and dimensions that have been assessed through the questionnaire; the results are presented and discussed in the section below.

4.3.1 Current level of employee engagement in the industry

In order to assess and portray the level of employee's engagement in the industry, ten (10) five-item scales which specifically measures participants' psychological presence in their job and organization were designed and presented to the respondents. Employees were asked to show their levels of engagement to their job and organization using a five point liker –type scale with affix (1) strongly disagree to (5) strongly agree. Then, the average (mean) rating for each statement is computed and tested for its significance using a descriptive statistical technique. The analysis result is in the (table 3) below.

Table 4. 2: Descriptive Statistics for employee engagement

	Items	Mean	SD
1	Performing my job is so absorbing that I forget about everything else.	3.50	1.006
2	I am rarely distracted when performing my job.	3.63	.934
3	Time passes quickly when I perform my job.	3.74	.932
4	I am highly engaged to this organization.	3.96	.994
5	I really put my heart into my job.	3.91	.989
6	I get excited when I perform well on my job.	3.81	1.037
7	I often feel emotionally detached from my job.	3.54	.972
8	Being a member of this organization make me come “alive.”	3.75	.968
9	I exert a lot of energy performing my job.	3.79	1.011
10	I stay until the job is done.	3.71	1.020
	Grand total	3.74	0.89

Source: Own Survey, computed in SPSS, 2019

The overall engagement level of employees, which is an aggregate of the ten statements, is agreed to an average agreement rating of (M=3.74, SD=0.89) which is found that on average the majority of respondents reported themselves to be engaged with their job and organization.

As we can see from the table the mean score of each item is ranged from low of 3.50 (SD =1.006) to a high of 3.96 (SD=.994) therefore it appears that respondents in the given sample are relatively engaged by which all of the items rated above the average score of 5 point liker scale.

When we observe the individual items of ‘employee engagement’, the employees in industry are highly engaged to their respective organization with the highest mean score, relatively, with a mean of 3.96. (SD= 0.994) for the item (I am highly engaged to this organization) this indicate that the majority of employees who participated in the case area feel that they experienced psychological attachment to their job and organization. The second highest mean score for engagement item is (I really put my heart into my job) with mean and standard deviation of 3.91 and .989 respectively. Items that indicate Employees dedication to finish their responsibility (item 10) also score a mean of 3.71 (SD=1.020) and the least average score 3.50 (SD = 1006) is computed for the item (Performing my job is so absorbing that I forget about everything else). This illustrate that the industry has some work to do in engrossing employees to their work.

Generally we can observe that for all of the items specified to measure employee engagement, the mean score is above the average mean score which clearly indicate a high level of employee engagement in the case area.

4.3.2 Descriptive statistics for Job characteristics

Job characteristics was measured with 10 items with each item corresponding to a core job characteristic (autonomy, task identity, skill variety, task significance, feedback from others, and feedback from the job) as cited by May (et al 2004) Participants indicated indicate their levels of agreement that their job containing each of the core job characteristics using specific five - point anchors such as (1) strongly disagree to (5) strongly agree.

Table 4. 3: Descriptive Statistics for job characteristics

	ITEMS (10)	Mean	SD
1	There is much autonomy in my job	3.65	1.106
2	The job denies me any chance to use my personal initiative or judgment in carrying out the work.	3.54	1.078
3	There is much variety in my job and helps me to use variety of skills and talents.	3.64	.983
4	The job is quite simple and repetitive.	3.72	1.003
5	My job provide me with a complete piece of work that has an obvious beginning and end	3.89	1.040
6	The job provides me the chance to completely finish the pieces of work I begin.	3.81	1.052
7	In general my job is significant or important	3.91	.955
8	This job is one where a lot of other people can he affected by how well the work gets done.	3.66	1.052
9	The job itself is not very significant or important in the broader scheme of things	3.87	1.022
10	There is feedback from supervisors for the work done	3.87	1.080
	Grand total	3.66	.955

Source: Own Survey, computed in SPSS, 2019

The above table indicating the measure of job characteristics illustrates that the overall job Characteristics , as driver of employee engagement produce , score mean and standard deviation of 3.66 and .955 respectively, which tells employees on average having a job containing the core job characteristics. When we look in to the items, the highest score item is (In general my job is significant or important) with mean score of 3.91 (SD=.955) which indicate the significance of the tasks individuals performing. The result shows that on average employees respond with high level of agreement on the significance of their job. The lowest mean score lies to the item (The job denies me any chance to use my personal initiative or judgment in carrying out the work) (M=3.54, SD=1.078) which measures the employee’s opinion on the autonomy their job provide them and relatively the employee discretion in their job related activity is lower.

Overall the assessment of job characteristics in the case area indicate the job provide its occupants with relatively sound job characteristic (autonomy, task identity, skill variety, task significance, feedback) which may lead employees to get motivated and engaged to the job.

4.3.3 Descriptive statistics of supervisory support

Table 4. 4: Descriptive Statistics for supervisory support

Items	Mean	S.D
1 I have a Supportive supervisor relation	3.48	1.100
2 My supervisor helps me solve work-related problems	3.49	1.109
3 My supervisor encourages me to develop new skills.	3.58	1.085
4 My supervisor keeps informed about how employees think and feel about things.	3.41	1.132
5 My supervisor encourages employees to participate in important decisions.	3.53	1.115
6 My supervisor praises good work	3.59	1.069
7 Employees are treated fairly by my supervisor.	3.45	1.050
8 My supervisor is committed to protecting my interests.	3.48	1.035
9 My supervisor does what he/she says he/she will do.	3.44	1.078
Grand total	3.48	1.08

Source: Own Survey, computed in SPSS, 2019

Table 4.4 above depicted questions related to supervisory support as a predictor of employee engagement. Participants were on average score a slightly higher level of supervisory support with a mean weight of 3.48 (SD=1.08) using a five point likert scale. From the table we can also observe that from the items measuring supervisory support respondents give maximum score (M=3.59 SD= 1.069) for item 6 (My supervisor praises good work) which shows positive supervisors response in the form admiration for better performance. The second largest average mean (m=3.58, SD=1.085) is recorded for item 3 (My supervisor encourages me to develop new skills.) which indicate respondents feeling about their supervisors good will about his employees. Therefore employees on average (m=3.58, SD=1.085) feel that their supervisor have a high level of concern for them and this may change their psychological status to their job and organization.

4.3.4 Descriptive statistics of person job fit

The other variable included in our survey is person job fit which is measured by averaging 4 items from May (2003). Accordingly four statements which specifically measures participants' perceived fit with their job and self concept were presented to the respondents. Employees were asked to show their levels of person job fit using a five point liker –type scale with anchor (1) strongly disagree to (5) strongly agree.

Table 4. 5: Descriptive Statistics for person job fit

	Items	Mean	S.D
1	My job ‘fits’ how I see myself.	3.29	1.146
2	I like the identity my job gives me.	3.35	1.038
3	The work I do on this job helps me satisfy who I am.	3.38	1.165
4	My job ‘fits’ how I see myself in the future.	3.18	1.057
Total		3.24	1. 10

Source: Own Survey, computed in SPSS, 2019

The overall levels of person job fit, which is an aggregate of the four statements, is agreed to an average agreement rating of mean 3.24 (SD=1.10). This is found that the majority of respondents reported that they feel they have slightly higher level of fit with their job.

As we can see from the table (table4.5) the mean score of each item is ranged from low of 3.18 to a high of 3.38. It therefore appears that respondents in the given sample are relatively illustrate a moderately high score by which all of the items rated slightly above the average score of 5 point liker scale.

When we look at the individual items of ‘person job fit’, the employees in industry record a high person job fit with the highest mean score, relatively, with a mean and standard deviation of 3.38 (SD= 1.165) for the item (The work I do on this job helps me satisfy who I am.) this result entail that employees who participated in the case area feel that their job relatively satisfy their individuals self. The second highest mean score for engagement item is ‘(I like the identity my job gives me) with mean and standard deviation of 3.35 (SD=1.038) the least score mean 3.18 (SD= 1.057) is computed for the item (My job ‘fits’ how I see myself in the future) which indicate individual’s uncertainty about their future with their job and organization.

4.3.5 Descriptive statistics of person job fit

Table 4. 6: Descriptive Statistics for benefit and recognition

	Items (7)	Mean	S.D
1	My job provides me with a pay raise, job security and promotion.	3.38	1.060
2	More freedom and opportunities.	3.23	1.083
3	Respect from the people you work with.	3.67	1.066
4	I get Praise from my supervisor	3.53	1.138
5	Training and development opportunities scheme is available	3.52	1.006
6	I get rewarded with more challenging work assignments.	3.23	1.060
7	Some form of public recognition (e.g. employee of the month/Year.	3.25	1.076
Grand total		3.48	1.07

Source: Own Survey, computed in SPSS, 2019

To measure respondents level of satisfaction with the organizations benefit and recognition scheme we provide 7 five- item scales statements which specifically measures levels of agreement with the organizations different benefit and recognition scheme.

The overall agreement levels of employees, which is an aggregate of the seven statements, is agreed to an average agreement rating of mean 3.48 (SD=1.07) This is found that on the average the majority of respondents reported that they are satisfied with the benefit and recognition scheme of their organization.

As we can see from the table the mean score of each item is ranged from low of mean 3.23 (SD=1.060) to a high of mean 3.67 (SD=1.066). It therefore appears that respondents in the given sample are relatively satisfied by which all of the items rated above the average score of 5 point liker scale.

Highest mean score 3.67 (SD=1.066). For the item (Respect from the people you work with) which indicate the respondents higher feeling that they get respect from the supervisors and the colleges in the organization. The second highest mean score for benefit and recognition item is (I get Praise from my supervisor) with mean 3.52 (SD=1.138). Item indicating Training and development opportunities, as reward and recognition scheme also scored with a mean 3.52

(SD=1.006). The least score mean 3.23 (SD=1.085) is computed for the item (More freedom and opportunities.) This illustrate that the company's has some work to do to improve the autonomy and, desecration and opportunities around the jobs as a benefit and reward scheme.

4.3.6 Descriptive statistics of work life balance

To recall Work life balance is measured with 10 item developed by Daniels and McCarraher Industrial Society (2000) as sited in Dex& bond (2005) which helps to show an individual's balance between his job and his personal life.

Table 4. 7: Descriptive Statistics for work life balance

	Items	Mean	S.D
1	At the moment, because the job demands it, I usually work long hours	3.58	1.109
2	There isn't much time to socialize /relax with my partner/ see family in the week	3.13	1.108
3	I often work late or at weekends to deal with paperwork without interruptions	3.34	1.003
4	Relaxing and forgetting about work issues is hard to do	3.26	1.077
5	I worry about the effect of work stress on my health	3.32	1.054
6	My relationship with my partner is suffering because of the pressure or long hours of my work	3.30	1.171
7	My family are missing out on my input, either because I don't see enough of them/am too tired	3.34	1.039
8	Finding time for hobbies, leisure activities and extended family relationships is difficult	3.41	1.135
9	I would like to reduce my working hours and stress levels, but feel I have no control over the current situation	3.29	1.101
Grand total		3.55	1.109

Source: Own Survey, computed in SPSS, 2019

Aggregating employee's response of respondents on ten statements, on the average, respondents reported experiencing a level of work life balance of 3.55 (SD= 1.109) measured on a five point scale which is found that the majority of respondents reported themselves to have slightly high work life balance.

When we observe the individual items of ‘work life balance the employees experience different level of score with the highest mean score of 3.58 (SD=1.109) to the lowest score of mean 3.13 (SD=1.108). The highest mean is recorded for item (There isn’t much time to socialize /relax with my partner/ see family in the week) with a mean of 3.58 (SD=1.109) which indicate relatively highest average rated satisfaction with work-life balance. The second highest score is recorded for the item (Finding time for hobbies, leisure activities and extended family relationships is difficult) with a mean of 3.41 (SD=1.135). The least score 3.13 (SD= 1.108) is computed for the item (I would like to reduce my working hours and stress levels, but feel I have no control over the current situation).

4.3.7 Descriptive to measure self efficacy

An individual’s self-efficacy is measured by seven items from General self-efficacy scale by Schwarzer & Jerusalem, (1995) which mostly measures the general self-esteem an individual encompass. Participants were asked to indicate the frequency with which they have felt in a particular way in their job and outside the job activities using a five point time related scale (e.g., 1= almost never, 3=Sometimes, and 5= almost always) Then, the average mean rating for each statement is computed and tested for its significance using a descriptive statistical technique. The analysis result is in the table (4.8) below.

Table 4. 8: Descriptive Statistics for self efficacy

S.N	Items	Mean	S.D
1	I can always manage to solve difficult problems if I try hard enough	3.97	.927
2	If someone opposes me, I can find the means and ways to get what I want	3.91	.943
3	It is easy for me to stick to my aims and accomplish my goals.	4.05	.896
4	I am confident that I could deal efficiently with unexpected events.	3.87	.930
5	Thanks to my resourcefulness, I know how to handle unforeseen situations.	4.94	.830
6	I can remain calm when facing difficulties because I can rely on my coping abilities.	3.67	.913
7	I can usually handle whatever comes my way	4.04	.950
Grand total		3.76	0.91

Source: Own Survey, computed in SPSS, 2019

Aggregating employee's response of respondents on nine statements, on the average, respondents reported experiencing a level of self efficacy 3.76 (SD=0.91) measured on a five point scale which is found that the majority of respondents reported themselves to possess a high level of self efficacy.

In particular to statements 3, (It is easy for me to stick to my aims and accomplish my goals.) and 4, (I am confident that I could deal efficiently with unexpected events.) employees are found to be persistent to their goals and Express their readiness to deal with unexpected situation with 4.05 (SD=0.92) and 4.05 (SD= 0.930) average agreement score. Generally we can observe that for all of the items specified to measure employee self efficacy, the mean score is above the average mean score which clearly indicate a high level of employee self efficacy in the case area. The least score is recorded on item (I can remain calm when facing difficulties because I can rely on my coping abilities) with a mean of 3.84 (.950).

Table 4. 9: Summary of Descriptive Statistics for Independent and Dependent Variables

Variables	Mean	Std. Deviation	Extent of highest mean score
Employee engagement (Y)	3.7367	.59743	
Self efficacy	3.7597	.63203	1 st
Job characteristics	3.6526	.57301	2 nd
Work life balance	3.5463	.64422	3 rd
Supervisory support	3.4808	.69091	4 th
Benefit and recognition	3.4041	.66060	5 th
Person job fit	3.2448	.81676	6 th

Source: Own Survey, computed in SPSS, 2019

4.4 Pearson correlation analysis

Pearson correlation coefficient (r) is a measure of the direction and magnitude of the relationship between two variables. Theoretically, there could be a perfect positive correlation between variables which is represented by 1.0 (plus1), or a perfect negative correlation which would -1.0 (minus 1). The correlation coefficient is a measure of strength of the relationship (among different variables) that lies between -1 and 1 (Wegner, 2012). A correlation test therefore shows either a negative or positive relationship, which can either be weak or strong , depending on the range of value of the coefficient:0.3-weak,0.5-moderate, 0.7-strong (cooper,2010).

Accordingly, inferential statistics (Pearson’s Product Moment Correlation Coefficient and linear regression) are used to examine the relationship of those variables under study; and strength of correlation was interpreted through suggestion of (cooper, 2010).in the following range of coefficients.

Table 4. 10: Correlation Analysis of Each predictor Variable with employee engagement

Variables	EE	JCR	SE	SS	PJF	BR	WLB
Employee engagement (EE)	1	.503**	.632**	.300**	.450**	.387**	.201**
Job characteristics (JCR)		1	.488**	.264**	.225**	.283**	.165**
Self efficacy (SE)			1	.287**	.397**	.327**	.333**
Supervisory support (SS)				1	.231**	.266**	.221**
Person job fit (PJF)					1	.324**	.306**
Benefit and recognition (BR)						1	.228**
Work life balance (WLB)							1

Source: Own Survey, computed in SPSS, 2019

** . Correlation is significant at $p < 0.01$ (2-tailed)

Table 4.10: above shows the level of correlation between the dependent variable employee engagement and independent variables job characteristics, self efficacy, supervisory support, person job fit, benefit and recognition and work life balance.

Job characteristics is positively correlated to employee engagement with a Pearson correlation coefficient of $r=0.503$ and Sig. (2-tailed) is 0.000 which is <0.05 so that, there is a high relationship between the two variables.

Employee engagement is positively correlated to self efficacy with a Pearson correlation coefficient of $r=.632$ and Sig (2-tailed) is 0.000 which is <0.05 . Therefore there is a strong relationship between employee engagement and self efficacy.

The results of the Pearson correlation analysis also revealed that there was a positive correlation between employee engagement and supervisory support ($r =.300$, $p <0.05$) which implies a moderate relationship between the aforementioned variables.

Employee engagement is also positively correlated to person job fit with a Pearson correlation coefficient of $r=.450$ and Sig (2-tailed) is 0.000 which is <0.05 . Therefore there is moderate relationship between the two variables. Thus, the analysis indicated that self efficacy was the most correlated variable with the dependant variable 'employee engagement' ($r = .632$, $p <0.05$) followed by job characteristics with employee engagement ($r = .503$, $p <0.05$) there was also a moderate positive relationship between supervisory support and benefit and recognition with the dependent variable 'employee engagement' with the correlation coefficient of ($r = .300$, $p <0.05$) and ($r = .0387$ $p <0.05$) respectively. The lowest correlation is found between work life balance and employee engagement at ($r = .201$, $p <0.05$)

4.5 Assumptions of simple linear regression analysis

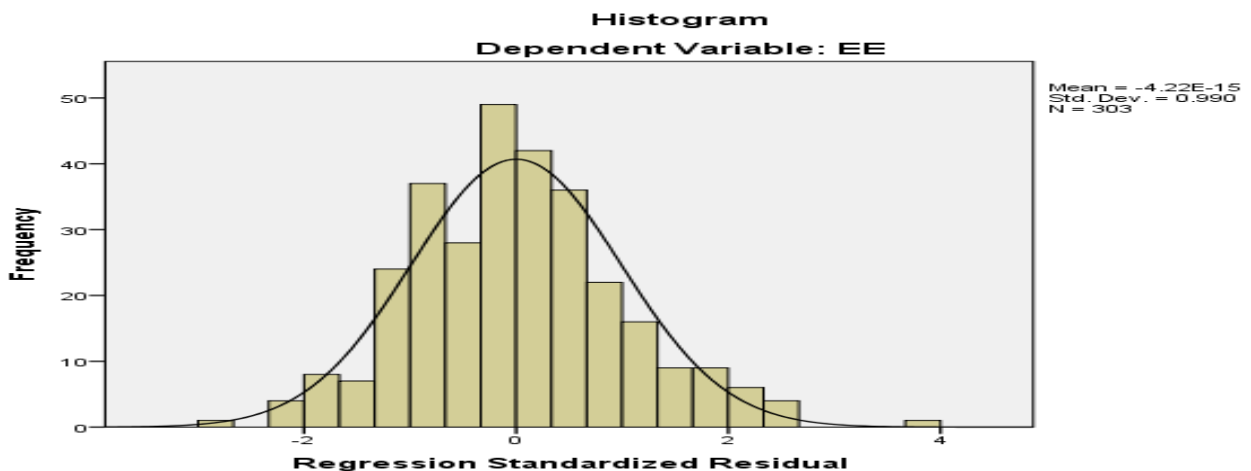
According to Field (2009), to run a simple linear regression, checking critical assumptions is essential and it is helpful to draw conclusion about the population under study. Therefore in order for our analysis to be reliable and valid we need to check our data for the assumptions of multiple regressions. In this regard, all of the assumption were checked and pass the standards to run regression analysis; the results are presented as follows.

4.5.1 Normality test

Normality test of data is applied to determine whether a data is well modeled by a normal distribution or not, and to compute how likely an underlying random variable is to be normally distributed. Skewness and kurtosis were used to measure the normality of data for this study.

As Field (2009) noted, many statistical procedures assumed that the sampling distribution is normally distributed and so, if the sample data are approximately normal then the sampling distribution will be also. Among several ways to check for the normality assumptions for simple linear regression analysis, it is advisable to inspect to see if a distribution is normal through histogram and a P-P plot (probability–probability plot). Therefore, to establish the validity of these assumptions, the researcher also checks for the normality through histogram and P-P plot as follows.

Figure 4. 1: Normality Test Using Histogram



Sources: *Own Survey, computed in SPSS, 2019*

According to Krithikadatta (2014) a normal distribution looks like a symmetric bell-shaped curve, and the mean, median, and mode are equal or close to each other. Therefore figure 4.1 above shows the underlying frequency distribution that look like bell-shaped curve.

Figure 4. 2: plot of standardized residuals



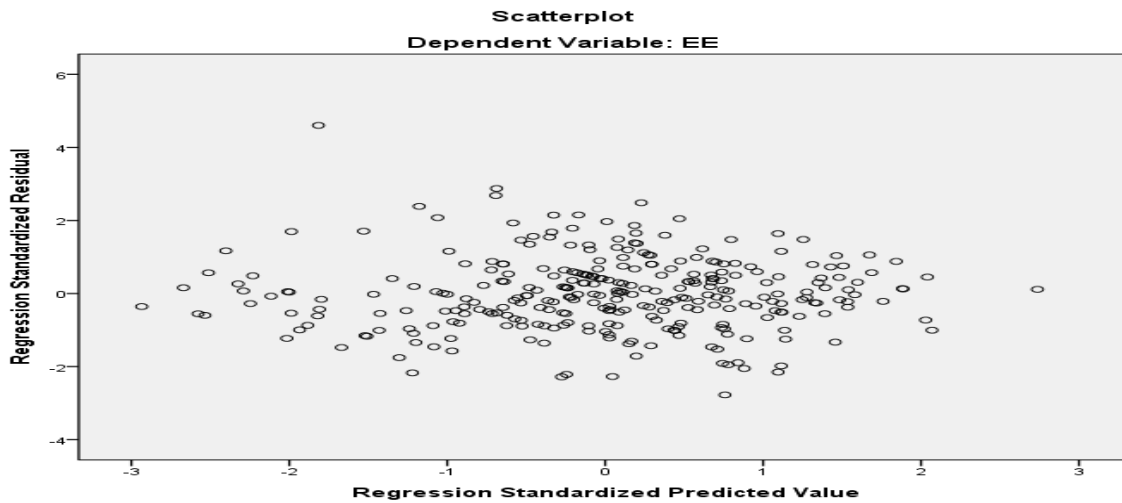
Sources: *Own Survey, computed in SPSS, 2019*

The normal probability plot also shows up deviations from normality. The straight line in this plot represents a normal distribution, and the points represent the observed residuals. Therefore, in a perfectly normally distributed data set, all points will lie on the line (Field, 2009). Likewise, as we seen in the above figure (figure 4.2), the dots are closely plotted to the straight line, which indicate a small or no deviation from normality and there are no extreme cases observed.

4.5.2 Test for Homoscedasticity

The other assumption of multiple linear regressions is homoscedasticity, Homoscedasticity refers to equal variance of errors across all the independent variables (Osborne & Waters, 2002). This means that researchers assume that errors are spread out consistently between the variables (Keith, 2006). Statistical software *scatter plots* of residuals with independent variables are the method for examining this assumption (Keith, 2006). Therefore, the homoscedasticity of the study is tested using *scatter plots*.

Figure 4. 3: Scatter plots for test of *homoscedasticity*



Sources: *Own Survey, computed in SPSS, 2019*

Our plot of standardized regression residuals and standardized predicted values showed no observable signs of funneling; suggesting the assumption of homoscedasticity has been met.

4.5.3 Test for autocorrelation

Autocorrelation test is a test for whether the errors of adjacent observations are highly correlated which may underestimate the standard error of the coefficient; multiple linear regression models assume the residuals are independent of one another. The Durbin-Watson statistic is the common method used to test for the presence of serial correlation among the residuals. The test statistic vary from 0 to 4, a value of 2 indicate that there is no autocorrelation. However a value below two i.e. nearing zero indicates a positive autocorrelation and value above two i.e. nearing four indicates negative autocorrelation. Field (2009) suggests that values less than 1 or more than 3 a cause of concern.

Here we can use the Durbin-Watson statistic to test the assumption that our residuals are independent (or uncorrelated). This statistic can vary from 0 to 4. For assumption #3 to be met, we want this value to be close to 2. Values below 1 and above 3 are cause for concern and may render our analysis invalid.

Table 4. 11: Durbin-Watson Autocorrelation Test

Model	Durbin-Watson
1	2.000

Source: Own Survey, computed in SPSS, 2019

The Durbin-Watson statistic from our model summary showed that this assumption had been met, as the computed value for Durbin-Watson was exactly 2.00 which show no autocorrelation.

4.5.4 Linearity

Since general linear model assume linearity, it is necessary testing for non linearity. In this regard as Garson (2012) pointed out, simple inspection of scatter plots is a common method for determining if nonlinearity exists in a relationship. Consequently, the researcher run simple scatter plot to see if there is a linear relationship exists between the between the dependent and independent variables. Linearity test was conducted for each of the independent variable with the dependent variable and the scatter plots are indicated in (appendix B) Looking at the scatter plot produced by SPSS, we can see that the relationship between the IV and the DV could be modeled by a straight line suggesting that the relationship between these variables *is* linear.

4.5.5 Tests for Multi-co linearity

In regression, multi co linearity occurs when independent variables in the regression model are highly correlated with each other than dependent variable. When the independent variables in the regression model are highly correlated with each other; they are basically measuring the same thing. One way to assess multi co linearity is to examine correlations among the independent variables. If a correlation matrix demonstrates correlation of 0.90 or higher among the independent variables, they may be a problem with multi co linearity. Hair et al, (2006) argued that correlation coefficient below 0.90 may not cause serious multi co linearity problem, cited by Mohammed (2012). Multi-co linearity can also be detected using tolerance value and variance inflator factor (VIF) value. An insignificant tolerance value point to the variable under discussion is almost a perfect liner combination of the independent variables already in the equation and that it should be dropped out from to the equation.

Table 4. 12: Test of Multi-co linearity

SN	Variables	Co linearity Statistics	
		Tolerance	VIF
	(Constant)		
1	Job characteristics	.733	1.365
2	Self efficacy	.627	1.596
3	Supervisory support	.854	1.171
4	Person job fit	.771	1.298
5	Benefit and recognition	.807	1.239
6	Work life balance	.836	1.196

Source: Own Survey, computed in SPSS, 2019

Table 4.12 above shows that value of tolerance of each independent variable ranges from 0.627 to 0.854 and the value of variance inflation (VIF) factor ranges from 1.171 to 1.597, hence, the tolerance value in all independent variable were greater than 0.1 and the VIF values of all independent variables are less than 10, which indicate there is no multi-co linearity problem among the variables on this study.

4.6 Regression Analysis

The model employed in this study is tested for assumptions of classical linear regression such as normality, multi co linearity, hetroscedasticity, autocorrelations, and the model satisfy the classical linear regression model assumptions that we are free to conduct the regression analysis and infer results for the population.

Regression analysis is a statistical procedure used for estimating the relationships between one or more predictor variables and response variable. In order to test for the influence of each independent variable (job characteristics, self efficacy, supervisory support, person job fit, and benefit and recognition and work life balance) on dependent variable (employee engagement), multiple regression analysis was performed.

Table 4. 13: Hierarchical regression for demographic variable

	MODEL ONE			MODEL TWO		
	B	s-e	P	β	s-e	P
(Constant)		.279	.000		.269	.186
Gender	-.047	.081	.428	.004	.059	.920
Age	.043	.040	.525	-.010	.029	.832
Experience	.051	.040	.461	.062	.029	.210
Education Status	.155	.082	.013	.076	.059	.086
Marital status	.033	.070	.591	-.019	.051	.667
JCR				.216	.049	.000
SE				.406	.049	.000
SS				.073	.038	.102
PJF				.204	.034	.000
BR				.115	.042	.014
WLB				-.083	.042	.064
R2	.037			.58		
R2 Change	.037			.489		

Sources: Own Survey, computed in SPSS, 2019

*Note; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$*

The First regression was conducted for the possible effects of the demographic variables; as we can see from the above table demographic factors have a 3.7% ($R^2 = .035$, $p = .046$) variability over employee engagement and the only significant demographic variable was education status ($\beta = 0.155$, $p < 0.05$). That is as the education level of employee increases, it will carry statistically positive impact on the level of employee engagement.

Table 4. 14: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.717 ^a	.514	.504	.42084	2.000
Dependent Variable: EE			Predictors: (Constant), WLB, JCR, SS, PJF, BR, SE		

Source: Own Survey, computed in SPSS, 2019

The above (table 4.14) indicates, the independent variables statistically predicting the overall level of employee engagement in Ethiopian insurance industry. From the table the R value 0.717 indicate that the presence of strong correlation between the independent variables and dependent variable. The value of R² 0.514 which indicate that the independent variables explain 51.4% of the variations on the dependent variable with un explained factors of 45.6 %. This indicate that 51.4% of the variance in employees engagement level can be explained by the variance of the determinants of the aforementioned variable (Job characteristics, Rewards and recognition, work life balance, supervisory Support, self efficacy and person job fit) taking in to account the sample size and independent variables.

Furthermore the standard error of the estimate is a measure of the variability of the multiple correlations. Therefore, as shown in the model summary for the regression analysis table 4.14 above the standard error estimate of this model summary is (.42084).

Table 4. 15: ANOVA result table

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	55.367	6	9.228	52.105	.000
	Residual	52.422	296	.177		
	Total	107.789	302			

Source: Own Survey, computed in SPSS, 2019

Notes; Note; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

a. Dependent Variable: EE

b. Predictors: (Constant), WLB, JCR, SS, PJF, BR, SE

The analysis of variance tells us whether the model overall results in a significantly good degree of prediction of the outcome variable. The regression Sum of squares is the difference between Total Sum of Squares and Residual Sum squares ($TSS-RSS=107.789-52.422= 55.367$). Here, each sum squares (i.e., Regression, residual and Total under the source column) has a corresponding degrees of freedom (df) associated with it. Total degree of freedom is $n-1(df=303-1=302)$, one less than the number of observations. The regression degree of freedom for the above table is four (6), which is the number of independent variables (Job characteristics, Rewards and recognition, work life balance, supervisory Support, self efficacy and person job fit) . The residual sum of squares (residual for left over)is sometimes known in the literatures as Error Sum of Squares is that part still cannot be accounted for after the regression model is fitted. It has 296 degrees of freedom ($=303-6$) for this research paper. The mean squares are the sum of squares divided by the corresponding degrees of freedom.

F-ratio is a measure of how much the model has improved the prediction of the dependent variable (employee engagement) compared to the level of in accuracy of the model (Field, 2009). In general the above ANOVA (table 4.15) shows a strong relationship between the dependent and independent variables of the study with F-statistic or F- ratio of 52.105 for the overall analysis, and is worth-mentioning that the F- value is highly significant(as $p=.000<.01$). The significant level in ANOVA table shows that the combination of the variables significantly predicts the dependent variable.

4.6.1 Test of Significance

Coefficient table shows which variables are individually significant predictors of the dependent variable through the standardized Beta coefficient which show the contribution of individual variables. The Beta Weight is the average amount the dependent variable increases when the independent variable increase by one standard deviation (all other independent variables are being held constant).

Table 4. 16: Regression Coefficients of the Variables

Model	Un standardized Coefficients			Standardized Coefficients	t	Sig.
	B	Std. Error	Beta			
1	(Constant)	.643	.211		3.047	.003
	JCR	.226	.049	.216	4.568	.000
	SE	.389	.048	.412	8.046	.000
	SS	.052	.038	.060	1.365	.173
	PJF	.151	.034	.207	4.476	.000
	BR	.114	.041	.126	2.801	.005
	WLB	-.072	.041	-.077	-1.742	.083

Source: Own Survey, computed in SPSS, 2019

a. Dependent Variable: EE

b. Predictors: (Constant), WLB, JCR, SS, PJF, BR, SE

Notes; Note; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

The beta value in the coefficient table tells in what degree each independent variable affects the outcome if the effects of all other predictors are held constant. Each of the beta values has an associated standard error indicating to what extent these values would vary across different samples, and these standard errors are used to determine whether or not beta value differ significantly from zero.

The t-test associated with p-value is significance (p or sig value is less than 0.05) then the predictor is making significant contribution to the model the smaller the value of the sign (the larger the value of t) the greater the contribution of that predictor. Table 4.16: indicated that the influence of job characteristics(JCR)self efficacy (SE)supervisory support(SS),person job fit (PJF),benefit and recognition (BR) and work life balance (WLB) on employees engagement level in Ethiopian insurance companies. Job Characteristic ($t = 4.568$, $P < 0.05$), Self Efficacy ($t = 8.046$, $P < 0.05$), person job fit ($t = 4.476$, $P < 0.05$) and benefit and recognition ($t = 2.801$, $P < 0.05$) found to be the strongest and statistically significant influence on employee engagement. Although, supervisory support ($t=1.365 > 0.05$) and work life balance ($t = -1.742$, $P > 0.0$) found to be insignificant in predicting employee engagement.

The regression coefficient β represents the change in the outcome resulting from a unit change in the predictor and that if a predictor is having a significant impact to predict the outcome then this β should be different from 0 (and big relative to its standard error).

The p-value is less than 0.05 for all the variables except supervisory support and work life balance hence, it indicates that the 4 independent variables are significant predictor of employee engagement (dependent variable) and work life balance and supervisory support found to be statistically insignificant in predicting employee engagement.

Therefore, the β is different from 0 and the researcher found that the predictor variables make a statistically significant contribution in predicting employee engagement, job characteristics (β_1) =.226, self efficacy (β_2) =.389, person job fit (β_4) =.151, benefit, recognition (β_6) =.114 and are statistically significant variables in predicting employee engagement. Whereas work life balance (β_6) =.072 supervisory support (β_3) =.05 statistically insignificant relationship with employee engagement since its p-value is greater than 0.05.

The above table (table 4.16) also shows each of these beta values has an associated standard error indicating to what extent these values would vary across different samples, and these standard errors are used to determine whether or not the β – value differs significantly from zero.

4.7 Moderation analysis

A moderator variable, commonly denoted as just (M), is a third variable that affects the strength of the relationship between a dependent and independent variable in correlation therefore that is third variable that affects the correlation of two variables. In a casual relationship, if x is the predictor variable and y is an outcome variable, then z is the moderator variable that affects the casual relationship of x and y (<http://www.statisticssolutions.com>)

When predictor and moderator variables are interval or continuous, multiple regression analyses are used for testing moderating effects. Most commonly, researchers assume that a continuous moderator variable alters the relationship between the independent and dependent variables in a linear function (Baron & Kenny, 1986).

To test for moderation we first construct a new variable defined as the product of scores on the predictor and moderator variable. This is called an interaction or product term. We then include this interaction term as a predictor in a regression model along with both predictors and the product terms as predictors.

Therefore for the purpose of this study the hierarchical regression model was employed, in accordance with Cohen and Cohen (1983), to determine the moderation effect of self efficacy on the relationship between the predictor variable and employee engagement.

Thus, first the predictor variables (separately) are entered Are entered into the regression equation to test their main effects. This is followed by the interaction term which is generated by multiplying each predictor by the moderator. This process is conducted using hierarchical regression method (Cohen & Cohen, 1983). Then if the change in the predicting capacity of the model (R2) for the interaction term is statistically significant, it is said to have a moderating effect, and the moderator hypothesis is supported (Aldwin, 1994; Baron & Kenny, 1986).

Table 4. 17: Hierarchical regression results for the interaction effect of job characteristics and self-efficacy on employee engagement

Model	Predictor variable	R2 change	Significance of change	Cumulative R2	Standardize coefficient
1	Job characteristics'	.449	.000	.449	.254
	Self Efficacy				.508
2	JCR*SE	.003	.912	.449	-.111

Source: Own Survey, computed in SPSS, 2019

Notes; Note; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

The first hierarchical regression in (Table 4.17) testing a main effects model yielding statistically Significant and positive regression for job characteristics ($B=0.254$, $P < 0.05$) and self efficacy ($\beta = 0.508$, $p, < 0.05$) which constitute a total variability of ($R^2 = 0.449$, $p, .001$). Therefore the first model which tests the direct effects of job characteristics and self efficacy is significant.

The second hierarchical model tests the moderating effect of self-efficacy on the relationship between job characteristics and employee engagement. As shown in model 2 (Table 15), there is insignificant interaction between self-efficacy and job characteristics to predict employee engagement ($\beta = -0.111$, $p > 0.05$) which can also be explained by the change in the variability of the model beyond that due to the main effects (R2 Change = 0.003, $p = 0.912$). Which illustrate the interaction having insignificant R2 change, therefore it can be inferred that self efficacy does not moderate the relationship between job characteristics and employee engagement.

Table 4. 18: Hierarchical regression results for the interaction effect of supervisory support and self-efficacy on employee engagement

Model	Predictor variable	R2 Change	Significance Change	of Cumulative R2	Standardize coefficient
1	Supervisory support	.415	.000	.415	.128
	Self Efficacy				.596
2	SS	.013	.011	.428	.113

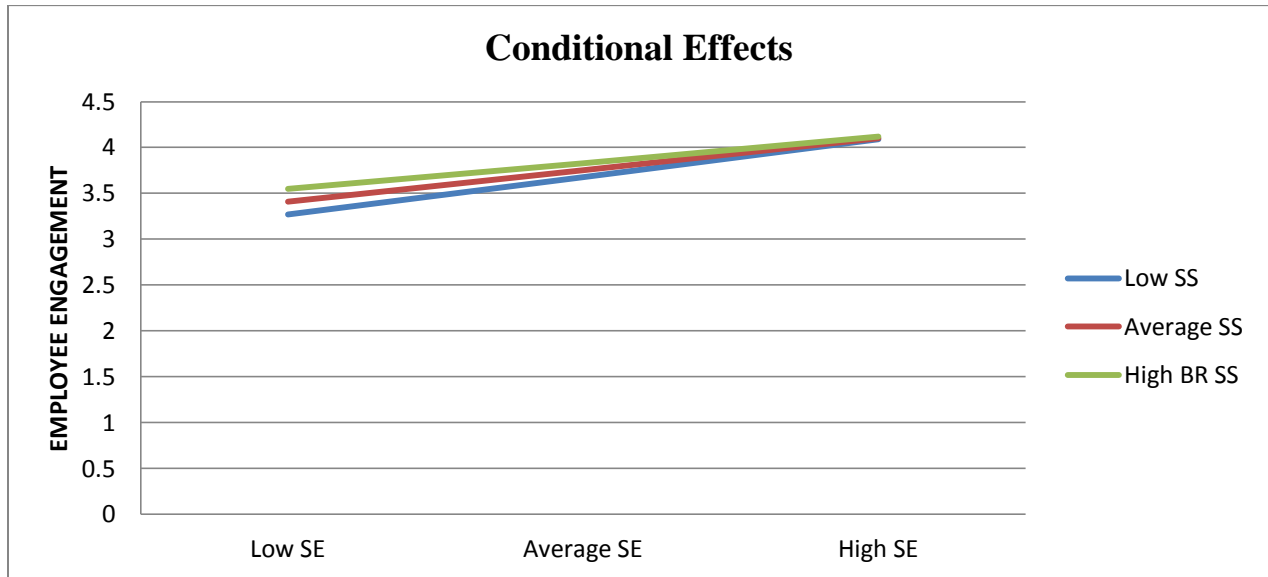
Source: Own Survey, computed in SPSS, 2019

Notes; Note; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

We also hypothesize that that self-efficacy would moderate the relationship supervisory support and employee engagement. As shown in (Table 4. 18) model 1 which is testing a main effects yielding statistically significant and positive regression result for supervisory support ($B=0.257$, $P < 0.05$) and self efficacy ($B= 0.508$, $p, <0.05$) which constitute a total variability of ($R2 =0.415$, $p=000$). Therefore the first model which tests the direct effects of job characteristics and self efficacy is significant.

In the second model (Table 4.16) tells us there is statistically significant interaction between self-efficacy and supervisory support in predicting employee engagement ($B =0.113$, $p, <0.05$) that explained variance in the model beyond that due to the main effects (R2 change = 0.03, $p, 0.011$). Therefore when the supervisory support is moderated by self efficacy its variability in predicting employee engagement increase by 0.13% (R2 change = 0.03, $p, 0.011$).

Figure 4. 4 : Conditional effect of interaction variables



Source; Own survey, Hayes process model 1 version 3.3 (2019)

The above figure (figure 4.4) clearly indicates that supervisory support will have a significant contribution on employee engagement for employees with low and medium level of self efficacy. With high level of self efficacy the moderation effect become insignificant. That means providing support for employee with high level of self efficacy will not bring a significant effect on the level of employee engagement.

Table 4. 19: Hierarchical regression results for the interaction effect of Person job fit and self-efficacy on employee engagement

Model	Predictor variable	R2 change	Significance of change	Cumulative R2	Standardize coefficient
1	Person job fit	.447	.000	.447	.236
2	Self Efficacy				.539
	PJF * SE	.003	.244	.449	-.050

Source: Own Survey, computed in SPSS, 2019

Notes; Note; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

The above regression table (table 4.19) illustrate that the first model testing a main effects of person job fit and self efficacy is statistically Significant, person job fit ($\beta = 0.236$, $P < 0.05$) and self efficacy ($B = 0.539$, $p, < 0.05$) which constitute a total variability of ($R^2 = 0.447$, $p, .001$). Thus the direct effect of predictor variables (person job fit, self efficacy) is positively significant in predicting employee engagement. The second hierarchical model which test the interaction effect (person job fit * self efficacy) in predicting employee engagement shows there is insignificant interaction between self-efficacy and person job fit ($\beta = -0.05$, $p, > 0.05$) which can also be explained by the change in the variability of the model beyond that due to the main effects (R^2 Change = 0.003, $p, 0.244$). Which shows the change in the variability of the model is statistically insignificant, therefore it can be stated that self efficacy does not moderate the relationship between person job fit and employee engagement.

Table 4. 20: Hierarchical regression results for the interaction effect of benefit and recognition and self-efficacy on employee engagement

Model	Predictor variable	R2 change	Significance of change	Cumulative R2	Standardize coefficient
1	Benefit and recognition	.437	.000	.437	.202
	Self Efficacy				.566
2	BR*SE	0.09	.0250	.446	-.097

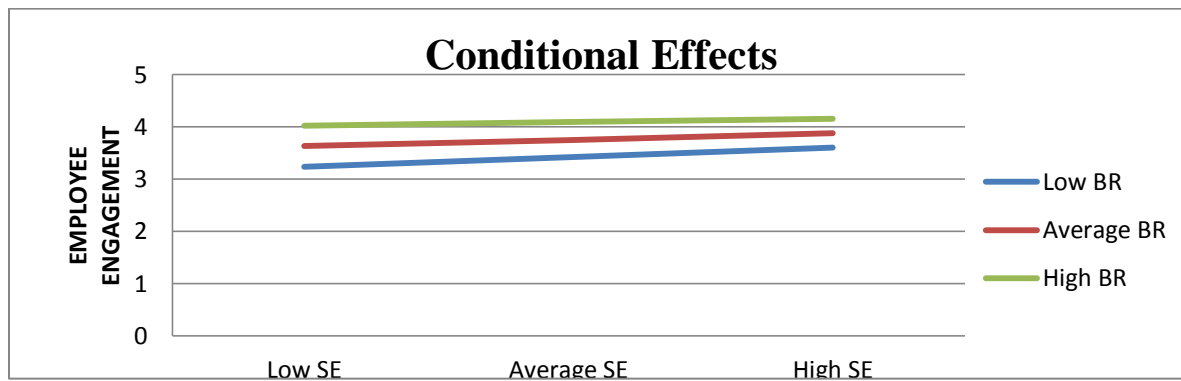
Source: Own Survey, computed in SPSS, 2019

Notes; Note; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Given our hypothesize that self-efficacy will moderate the relationship between benefit and recognition and employee engagement is also tested in the above table (table 4.18) As shown in the table the main effects model (model 1) validate a Significant and positive regression for benefit and recognition ($\beta = 0.202$, $P < 0.05$) and self efficacy ($\beta = 0.566$, $p, < 0.05$) which constitute a total variability of ($R^2 = 0.437$, $p, 0.001$). Therefore the first model justifies existence of statistically direct significant relationship between predictors (benefit and recognition and self-efficacy) and employee engagement.

The hierarchical regression Table 4.20 (model 2) also illustrate existence of statistically significant interaction between self-efficacy and supervisory support in predicting employee engagement ($\beta = -0.097$, $p, <0.05$) that explained variance in the model beyond that due to the main effects (R^2 change = 0.09, $p, .025$). This explains the predictability of independent variables (benefit and recognition and self-efficacy) will increase due to their interaction to predict employee engagement.

Figure 4. 5: Conditional effect of interaction variables



Source; Own survey, Hayes process model 1 version 3.3 (2019)

Here also as we can read from the figure that benefit and recognition will have a significant contribution on employee engagement for employees with low and medium level of self efficacy. With high level of self efficacy the moderation effect become insignificant, that means providing benefit and recognition sachem for employee with high level of self efficacy will not have a significant effect on the level of employee engagement.

Table 4. 21: Hierarchical regression results for the interaction effect of work life balance and self-efficacy on employee engagement

Model	Predictor variable	R2 change	Significance of change	Cumulative R2	Standardize coefficient
1	Work life balance	.400	.000	.400	-.011
	Self Efficacy				.636
2	WLB*SE	.010	.027	.410	-.099

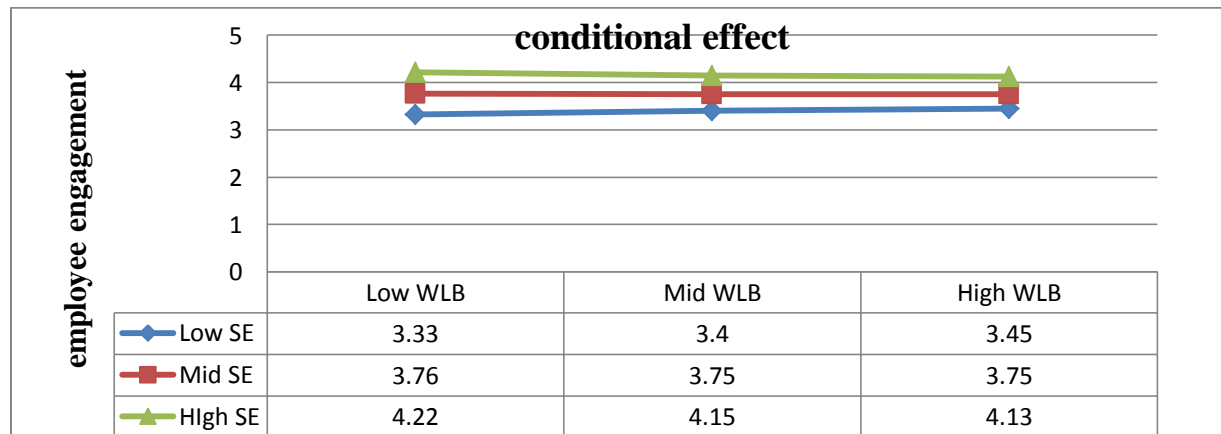
Source: Own Survey, computed in SPSS, 2019

Notes; Note; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Finally we conducted Hierarchical regression to test our hypothesis that self-efficacy will moderate the relationship between work life balance and employee engagement. The first hierarchical regression in Table 21 (model 1) testing a main effects which yield statistically significant and positive regression for self efficacy ($\beta=0.6367$, $P < 0.05$) and negative and insignificant for work life balance ($\beta = -0.11$, $p, >0.05$) which indicate work life balance to be insignificant in predicting employee engagement individually.

The second hierarchical model (model 2) tests the moderating effect of self-efficacy on the relationship between career work life balance and employee engagement. As it's illustrated in the hierarchical regression Table 21 (model 2) exemplify existence of a significant interaction between self-efficacy and work life balance in predicting employee engagement ($\beta = -0.99$, $p, >0.05$) that explained variance in the model beyond that due to the main effects (R^2 Change = 0.010, $p, 0.027$). This explain the previously insignificant predictor (work life balance) turned to be significant when interacted with the moderator variable (self efficacy). This explains the predictability of independent variables (work life balance and self efficacy) will change (strength and/or direction) due to their interaction effect.

Figure 4. 6: Conditional effect of interaction variables



Source; Hayes process model 1 version 3.3 (2019)

Fig 4.6 above shows the interaction effect given the different level of self efficacy (1 SD above the mean, Mean and 1SD below the mean) we can see from the graph that the interaction effect

get significant at the lower level of self efficacy therefore we can explain that work life balance will have statistically significant effect on employee engagement for respondents with a low level of self efficacy.

Generally the moderation analysis (hierarchical moderation analysis) tells us self efficacy significantly moderate the relationship between the predictors (supervisory support, benefit and recognition and work life balance) and employee engagement. The result also shows self efficacy has no significant effect in moderating the relationship between the predictors (job characteristics and person job fit) and employee engagement.

4.8 . Summary of Findings and Discussion

This part of the study will presents the summary and discussion of the findings of the results. We have presented the findings of the study regarding influence of job characteristics, self efficacy, supervisory support, person job fit, and benefit and recognition and work life balance on the level of employee engagement. Additional inferential statistics such as correlation, multiple regressions and hierarchical regression were conducted to have clear perception to measure the degree of differences in the relationship between the independent variables (job characteristics, self efficacy, supervisory support, person job fit, and benefit and recognition and work life balance) and the dependent variable (employee engagement). So to retreat findings the summary and discussion part is accordance of the objective of the study and in light of the study in this filed in order to successfully answer the research questions that this study raised, therefore All hypotheses (H1, H2, H3, H4, H5 and H6) were tested using multiple regressions to find out whether those hypothesis proposed in this study are acceptable or not. Meanwhile hypothesis 7 (H7) were tested using hierarchical regression (moderation) analysis and Hayes process model version 3.3 in order to find the moderation role of self efficacy.

The findings of descriptive analysis indicate the majority of the respondents are males and the majority of respondents fell into the age groups below 35 which constitute. and considerably large number of employees were single (unmarried) made up. In terms of level of education, the biggest group had either a degree or above lastly majority of the respondents have organizational

tenure of less than 5 years. The First regression was conducted for the possible effects of the demographic variables; as we can see from the above table demographic factors have a 3.7% ($R^2=.035$, $p=.046$) variability over employee engagement and the only significant demographic variable was education status

The result of the study exhibit that, job characteristics, self efficacy, person job fit, and benefit and recognition are significantly affect the level of employee engagement in Ethiopian insurance industry. First, with respect to hypothesis 1 (H1), which states that Job characteristic is positively related to employee engagement. Job characteristics are recorded with a mean of 3.66 (.573) which indicates above average score with score of 5 point liker scale and the correlation coefficient also indicate JCR having strong relationship with employee engagement ($r = .503$, $p < 0.05$). The regression result also tells us Job Characteristic to be a significant predictor of employee engagement ($\beta = .226$, $P < 0.05$). This implies that for 1% increases or change in the level of job characteristics' it would result 0.226 % increase in employee engagement. Thus Job characteristics = $\beta = .226$ ($p=0.000$); which shows likelihood of having Employee engagement are Increased by a factor of .226 for every positive incremental of Job characteristics, considering other variables in the model constant. Therefore those employees provided with a jobs that encompass with the core job characteristics (Skill variety, task significance and task identity feedback and autonomy) are more likely to respond with greater level of employee engagement

This result was consistent with (Saks, 2016, Kahn, 1990, 1992; Maslach et al., 2001; May et al., 2004, Broec et al., 2008). Who found and discuss job characteristics to be positively related with employee engagement with different perspective and model. Therefore we don't reject H1 because it is significant. With beta value of $\beta = .226$ at 5% significant level

Second, with regard to H2, this states that the Perceived supervisor support (PSS) will be positively related to employee engagement. SS are recorded with a mean of 3.48 ($SD=1.09$) which indicates slightly above average score with score of 5 point liker scale and the correlation coefficient also indicate SS having a moderate relationship with employee engagement ($r =$

0.300 , $p < 0.05$). The regression result tells us supervisory support to be a insignificant predictor of employee engagement ($\beta = .052$, $P > 0.05$). Therefore we reject H2 because it is insignificant at 5% significance level with beta value of .052. This implies that relationship and support individuals perceive from their supervisor is not significantly affecting their level of engagement to their job and organization. Thus we reject the hypothesis which specifies that employee engagement is directly influenced supervisor support is found to be very weak and insignificant.

The result of our study contradicts with research findings (chen, 2007; Othman & Nesurdin, 2013; Saks, 2006; Suharti&Suliyanto, 2012) who studies and found Supervisory support to be predictor of employee engagement. but most of those studied were conducted in manufacturing industry which is expected to have high relationship between employees and supervisors which may have relatively higher potential to predict employees engagement than service industry where claims processing in the insurance company may not gain a strong sense of social identity from their co-workers and supervisors or that they lack sufficient opportunity to interact to satisfy basic relatedness needs at work (Locke & Taylor, 1990). And this variable may have a good predicting ability in other case area.

Although the result contradict with many scholars there are similar finding Menguc, Auh and Haddad, (2013) who found that supervisory support in service employee was not positively and significantly related to engagement. And they argue that a possible reason for this null finding may be that supervisor feedback is sufficient and supervisor support becomes redundant when both are provided. In fact, what employees may desire is coworker support, rather than supervisor support, when supervisor feedback is also provided.

With respect to hypothesis 3 (H3), which states that person job fit is positively related to employee engagement is statistically supported. Person job fit is recorded with a mean of 3.2 (SD=.81) which indicates slightly above average score with score of 5 point liker scale and the correlation coefficient also shows person job fit having a moderate relationship with employee engagement ($r = .450$, $p < 0.05$). The regression result also tells us PJF to be a significant predictor of employee engagement ($\beta = .151$, $P < 0.05$). That means when the job the person

holds fit with the persons preference, values and characteristics (ability, need, desire and personality) are more likely to respond with greater level of employee engagement. Thus, Individuals with high alignment of job to personal value is likely to have h a meaningful job and the perceptions of employee having a meaning full job will drive them to demonstrate a positive behavior to their job and organization Therefore we don't reject H3 ($\beta = .151$, $P < 0.05$) which concludes that an individual's with high degree of person job fit, which is the individual characteristics fit with the requirement of the job will significantly contribute to the level of employee engagement in the case area.

Similar finding also found from Brief & Nord, (1990) who describe when people see their roles as opportunities to express themselves they will experience a sense of meaning (meaningfulness) which is the strongest construct of employee engagement

Benefit and recognition are recorded with a mean of 3.4 ($SD = .82$) which indicates above average score with score of 5 point liker scale and the correlation coefficient also indicate BR having a moderate relationship with employee engagement ($r = .387$, $p < 0.05$). The regression result also tells us benefit and recognition to be a significant predictor of employee engagement ($\beta = .114$, $P < 0.05$). This empirical evidence therefore highlights that benefit and recognition which support and fulfills employees need will help to create employee engagement. Thus when employees perceive and receive that the organization will pay back their effort with attractive benefit and recognition scheme they are more likely to respond with greater level of employee engagement. Therefore we don't reject H4 because it is significant with beta .114 at 5% level of significance.

This finding was in accordance with Cropanzano and Mitchell (2005) who discuss that employee engagement is built rules of exchange which involves reciprocity or repayment rules such that the actions of one party lead to a response or action of the other. Thus employee thrives toward their roles when they expect some attractive response or benefit from their organization This also was supported by several previous researches Danish and Usman 2010, Mustapha, 2011) which found benefit and recognition having a positive effect on employee engagement and other positive psychological behavior.

Further, regarding H5, which hypostasized that the level of employee engagement is directly influenced by the work life balance of employees with respect to this hypothesis Self efficacy were recorded with a mean of 3.5 (SD =.64) which describe slightly higher average score of 5 point liker scale which is faintly an above average score and the correlation coefficient ($r = 0.201$, $p < 0.05$) which shows work life balance to have the weakest relationship with employee engagement. The regression result also indicate WLB $\beta = -.072$ ($p = 0.083$) which found work life balance to be insignificant predictor of employee engagement. Therefore we reject H5 because it is insignificant at 5% significance level with beta value of $-.072$. This implies that having a balanced work life is not significantly predicting employee's level of engagement to their job and organization. Thus we reject the hypothesis which specifies that employee engagement is directly influenced by work life balance is found to be very weak and insignificant. This result contradicts with the finding of bendarkar & pandita (2014) who found that work life balance as a predictor of employee engagement significant. In our case the research illustrate that as we can observe from the demographic characteristics' most of the respondents in the case area are single (marital status) and also most of them are found in the young age which may predict a low level of imbalance (conflict) between employee's role in the organization and personal activity. Which may describe from the discussion of Hochschild (1997) Who discuss work life balance from the perspective of changes in the workplace and in employee demographics.

With respect to hypothesis 6 (H6), which states that self efficacy is positively related to employee engagement. Is statistically supported, that means. Self efficacy were recorded with a mean of 3.76 (SD =.63) which describe a higher average score of 5 point liker scale which is an above average score and the correlation coefficient ($r = 0.632$, $p < 0.05$) shows self efficacy to have the strongest relationship with employee engagement.

Our regression result also indicate self efficacy $\beta = .389$ ($p = 0.000$); which shows likelihood of having Employee engagement are Increased by a factor of $.389$ for every positive incremental of self efficacy, considering other variables in the model constant. Thus, the study provoke that an individual's self efficacy will significantly contribute to the level of employee engagement in the

case area. Which is an individual endowed with high level of self esteem and resourcefulness will positively drive their level of engagement to their job and organization. Therefore the finding for self efficacy as a predictor of employee engagement indicate that employees who encompass with a belief about their capability to mobilize their resource, motivation and to uphold situations will likely have high level of employee engagement, thus having strong sense of self efficacy will demonstrate a good sense of attachment to their job and organization.

This result is consistent with Luthan (2004) who study and finds a significant relationship between self-efficacy and desirable attitudinal outcomes such as job satisfaction, organizational commitment, turnover intentions, and perceived organizational effectiveness which more related constructs with employee engagement. Therefore we don't reject H6 because it is significant with beta .389 at 5% level of significance.

The study result showed that job characteristics, self efficacy, supervisory support, person job fit, and benefit and recognition and work life balance are significant joint predictors of employee engagement with $R^2 = 0.514$; $F(6, 82) = 42.941$, $P < 0.01$). The variability of the dependent variable jointly 75.9% explained by predictor variables, while the remaining 24.1% could be due to the effect of extraneous variables.

Self efficacy ($\beta = 0.389$) followed by job characteristics ($\beta = 0.226$) and person job fit ($\beta = 0.151$) has the highest beta and are statistically significant predictors. This implies that the employee engagement level is mostly because of the Self efficacy, job characteristics and person job fit. Benefit and recognition is also found slightly significant predictor of employee engagement ($\beta = 0.114$).

Therefore, the above findings and discussions provide answers to the research questions pertaining to what are the factors affecting employee engagement in Ethiopian insurance industry. As stated already, mostly the factors driving employee engagements are job characteristics, self efficacy, person job fit and benefit and recognition. Work life balance and supervisory supports are found to be insignificant in driving employee. This study also revealed that, the variable with the strongest influence in affecting employee engagement is a person's

level of self efficacy and the characteristics of the job individuals hold. Therefore based on the above findings and discussion the following hypothesis result summary is presented.

Regarding the moderation analysis (hierarchical moderation analysis) the find show us that self efficacy partially moderate the relationship between the predictors and employee engagement. Self efficacy significantly moderate the relationship between the predictors (supervisory support, benefit and recognition and work life balance) and employee engagement. The result also shows self efficacy has no significant effect in moderating the relationship between the predictors (job characteristics and person job fit) and employee engagement.

From the analysis of moderation using Hayes model 1 also interestingly clarify that managers should consider the level of employee’s personal resources specifically their self efficacy, because their level of personal resources will significantly affect the influence of antecedents provided by the organization to boost employee engagement.

As Lindley &Walker, (1993) Stated interaction effect will perform strongly when the relationship between the predictor variable and dependent variable is relatively weak. Thus our result also indicate that for those strongly correlated predictor variables (job characteristics and person job fit) with the dependant variable the interaction results were insignificant. On the other case for that predictor variable with weak correlation with dependent variable, we come to know that their interaction were significant, therefore our result is consistent with scholars view in the area.

Table 4. 22: Hypotheses Testing and Result

S.N	Hypotheses	Result	Reason
1	HO: A job characteristic has no significant positive effect on employee engagement in Ethiopian insurance industry. H1: A job characteristic has a significant	Ho: Rejected	sig=0.001,P<0.05

	positive effect on employee engagement in Ethiopian insurance industry.	H1:Not rejected	
2	HO: supervisory support has no significant positive effect on employee engagement in Ethiopian insurance industry H1: supervisory support has a significant positive effect on employee engagement in Ethiopian insurance industry	Ho: Not rejected H1: Rejected	sig=0.173,P>0.05
3	HO: Person job fit has no significant positive effect on employee engagement in Ethiopian insurance industry. H1: person job fit has a significant positive effect on employee engagement in Ethiopian insurance industry.	Ho: Rejected H1:Not rejected	sig=0.001,P<0.05
4	HO: benefit and recognition has no significant positive effect on employee engagement in Ethiopian insurance industry. H1: benefit and recognition has a significant positive effect on employee engagement in Ethiopian insurance industry.	Ho: Rejected H1: Not Rejected	sig=0.005,P<0.05 5
5	HO: Work life balance has no significant positive effect on employee engagement in Ethiopian insurance industry H1: supervisory support has a significant positive effect on employee engagement in	Ho: Not Rejected H1:Rejected	sig=0.083,P<0.05 5

	Ethiopian insurance industry		
6	<p>HO: self efficacy has no significant positive effect on employee engagement in Ethiopian insurance industry.</p> <p>H1: self efficacy has a significant positive effect on employee engagement in Ethiopian insurance industry.</p>	<p>Ho: Rejected</p> <p>H1:Not Rejected</p>	sig=0.001,P<0.05
7	Self efficacy moderate the relationship between the antecedents and employee engagement	-----	
	Job characteristics* self efficacy	Not rejected	Sig =.912, P>0.05
	Person job fit * self efficacy	Not rejected	sig= .244 ,P > 0.05
	Supervisory support* self efficacy	Rejected	sig=0.011,P<0.05
	Benefit and recognition * self efficacy	Rejected	sig=0.025 ,P<0.05
	Work life balance * self efficacy	Rejected	sig=0.027,P<0.05

Source: own analysis

Chapter Five

Conclusions and Recommendations

This chapter presents synthesized conclusions derived from the summary and discussion of findings in the previous chapter, the chapter ends by highlighting limitations of the study followed by recommendations for future research direction.

5.1 Conclusions

The aim of this study was to investigate factors affecting employee engagement on Ethiopian insurance industry the researcher select five variables as factor to drive employee engagement and one variable (self efficacy) as a moderator. Therefore based on our model the analysis was conducted using different statistical techniques (descriptive, correlation, regression, hierarchical regression on and Hayes process model 1).

Based on the analysis made, the following conclusions were drawn:

According to the grand mean value employees expressed their agreement towards the determinants of employee engagement, and scored a minimum score for work life balance to the maximum score for self efficacy.

All the variables under the study were positively correlated with employee engagement and Among employees engagement determinants considered in this study, self efficacy was the most correlated variable with the dependent variable ‘employee engagement’ followed by job characteristics with employee engagement there was also a moderate positive relationship between supervisory support and benefit and recognition with the dependent variable ‘employee engagement’, relatively The lowest correlation is found between work life balance and employee engagement. From this we can deduce that, there should be a priority among determinants of employee engagement considering in this study while needing to implement engagement strategy in the insurance industry.

Furthermore, the Fitness of the model or the power of the independent variables in explaining over all employee engagement level of insurance industry in Ethiopia has found that the dependent variable was positively explained by the six determinants namely job characteristics, self efficacy, supervisory support, person job fit, and benefit and recognition and work life balance which are found as significant joint predictors of employee engagement.

The independent variables in this study have positive correlation with employee engagement which revealed that the independent variables have positive relationship with employee engagement.

With regard to the objective of the study analyzed results pertaining to what are the factors affecting employee engagement in Ethiopian insurance industry shows mostly the factors driving employee engagements are job characteristics, self efficacy, person job fit and benefit and recognition. Work life balance and supervisory supports are found to be insignificant in affecting the level of employee engagement. This study also revealed that, the variable with the strongest influence in affecting employee engagement is a person's level of self efficacy and the characteristics of the job individuals hold.

With regard to the moderation analysis the study revealed that self efficacy partially moderate the relationship between the predictors and employee engagement, thus self efficacy was significantly moderate the effects of supervisory support, benefit and recognition and work life balance on employee engagement, therefore its concluded that the level of self efficacy an employee encompass will determine how an individual react to those predictors.

5.2 Recommendations

The findings of this study are believed to have some practical implications, The implication which shows areas of intervention to improve for having the most favorable employee's engagement level in Ethiopian insurance industry. Accordingly, the following recommendations are made on the basis of the research findings and the conclusion.

- ✦ To stay competitive through engaged employee's managers should consider job redesign and enrichment with possible inclusion of the core job characteristics (i.e., skill variety, task identity, task significance, autonomy and feedback).
- ✦ Our results suggest that supervisory support has no impact on employee engagement when individuals hasn't endowed with self efficacy. Thus how much self efficacy employees posses in the insurance industry can inform managers' decisions as to whether they should use support to affect engagement or not. Thus supervisory support may have different impact in enhancing engagement with different level of employees self efficacy. Therefore managers should provide support to the employees and simultaneously developing individuals self efficacy that would result employee engagement
- ✦ The industries human resources practice need to mull over their recruitment and selection practice in light of placing employees to the job that will fit with individual characteristics and create opportunities for employees to work in roles in which their knowledge, skills, and abilities fit with their job responsibilities
- ✦ Selecting the proper employees for particular roles which create meaningfulness to the occupant, this can be done through understanding more about the personal aspirations and desires of employees in order to fit them to roles that will allow them to better express themselves.
- ✦ In the context of this study, it would appear that the benefit and recognition associated with the benefit and recognition program creates a sense of obligation on the part of employees who reciprocate with greater levels of job and organization engagement. Thus, organizations that wish to improve employee engagement should focus on improving employees' perceptions of benefit they receive from their organization.
- ✦ Companies should find out what resources and benefits are most desired by employees and most likely to create a sense of obligation that is returned with greater levels of engagement. Managers also need to provide opportunity for self awareness, self reflection and personal development programs to develop employees self esteem that will initiate them to see and use their resources efficiently.

- ✚ Managers in executing organizational resources for the purpose of employee engagement need to consider individual difference, because all resources can't fit to all employees. Make drivers of employee engagement contextual given the characteristics of employees.
- ✚ Generally Results from this study provide support for utilizing each of the variables examined in development of different human resources practice around employee engagement and implementing interventions that increase employee engagement and impact organizational outcome variables
- ✚ Like most service providing business, the insurance industry is in need of competent and engaged employee this creates a need for analyzing employee engagement level of the industry and employee company's resources to endow with engaged employees, Furthermore, the application of employee engagement must be gravely considered along with actions taken in attaining strategic goals.

5.3 Limitation of the study

Our study is not without limitations, there are various limitations which we see as opportunities for future research. First, we focused on six determinants (supervisory support, supervisory feedback, and perceived autonomy). Including other resources such as organizational culture, personality and human resources management practices could enrich the model.

As we have indicated in chapter three the data in this study was obtained using self report measures, and the results may be contaminated by the variance of the common method. It would be appropriate to complement these measurements with others obtained with different methods.

The other limitation would be our use of a sample consisting of a range of companies. Even if the study tested for all assumptions for making inference, caution should be used when generalizing the current study result.

Considering the predictors for organizational and job engagement as identical, which may have a significant differences.

5.4 Future research directions

In studying the factors affecting employee engagement, the researcher addressed the stated objective by employing several statistical methods and strictly following the research methodology. Hence, this study addressed the research problems, draws conclusion and forward practical recommendations. In addition to this, the researcher believed that, there are issues remain uncovered in this study due to the scope limitation and need to be addressed in future studies to add broad insight in to the subject, since it is a new phenomenon. Thus, the following points are taken as limitations of this study and future research directions.

- ❖ To investigate other potential predictor of employee engagement such as human resources practice, organizational culture and personality by which the scope of the study can be further increased and enriched by including more variables under the theoretical framework
- ❖ To further investigate the moderating role of other personal traits such as consciousnesses in analyzing the predictor of employee engagement
- ❖ Future researches may also be interested in analyzing organizational engagement and job engagement separately. By which we may perceive different predictors for each of the construct
- ❖ This research employed only quantitative research method and considers only employees of office, accordingly, future researchers may employ mixed approach (qualitative and quantitative) in their data type; to include managerial say, and document review; and may consider organizational unit of analysis.
- ❖ The factors and level of employee engagement in different organizational hierarchy may be investigated for a possible significant difference.

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Appendixes

Appendix A: Factor analysis

Job characteristics	Component Matrix	Component 1
There is much autonomy in my job		.743
The job denies me any chance to use my personal initiative or judgment in carrying out the work.		.702
There is much variety in my job and helps me to use variety of skills and talents.		.564
The job is quite simple and repetitive.		.601
My job provide me with a complete piece of work that has an obvious beginning and end		.581
The job provides me the chance to completely finish the pieces of work I begin.		.648
In general my job is significant or important		.534
This job is one where a lot of other people can he affected by how well the work gets done.		.611
The job itself is not very significant or important in the broader scheme of things		.516
There is feedback from supervisors for the work done		.621
Extraction Method: Principal Component Analysis		
a. 1 components extracted		

Self efficacy	Component Matrix	Component 1
I can always manage to solve difficult problems if I try hard enough		.696
If someone opposes me, I can find the means and ways to get what I want.		.743
It is easy for me to stick to my aims and accomplish my goals.		.693
I am confident that I could deal efficiently with unexpected events.		.686
Thanks to my resourcefulness, I know how to handle unforeseen situations.		.667
I can remain calm when facing difficulties because I can rely on my coping abilities.		.599
I can usually handle whatever comes my way.		.663
Extraction Method: Principal Component Analysis.		
a. 1 components extracted.		

Supervisory support	Component Matrix	Component 1
I have a Supportive supervisor relation		.823
My supervisor helps me solve work-related problems.		.801

My supervisor encourages me to develop new skills.	.792
My supervisor keeps informed about how employees think and feel about things.	.820
My supervisor encourages employees to participate in important decisions.	.790
My supervisor praises good work	.690
Employees are treated fairly by my supervisor.	.648
My supervisor is committed to protecting my interests.	.798
My supervisor does what he/she says he/she will do.	.770

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Component Matrix	
Person job fit	Component
	1
My job 'fits' how I see myself.	.860
I like the identity my job gives me.	.797
The work I do on this job helps me satisfy who I am.	.831
My job 'fits' how I see myself in the future.	.855

a. 1 components extracted.

Component Matrix	
Benefit and recognition	Component
	1
My job provides me with a pay raise, job security and promotion.	.687
More freedom and opportunities.	.513
Respect from the people you work with.	.671
I get Praise from my supervisor	.599
Training and development opportunities scheme is available	.608
I get rewarded with more challenging work assignments.	.654
Some form of public recognition (e.g. employee of the month/Year.	.597

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Component Matrix	
Work life balance	Component
	1
At the moment, because the job demands it, I usually work long hours	.697
There isn't much time to socialize /relax with my partner/ see family in the week	.804
I often work late or at weekends to deal with paperwork without interruptions	.552

Relaxing and forgetting about work issues is hard to do	.543
I worry about the effect of work stress on my health	.604
My relationship with my partner is suffering because of the pressure or long hours of my work	.684
My family are missing out on my input, either because I don't see enough of them/am too tired	.619
Finding time for hobbies, leisure activities and extended family relationships is difficult	.661

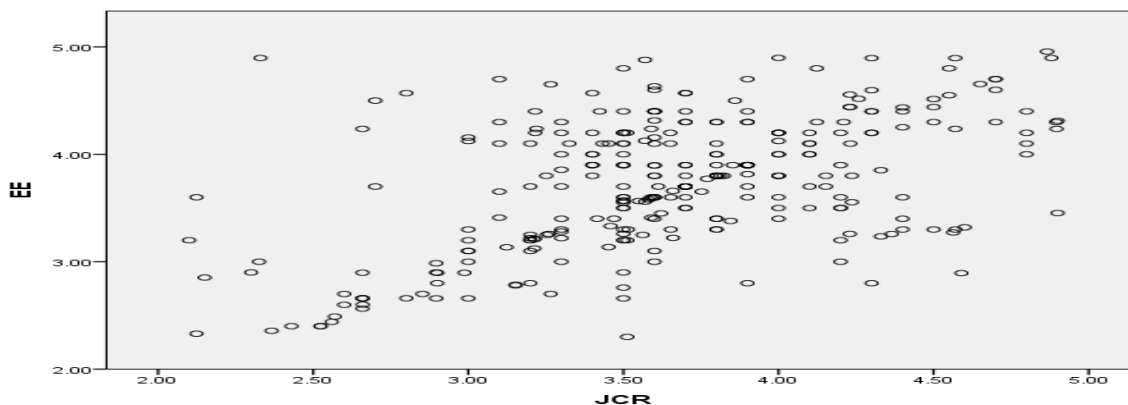
a. 1 components extracted.

Component Matrix	
Employee engagement	Component 1
Performing my job is so absorbing that I forget about everything else.	.727
I am rarely distracted when performing my job.	.715
Time passes quickly when I perform my job.	.608
I am highly engaged to this organization.	.660
I really put my heart into my job.	.708
I get excited when I perform well on my job.	.706
I often feel emotionally detached from my job.	.597
Being a member of this organization make me come "alive."	.664
I exert a lot of energy performing my job.	.706
I stay until the job is done.	.607

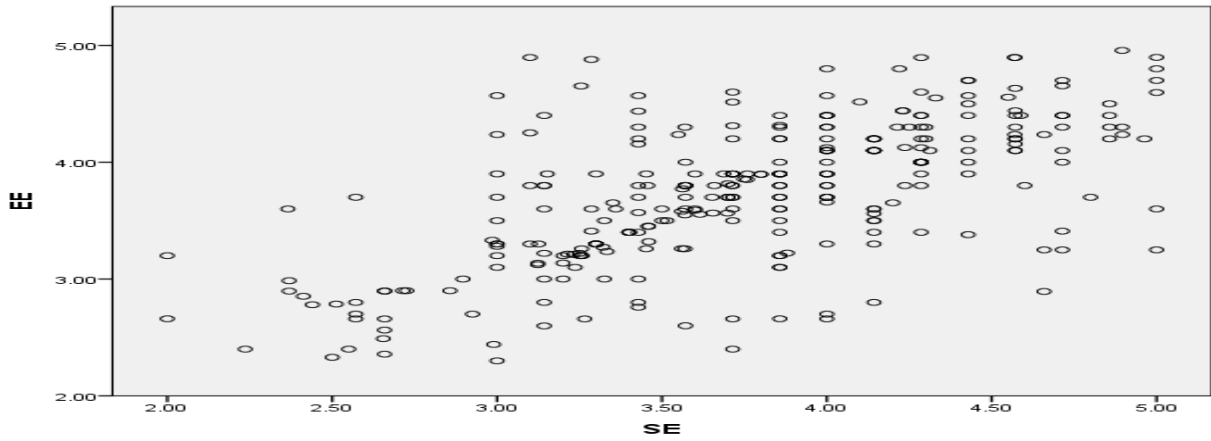
Extraction Method: Principal Component Analysis.
a. 1 components extracted.

Appendix B: Linearity test plots

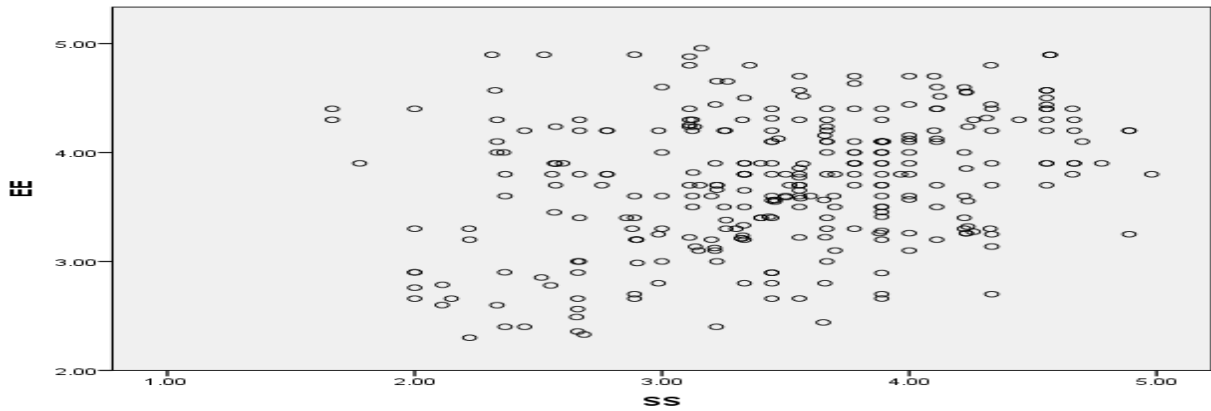
1. Employee engagement vs. job characteristics



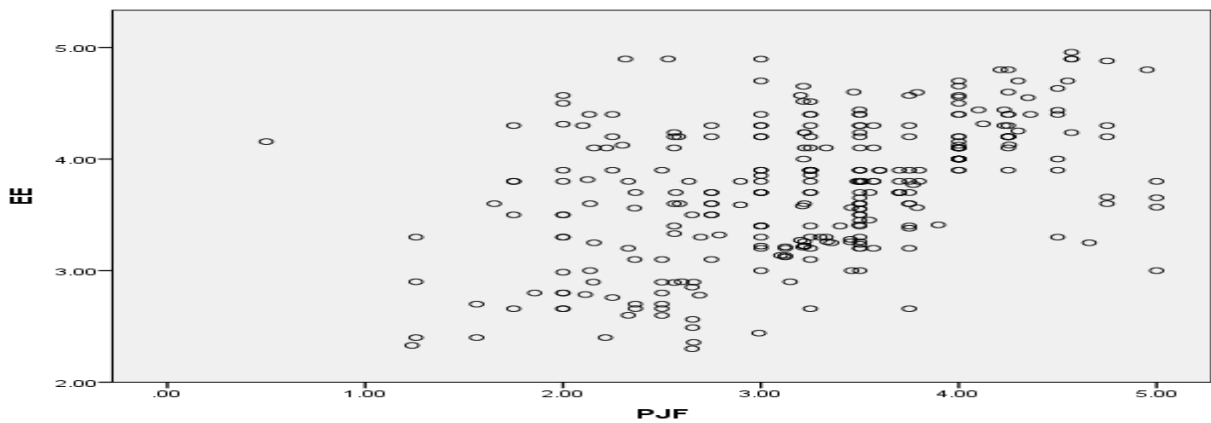
2. Employee engagements vs. self efficacy



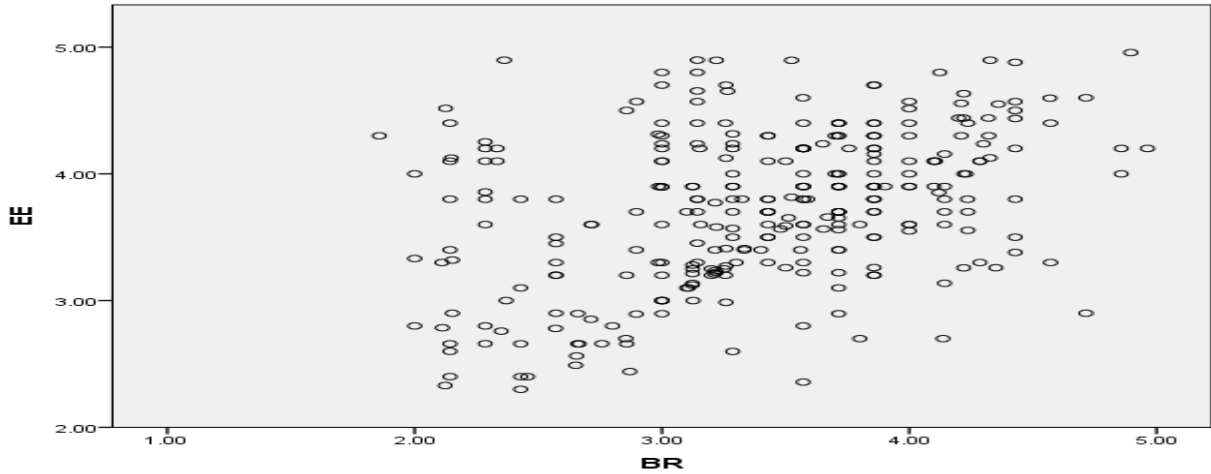
3. Employee engagements vs. supervisory support



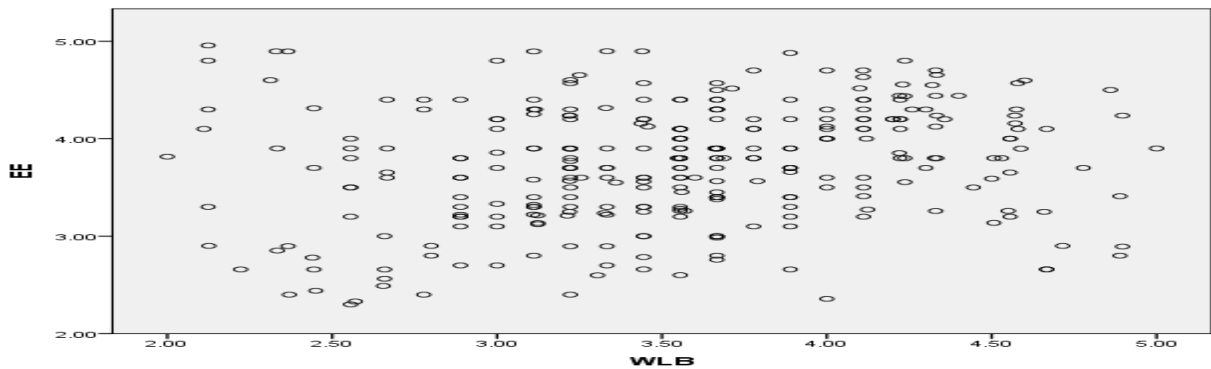
4. Employee engagements vs. person job fit



5. Employee engagements vs. benefit and recognition



6. Employee engagements vs. work life balance



Appendix C; Regression Outputs

Hierarchical regression output for demographic variable

	MODEL ONE			MODEL TWO		
	β	s-e	P	β	s-e	P
(Constant)		.279	.000		.269	.186
Gender	-.047	.081	.428	.004	.059	.920
Age	.043	.040	.525	-.010	.029	.832
Experience	.051	.040	.461	.062	.029	.210
Education Status	.155	.082	.013	.076	.059	.086
Marital status	.033	.070	.591	-.019	.051	.667
JCR				.216	.049	.000
SE				.406	.049	.000
SS				.073	.038	.102

PJF		.204	.034	.000
BR		.115	.042	.014
WLB		-.083	.042	.064
R2	.037	.58		
R2 Change	.037	.489		

Note; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.717 ^a	.514	.504	.42084	2.000

a. Predictors: (Constant), WLB, JCR, SS, PJF, BR, SE

b. Dependent Variable: EE

ANOVA result table

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	55.367	6	9.228	52.105	.000 ^b
	Residual	52.422	296	.177		
	Total	107.789	302			

a. Dependent Variable: EE

b. Predictors: (Constant), WLB, JCR, SS, PJF, BR, SE

Coefficients result table

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.643	.211		3.047	.003
	JCR	.226	.049	.216	4.568	.000
	SE	.389	.048	.412	8.046	.000
	SS	.052	.038	.060	1.365	.173
	PJF	.151	.034	.207	4.476	.000
	BR	.114	.041	.126	2.801	.005
	WLB	-.072	.041	-.077	-1.742	.083

a. Dependent Variable: EE



Dear respondents: I would like to forward my heartfelt thanks in Advance. This survey is designed to research purpose entitled: *identifying the factor affecting employee engagement: the moderating role of self-efficacy, a study on Ethiopian insurance industry*. Please be honest and thoughtful in completing the survey, as the research reliability and fruit fullness is highly depends on the information provided by you, to this understanding your honest full information is the foundation and pillar of the study.

Your response are completely confidential and anonymous, the information provided is only used for research purpose and exclusively accessed only by the researcher.

If you have any question about the survey, please contact:

Mohammed Jemal: mohe2017@yahoo.com or 0924066278

Section one: Background information

First, we request you to provide some background information; the information you provide will be used to compare any significant difference of opinion between different groups, not to identify you as an individual

Gender: Female Male

Age: 18 – 23 24 – 29 30 – 35 36 – 41 42 – 47 48–53 Over 53

Experience: < 3Years, 3-5 Years 6-10 Years >10 Years

Educational status: High School College diploma 1st Degree Master's and above

Marital status: Married Single Divorced Widowed

Section Two: Given below are list of questions that help us to meet the research objectives, please carefully read and answer every question

Please indicate your level of agreement or disagreement with each statement						
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Performing my job is so absorbing that I forget about everything else.					
2	I am rarely distracted when performing my job.					
3	Time passes quickly when I perform my job.					
4	I am highly engaged to this organization.					
5	I really put my heart into my job.					
6	I get excited when I perform well on my job.					
7	I often feel emotionally detached from my job.					
8	Being a member of this organization make me come "alive."					
9	I exert a lot of energy performing my job.					
10	I stay until the job is done.					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	There is much autonomy in my job					
2	The job denies me any chance to use my personal initiative or judgment in carrying out the work.					
3	There is much variety in my job and helps me to use variety of skills and talents.					
4	The job is quite simple and repetitive.					
5	My job provide me with a complete piece of work that has an obvious beginning and end					
6	The job provides me the chance to completely finish the pieces of work I begin.					
7	In general my job is significant or important					
8	This job is one where a lot of other people can be affected by how well the work gets done.					
9	The job itself is not very significant or important in the broader scheme of things					
10	There is feedback from supervisors for the					

	work done					
Please indicate the level of how often you engage in the following activities						
		Almost never	seldom	Some times	Often	Almost Always
1	I can always manage to solve difficult problems if I try hard enough					
2	If someone opposes me, I can find the means and ways to get what I want.					
3	It is easy for me to stick to my aims and accomplish my goals.					
4	I am confident that I could deal efficiently with unexpected events.					
5	Thanks to my resourcefulness, I know how to handle unforeseen situations.					
6	I can remain calm when facing difficulties because I can rely on my coping abilities.					
7	I can usually handle whatever comes my way.					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I have a Supportive supervisor relation					
2	My supervisor helps me solve work-related problems.					
3	My supervisor encourages me to develop new skills.					
4	My supervisor keeps informed about how employees think and feel about things.					
5	My supervisor encourages employees to participate in important decisions.					
6	My supervisor praises good work.					
7	Employees are treated fairly by my supervisor.					
8	My supervisor is committed to protecting my interests.					
9	My supervisor does what he/she says he/she will do.					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	My job 'fits' how I see myself.					
2	I like the identity my job gives me.					
3	The work I do on this job helps me satisfy					

	who I am.					
4	My job 'fits' how I see myself in the future.					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	My job provides me with a pay raise, job security and promotion.					
2	More freedom and opportunities.					
3	Respect from the people you work with.					
4	I get Praise from my supervisor.					
5	Training and development opportunities scheme is available					
6	I get rewarded with more challenging work assignments.					
7	Some form of public recognition (e.g. employee of the month).					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	At the moment, because the job demands it, I usually work long hours					
2	There isn't much time to socialize /relax with my partner/ see family in the week					
3	I often work late or at weekends to deal with paperwork without interruptions					
4	Relaxing and forgetting about work issues is hard to do					
5	I worry about the effect of work stress on my health					
6	My relationship with my partner is suffering because of the pressure or long hours of my work					
7	My family are missing out on my input, either because I don't see enough of them/am too tired					
8	Finding time for hobbies, leisure activities and extended family relationships is difficult					
9	I would like to reduce my working hours and stress levels, but feel I have no control over the current situation					

I'M GRATEFUL FOR YOUR SUPPORT