

**ADDIS ABABA UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE**



**FACTORS AFFECTING EMPLOYEES' ENGAGEMENT: THE CASE
OF SELECTED PRIVATE BANKS IN ADDIS ABABA**

*A Thesis Submitted to School of Graduate Studies in Partial Fulfillment of the
Requirements for the Degree of Master in Human Resource Management*

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September, 2018

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DECLARATION

I, the undersigned, declare that this study entitled “**FACTORS AFFECTING EMPLOYEES’ ENGAGEMENT: THE CASE OF SELECTED PRIVATE BANKS IN ADDIS ABABA**” is my original work and has not been presented for a degree in any other university, and that all sources of materials used for the study have been duly acknowledged.

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CERTIFICATE

This is to certify that this study, “**FACTORS AFFECTING EMPLOYEES’ ENGAGEMENT: THE CASE OF SELECTED PRIVATE BANKS IN ADDIS ABABA**”, undertaken by SEGENET NIGUSSE in Partial Fulfillment of the Requirements for the Degree of Master in Human Resource Management at Addis Ababa University under my guidance.

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SCHOOL OF GRADUATE STUDIES

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ACKNOWLEDGEMENT

I would like to express my sincere appreciation and gratitude to my major advisor Dr. Abeba Beyene for her inspiring guidance, encouragement and valuable comments starting from the research proposal up to the final thesis write up. I am highly indebted to my families for their support and tolerance during my studies and research processes.

My special appreciation also goes to Abyssinia, Buna and Enat Bank managers and employees who provide the necessary information and support during the data collection process without them this thesis work would not be possible. A special word of thanks goes to my friends who helped me in editing the research and for their continuous encouragement.

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ABSTRACT

The study was conducted to examine what factors influence employees' engagement in three selected private banks (Abyssinia, Buna, and Enat banks). The total number of respondents participated in the study were 252 out of which 141, 71 and 40 were taken from Abyssinia, Buna and Enate bank, respectively. Descriptive and multiple regression analysis were used to analyze the data. The findings of the study revealed that job characteristics, reward and recognition, organizational justice and perceived organizational support were all positively and significantly correlated with employees' engagement. The multiple regression result indicated that job characteristics, reward and recognition and perceived organizational support were the factors which had a statistically significant and positively effect on employees' engagement whereas organizational justice was the factor with insignificant effect on employees' engagement. Job characteristics was the most contributing factor in predicting employees' engagement followed by reward and recognition and perceived organizational support in their respective order. Generally, based on the findings of this study, it can be concluded that the banks which were included in this study should focus on the attributes of job characteristics, reward and recognition and perceived organizational support which can increase the employees' engagement. Hence, managers should provide a variety of jobs that are challenging and should use employees' skills, implement proper reward and recognitions systems and provide with the appropriate support because employee who perceive higher organizational support are more likely to respond with greater levels of engagement in their job and in the organization.

Key Words: *Employee Engagement, job characteristics, reward and recognition, perceived organizational support.*

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Employee engagement is one of the important issues in human resource management as it has a directly related to the productivity of the organization. Employee engagement is "*a condition where employees are committed and emotionally attached to their work and it is possible only when the employees have challenging work environment and opportunities to use their creativity and skills*" (Gujral & Jain, 2013). They further stated that employees must be assigned challenging assignments as per their interests and skills, so that they devote their maximum time to productive work.

According to **BPI group (2014)**, most organizations, at present working environment, are not only competing by having better physical assets that enables to win the market but also by the quality of human resource they have. The availability of quality human resource helps the organizations to excel the services and attain the required goals. As a result, they work to produce quality employees and retain them. Due to the high cost of recruitment and training process, most organizations give emphasis for retentions and ignore to produce a motivated and committed staffs (ibid). But, the challenge today is not only just retaining talented people, but fully engaging them, capturing their minds and hearts at each stage of their work lives. That is why, in recent years, the term “employee engagement” has taken a fundamental role on organizational effectiveness (Saks, 2006). According to the BPI group (2014), sustainable organizational success requires balancing the needs and offer of the organization with the needs and offer of the individual employee, implying working on

employee satisfaction and engagement are crucial to boost up individual happiness which in turn has a significance impact on employee outcomes, explaining a high level of involvement, passion and exuberance which all lead to organizational achievement.

Employee engagement is the extent to which employee commitment, both emotional and intellectual, exists relative to accomplishing the work, mission, and vision of the organization. Engagement can be seen as a heightened level of ownership where each employee wants to do whatever they can for the benefit of their internal and external customers, and for the success of the organization as a whole (Swathi, 2013)

Employee engagement is a business management concept. An "engaged employee" is one who is fully involved in, and enthusiastic about their work, and thus will act in a way that furthers their organization's interests. According to the Gallup the Consulting organization cited in Swathi (2013), there are three different types of people:- "Engaged"—who are builders, "Not Engaged"—who tend to concentrate on tasks rather than the goals and outcomes they are expected to accomplish and "Actively Disengaged"—who are the "cave dwellers and consistently against virtually everything.

As to Kahn (1990), employee engagement has both psychological and behavioral facets and involves energy, enthusiasm and focused effort. He stated that the attachment and detachment of people depends on their caliber to perform in the organization. Employee engagement also involves aligning employees' values, goals, and aspirations with that of the organization and is considered to be the best method for an organization to thrive. Engaged employees are not only committed but they are also passionate and proud. They have their own expectations from their future in the organization as well as that of the organization's mission and goals. They are enthusiastic and always use their talents and discretionary effort

to make a difference in their effort for sustainable and long term business success (Sathyanarayana, Gargasha & Bellave, 2017).

Organizations in Ethiopia should create a good working environment so as to improve their employees' engagement. For this to happen, organizations are investing on their workforces so as to increase their engagement. Employees of the banking industry need to be highly engaged so as to satisfy the needs of the customer. Thus, this study tried to measure the employee engagement level and identify the factors which affect employee engagement.

1.2. Statement of the Problem

Engagement is a perception that places continuous improvement, change and flexibility at the empathy of what it means. Managers want to improve employee engagement on grounds that it leads to superior performance, reduces staff turnover and improves the well-being of employees (Macey & Schneider, 2008). Engaged employees value, enjoy and have pride in their work and are more willing to help each other and the organization succeed in addition when employees are satisfied and engaged with their work, they are more creative and innovative and offer advances that allow companies to evolve positively over time with changes in market conditions (Mokaya & Kipyegon, 2014).

Employee engagement is specifically important in the banking industry as the services delivered by the banks have a direct contact with customers which in turn has own effect in keeping customers. This is because employee engagement affects the quality of service in banks with a consequent effect on customer satisfaction and ultimate performance. Engaged employees demonstrate attributes such as loyalty, trust and commitment to the organization which are very crucial traits expected from the banking industry employees. The

banking sector, to play its vital role for overall development the country and to succeed in the business, employees contributes a lot and their engagement should be promoted.

Thus, banks in general private banks in particular should work hard in ensuring employee engagement so that they can provide effective and efficient service to make their customers satisfied and become profitable. The factors, organizational support, job characteristics, reward and recognition and organizational justice, are among the major determining factors for employees' engagement. The effect of these factors on employees' engagement varies from organization to organization. There are various arguments on the effect of these factors on private bank employees' engagement. Some individuals say there is a good reward and recognition in private banks so that employees are highly engaged whereas others including private bank employees argued that the lack of fair and just organizational justice, support and the routine nature of the job which does not allow the use of the skills and talents of the employees, make employees to be disengaged. The factors stated above do have a profound effect on the engagement of employees in private banks. Regardless of the above controversial arguments, on can observe and confirm that employees of the banks are not engaged to the level expected. Thus, the root causes of such disengagement needs to be studied by looking into the effect of four major factors (organizational support, job characteristics, reward and recognition and organizational justice)and their relationship with engagement in selected private banks. As far as my knowledge is concerned, there are no such researches which are conducted on the effects of such factors on private banks. Studying effects of these factors on the engagement of private banks' employees and identifying the important determining factors will have its own

contribution to improve the engagement level of employees' in private banks in addition to contributing to the existing knowledge.

Thus, this study attempted to measure the engagement level of private banks' employees and attempted to identify the key drivers affecting employees engagement by selecting three private banks (Abyssinia, Enat and Bunna) operating in Ethiopia.

1.3. Research Questions

The following questions are the possible research questions which the research tried to answer:

1. Do demographic profiles of employees' lead to differences in employee engagement level?
2. What is the effect of Job characteristics in predicting employee engagement
3. What is the effect of rewards and recognition in predicting employee engagement
4. What is the effect of perception of organizational justice in predicting employee engagement
5. What is the effect of perceived organizational support in predicting employee engagement.

1.4. Objectives of the Study

1.4.1. General objectives

The general objective of the study is was to assess the different factors affecting employees' engagement in private banks.

1.4.2. Specific objectives

The specific objectives of the study are;

- To assess how employee engagements score varies across different demographic factors.
- To examine whether job characteristics is a significant predictor of employee engagement
- To identify to what extent reward and recognition is related to employee engagement

- To assess the relationship between organizational justice and employee engagement
- To identify the extent organizational support is related employee engagement
- To assess the level of employee engagement

1.5. Significance of the Study

This study is expected to forward some additional knowledge and understanding about the factors which affects employees' engagement in the three selected private banks. The banks should know and recognize the effect of the various factors which have effect on employees' engagement. Thus, this study assessed the factors which affect employees' engagement in selected private banks. Accordingly, identification of the factors which affect employee engagement can help the HR managers, managers and the concerned management bodies of private banks so as to improve their employees' engagement. Furthermore, this study could also be used as a bench mark for other researchers, policy makers and to the bank employees themselves in highlighting their feeling and improving their working environment.

1.6. Scope of the Study

The conceptual scope of the study covered about the issues related to the factors which are expected to have impact of employees' engagement such job characteristics, rewards and recognition, perceived organizational support and organizational justice. The reason for selecting these factors is that they are the major factors which have a direct or indirect influence on a certain employee's engagement. The study was conducted in sample respondents from three selected private bank (Abyssinia, Enat and Bunna) branches found in Addis Ababa though these banks have branches outside Addis Ababa due to financial and

time constraints. The study tried to address the factors which profoundly affect their engagement in their current position. The study used qualitative methods as the data collection was more of quantitative which were taken from the sample respondents of the three selected private banks' branches located in Addis Ababa.

Furthermore, the study focused on those employees who were professional with educational background of diploma and above as participants of this research. This was mainly due to factors which were expected to affect the engagement could be easily understood by professional employees so that it might have its own contribution in maintaining the quality of the information and hence the result of the study. The study assessed the different factors affecting employees' engagement and the data was analyzed using descriptive statistics and inferential statistics so as to see the relationship of the factors and employee engagement.

1.7. Limitations of the Study

The data which were collected from Abyssinia, Enat and Bunna bank branches found in Addis Ababa may not be representative of the all the private banks found in the country as the outlying branches of these banks are not included due to time and budget constraint. Another possible limitation of the study may be its focus on the major factors which could have a profound influence of employees' engagement and could not be exhaustively explained by the factors listed in the questionnaire.

Finally, since the study used survey in collecting primary data, random and systematic errors are avoidable. The study was also limited to selected branches of three

private banks found in Addis Ababa which could affect the generalization of the result obtained from this study.

1.8. Definitions of Key Terms

Employee Engagement: The psychological and behavioral facets which involves energy, enthusiasm and focused effort

Actively disengaged: The employees who are the "cave dwellers"

Rewards and recognition: methods organizations use to make employees feel respected and valued.

Job characteristics: an attribute that creates conditions for high work motivation, satisfaction and performance (Hackman and Oldham, 1980) which are skill variety, task identity, task significance, autonomy, and feedback

1.9. Organization of the Research Report

The first chapter of this thesis is an introductory part which includes the background of the study, statement of problem, research questions and objective, significance, scope of the study, limitations of the study and operational definitions. The second part consists of literature review in which an attempt to discuss concepts related to employee engagement is made. The third chapter addresses research methodologies which include research design of the study, sampling techniques and data collection instruments. Chapter four of the thesis presents the result and discussion of the thesis. Finally, the last chapter of the thesis presents the conclusion and recommendation.

CHAPTER TWO

LITERATURE REVIEW

2.1 Theoretical Literature Review

2.1.1 The concept employee engagement

Different scholars defined employee engagement differently according to their exposure. The International Survey Research formally defines employee engagement as a process by which an organization increases commitment and contribution of its employees to achieve superior business results. They conclude that employee engagement is a combination of an employee's cognitive, affective and behavioral commitment to a company. Whereas, Brown (2005) defined engagement as a progressive combination of satisfaction, motivation, commitment and advocacy resulting from employees' movement up the engagement pyramid.

These days, it becomes a challenge for the human resource managers to engage employees in the organization as a result of rapid globalization and increased need to retain the talent pool. The challenge is not only recruitment and retention to keep the employee happy or satisfied but also to keep the employee engaged to the assigned roles and tasks (Sathyanarayana, Gargasha & Bellave, 2017). Employee engagement is "essential" for contemporary organization to increase productivity considering the many challenges they face and could help organizations to gain a competitive edge through it (Schaufeli and Salanova, 2007).

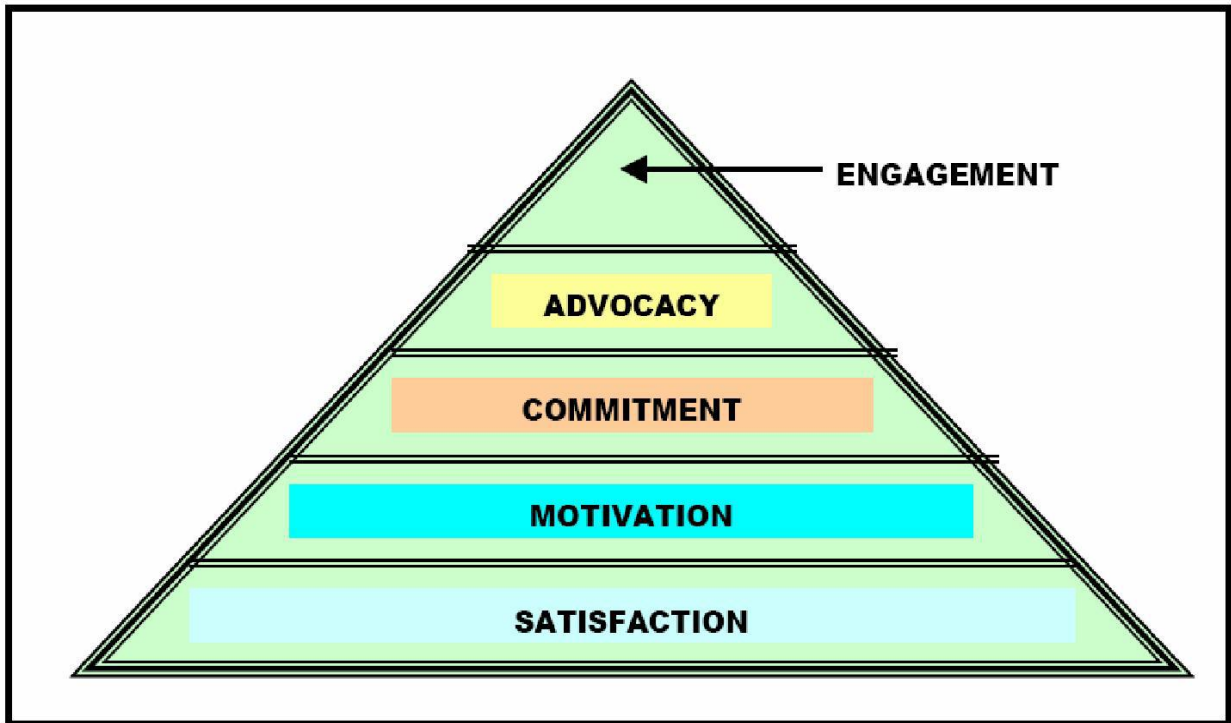


Figure 1: Engagement pyramid

Source: Brown, S.P (1996)

Employee engagement has its roots in a classic work done in employee motivation, in the form of intrinsic motivation which exists when behavior is performed for its own sake rather than to obtain material or social reinforces (Bateman & Grant, 2003). The vital role of intrinsic motivation and the need to engage workers in their work was also acknowledged by Deming (1993) though he placed great weight on the value system. This indicates that employee engagement is strongly linked to the work of classic motivation theorists and researchers. Engagement at work was conceptualized by Kahn (1990) as the ‘harnessing of organizational members’ selves to their work roles. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances.

Kahn (1990) suggested that employees experience dimensions of personal engagement (or disengagement) during daily task performances. Engagement occurs when one is cognitively vigilant and/or emotionally connected to others. In other words, employees who know what are expected of them, who form strong relationships with coworkers and managers, or how in other ways experience meaning in their work, are engaged. Whereas, disengaged employees disconnect themselves from work roles and withdraw cognitively and emotionally. Disengaged employees display incomplete role performances and task behaviours become effortless, automatic or robotic (Hochschild, 1983).

Hochschild (1983) stated that unemployment of the self in one's role is considered as robotic or apathetic behaviour. Employee engagement focuses on how the psychological experiences of work and work contexts shape the process of people presenting and absenting themselves during task performances. Kahn (1990) suggested that there are two major dimensions of engagement which include emotional and cognitive engagement. To be emotionally engaged is to form meaningful connections to others and to experience empathy and concern for other's feelings. In contrast, being cognitively engaged refers to those who are acutely aware of their mission and role in the work environment. He further stated that employees can be engaged on one dimension and not the other. However, the more engaged an employee is on each dimension, the higher his or her overall personal engagement.

Another related construct to engagement in organizational behavior is the notion of 'flow'. Gratton (2000) defines flow as the 'holistic sensation' that people feel when they act with total involvement. Flow is the state in which there is little distinction between the self and environment. When individuals are in flow state little conscious control is necessary for their actions. Employee engagement is thus the level of commitment and involvement an

employee has towards their organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. He further stated that that organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee. Thus, employee engagement is a barometer that determines the association of a person with the organization.

Engagement is most closely associated with the existing construction of job involvement and flow. Job involvement is defined as ‘the degree to which the job situation is central to the person and his or her identity (Brown, 1996). According to Kee (2003), job involvement is a cognitive or belief state of psychological identification. Job involvement is thought to depend on both needs of saliency and the potential of a job to satisfy these needs. Thus, job involvement results from a cognitive judgment about the needs satisfying abilities of the job. 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.

Human Resource practitioners believe that the engagement challenge has a lot to do with how employee feels about the work experience and how he or she is treated in the organization. It has a lot to do with emotions which are fundamentally related to drive bottom line success in a company. There will always be people who never give their best efforts no matter how hard HR and line managers try to engage them. But, for the most part employees want to commit to companies because doing so satisfies a powerful and a basic need in connect with and contribute to something significant. The view of Melcrum in their employee engagement survey (2005) which perceives employee engagement as about

translating employee potential into employee performance and business success is the one that will be adopted for the purpose of this study.

2.1.2. Importance of employees' engagement

An organization's capacity to manage employee engagement is closely related to its ability to achieve high performance levels and superior business results (Mutunga, 2009). As stated by her some of the advantages of engaged employees include the following. Engaged employees will stay with the company, be an advocate of the company and its products and services, and contribute to bottom line business success. They will normally perform better and are more motivated. There is a significant link between employee engagement and profitability. Engaged employees form an emotional connection with the company. This impacts their attitude towards the company's clients, and thereby improves customer satisfaction and service levels. Further, engagement builds passion, commitment and alignment with the organization's strategies and goals hence increasing employees' trust in the organization. In a competitive industry such as telecommunication, firms can cultivate employee loyalty by engaging them. Through this, firms can effectively transform employees to brand ambassadors for the company.

A highly engaged employee consistently deliver beyond expectations. In the workplace research on employee engagement (Hagen & Morsheda, 1998) have repeatedly asked employees 'whether they have the opportunity to do what they do best every day?'. While one in five employees strongly agree with this statement. Those work units scoring higher on this perception have substantially higher performance. Thus, employee engagement is critical to any organization that seeks to retain valued employees. The Watson Wyatt consulting companies has proved that there is an intrinsic link between employee

engagement, customer loyalty, and profitability. As organizations globalize and become more dependent on technology in a virtual working environment, there is a greater need to connect and engage with employees to provide them with an organizational identity.

According to Hewitt (2005), enhancing employee engagement creates a “win-win” situation. Employees are happier and more productive and this ultimately leads to a positive impact on business results. Employee engagement also acts as a catalyst towards the retention of staff. Greenberg (2004) observes that employee engagement is critical to any organization that seeks not only to retain valued employees, but also to increase its levels of performance. The more highly engaged your employees are, the more likely you are to have a strongly customer-focused organization. Finally, and perhaps least surprisingly, Perrin (2003) found strong linkages between what the customer focused employees expressed about their organization and revenue growth. There is also an inverse relationship between customer focus and the cost of goods sold.

2.1.3. Determinants of employee engagement

2.1.3.1. Job characteristics

Psychological meaningfulness involves a sense of return on investments of the self- in- role performances (Kahn, 1990). According to Kahn (1990), psychological meaningfulness can be achieved from task characteristics that provide challenging work, variety, allow the use of different skills, personal discretion, and the opportunity to make important contributions. This is based on Hackman and Oldham’s (1980) job characteristics model and in particular, the five core job characteristics (i.e. skill variety, task identity, task significance, autonomy, and feedback). In fact, job characteristics, especially feedback and autonomy, have been consistently related to burnout (Maslach, Schaufelli, & Leiter, 2001).

From a Social Exchange Theory perspective, one can argue that employees who are provided with enriched and challenging jobs will feel obliged to respond with higher levels of engagement. Job group makes a big difference to engagement levels (Robinson, Perryman, & Hayday, 2004). Hence, managers and professionals have higher levels of engagement than do their colleagues in supporting roles.

2.1.3.2. Rewards and recognition

Reward is defined as intrinsic or extrinsic compensation on completion of a project or meeting performance objectives. Intrinsic reward often includes praise, while extrinsic reward is tangible and can be in the shape of direct or indirect compensation. Former includes base pay and variable pay; and later can comprise of life insurance, medical insurance, and retirement pension (Gummadi & Devi, 2013). Rewards and Recognition is central to any discussion of employee engagement. Recognition may take the form of monetary or nonmonetary awards, or a simple acknowledgement of a job well done (Yee, 2012). Yee further stated that recognition systems encompass a number of variables that are all important for maintaining high levels of employee engagement, including communication and respect. When an organization or a supervisor rewards or recognizes an employee or team, they are communicating in a powerful way what types of activities and accomplishments the organization values. By granting this recognition, the organization is reinforcing what kind of effort and what types of behaviors it would like to see repeated by other employees. Recognition and rewards are also a method organizations use to make employees feel respected and valued.

When employees are rarely recognized for a job well done, or when recognition is given inappropriately, engagement will suffer. Whereas, once employees recognized with a greater incentives and recognitions for their performance, it is expected that employees might be satisfied in their mind and perhaps this workplace was fit to them (Saks, 2006). Employees would be willingness to react through their best level of engagement towards their organization when they received recognitions or rewards from their organization. A lack of recognitions or rewards can lead to burnout, on the other hand, proper recognitions or rewards are very important for engaged employee (Maslach, Schaufelli, & Leiter, 2001).

2.1.3.3. Organizational justice

The safety dimension identified by Kahn (1990) involves social situations that are predictable and consistent. While distributive justice pertains to one's perception of the fairness of decision outcomes, procedural justice refers to the perceived fairness of the means and processes used to determine the amount and distribution of resources. A review of organizational justice research found that justice perceptions are related to organizational outcomes such as job satisfaction, organizational commitment, organizational citizenship behaviour, withdrawal, and performance (Colquitt, Conlon, Wesson, Porter and Ng, 2001). However, previous research has not tested adequately relationships between fairness perceptions and employee engagement. The effect of justice perceptions on various outcomes might be due in part to employee engagement. In other words, when employees have high perceptions of justice in their organization, they are more likely to feel obliged to also be fair in how they perform their roles by giving more of themselves through greater levels of engagement.

2.1.3.4. Perceived organizational support

Psychological safety involves a sense of being able to show and employ the self without negative consequences (Kahn, 1990). An important aspect of safety stems from the amount of care and support employees' perceive to be provided by their organization as well as their direct supervisor. In fact, Kahn (1990) found that supportive and trusting interpersonal relationships as well as supportive management promoted psychological safety. Supportive environments allow members to experiment and to try new things and even fail without fear of the consequences (Kahn, 1990). A lack of social support has also consistently been found to be related to burnout (Maslach *et al.*, 2001). In other words, employees' who have higher perceived organizational support might become more engaged to their job and organization as part of the reciprocity norm of Social Exchange Theory ET in order to help the organization reach its objectives.

2.1.4. Theories of employee engagement

There are various theories related to employee engagement. The Personal Engagement Theory and the Social Exchange Theory (SET) are the major ones.

According to Kahn's (1990) personal engagement theoretical framework, people express themselves physically, cognitively and emotionally in the roles they occupy; people are more excited and content with their roles when they draw on themselves to perform their roles; and people vary in their levels of attachment to their roles. Furthermore, Kahn suggested that people vary their levels of personal engagement according to the meaningfulness of a situation (or perceived benefits), the perceived safety of a situation, and their availability based on resources they perceive they have. Conversely, an individual can

become disengaged and defend the self (or protect himself or herself) by withdrawing and hiding his or her true identity, ideas, and feelings.

On the other hand, according to Saks (2006) stronger theoretical rationale for explaining employee engagement can be found in Social Exchange Theory (SET). The Social Exchange Theory provides a theoretical basis of why employees determine to become more engaged or less engaged in their work. According to SET, responsibilities are created through various interactions of parties who are interdependent with each other. SET basic tenet holds that relationships gradually develop into trusting, loyal, and mutual pledges on the condition that the parties to the pledge follow rules of exchange. Therefore, one way for employees to repay their organization is through their engagement level. In other words, employees' engagement levels depend on the advantages they receive from the organization.

Showing dedication to one's work in large amounts of cognitive, emotional, and physical resources is a perceptive way for employees to show their appreciation to their organization's services. SET states that individuals having strong exchange ideology are more inclined to feel obliged to return the organizational benefits that they receive. Hence, it can be stated that the link between different predictors and engagement may be stronger for individuals possessing a strong exchange ideology. As we see, employee engagement consist a psychological and emotional connection between employees and their organization which could be turned into negative or positive behaviour at work. Here, organization plays the main role of engagement.

2.1.5. Measuring employee engagement

Engagement looks at how much people want to exert extra effort and will engage in the discretionary behaviors that contribute to business success. Although data is still gathered on processes and practices, the focus is on the difference these practices make to employees (Weatherly, 2003). Engagement surveys generally provide a lot more usable information to inform change. Because the surveys help identify the practices that drive engagement, they help link activities and output. The following section outlines steps involved in measuring employee engagement.

The employer must listen to his employees and remember that this is a continuous process. The information employee's supply will provide direction. This is the only way to identify their specific concerns. When leaders listen, employees respond by becoming more engaged. This results in increased productivity and employee retention. Engaged employees are much more likely to be satisfied in their positions, remain with the company, be promoted, and strive for higher levels of performance. Employee engagement needs to be measured at regular intervals in order to track its contribution to the success of the organization. But measuring the engagement (feedback through surveys) without planning how to handle the result can lead employees to disengage. It is therefore not enough to feel the pulse; the action plan is just as essential. Employee engagement satisfaction surveys determine the current level of employee engagement (Mutunga, 2009).

A well-administered satisfaction survey will let us know at what level of engagement the employees are operating. Customizable employee surveys focus on a starting point towards the efforts to optimize employee engagement. The key to successful employee satisfaction surveys is to pay close attention to the feedback from the staff. It is important

that employee engagement is not viewed as a onetime action. Employee engagement should be a continuous process of measuring, analyzing, defining and implementing (Mutunga, 2009).

2.1.6. Creating the culture of engagement

It is common knowledge that leaders shape and change culture in organizations. This they do by “walking the talk”, demonstrating what is important to them and therefore to the company. Also through rewards, modeling behavior, and measurement on a continuous basis managers can change the organizational culture and put remedial action in place where necessary (Kee, 2003). All the mentioned dimensions cumulatively become building blocks towards creating a culture of engagement because employees will identify with correct organizational behaviors which are supported by leadership and management, organizational values, vision and mission, human resource policy and so forth to catapult the company’s success through highly engaged and performing employees.

Studies by Gallup (2003) suggest that the supervision styles used by managers influence the level of employee engagement. After 30 years of research, the Gallup Institute (2003) has determined that there are five essential skills that leaders need to have if they are going to succeed in increasing employee engagement. These include building trust, mentoring, inclusion, alignment, and team development. An organization’s leadership sets the tone for the entire atmosphere of the company. Therefore, companies capable of building strong relationships between the leadership and employees will be able to create a supportive people culture, which in turn, will drive higher levels of engagement.

Robinson, Harley and Lee (2005) state that integrated corporate culture and employee engagement is key to organizational success. They argue that research has shown that the more engaged the workforce, the more innovative, productive and profitable the company. Although employee engagement surveys have become increasingly popular, such surveys fail to inform what specific actions are needed to get people more engaged. Ayers (2005) states that all of these skills are dependent on each other, i.e. one has to build trust before one can be effective at mentoring, and mentoring is crucial to be successful at inclusion and alignment. It is no secret that the organization's culture drive sits performance. Successful cultures, however, do not just spring up by themselves. In Melcrum (2005), Schein states that corporate culture is .developed by its leaders either when the organization starts up or reinvented via a change in strategy

2.1.7. Categories of employee engagement

According to the Gallup consulting organization there are different types of people. Engaged employees are people who want to know the desired expectations for their role so they can meet and exceed them. They're naturally curious about their company and their place in it. They perform at consistently high levels. They want to use their talents and strengths at work every day. They work with passion and they drive innovation and move their organization forward.

Disengaged employees tend to concentrate on tasks rather than the goals and outcomes they are expected to accomplish. They want to be told what to do just so they can do it and say they have finished. They focus on accomplishing tasks vs. achieving an outcome. Employees who are not engaged tend to feel their contributions are being

overlooked, and their potential is not being tapped. They often feel this way because they don't have productive relationships with their managers or with their coworkers.

Actively disengaged employees are the "cave dwellers." They're consistently against virtually everything. They're not just unhappy at work; they're busy acting out their unhappiness. They sow seeds of negativity at every opportunity. Every day, actively disengaged workers undermine what their engaged coworkers accomplish. As workers increasingly rely on each other to offer services, the problems and tensions that are fostered by actively disengaged workers can cause great damage to an organization's functioning (Swathi, 2013)

2.2. Empirical Literature Review

This section presents the findings of different scholars on the four major factors which are job characteristics, reward and recognition, organizational justice and perceived organizational support on employees' engagement. Thus, the sections below provides findings on the relationship between job characteristics and employee engagement; reward and recognition and employee engagement, organizational justice and employees' engagement and perceived organizational support and employees' engagement and discussed as follows.

2.2.1. Job characteristics and employee engagement

Job characteristics, especially feedback and autonomy, have been consistently related to burnout and suggest the importance of job characteristics for engagement (Maslach et al., 2001). Sake (2006) found out that employees who are provided with enriched and

challenging jobs will feel obliged to respond with higher levels of engagement. Derara (2014) and Yasmin (2011) found out that employees who assigned to better Job characteristics are more likely to reciprocate with greater levels of engagement to their organization. May et al. (2004) found that job characteristics were positively related to meaningfulness and meaningfulness mediated the relationship between job enrichment and engagement. Thus, H₁ is the following:

H1: Job Characteristics is positively related to Employee Engagement

2.2.2. Rewards and recognition and employee engagement

For quite some time, employee's thinking of reward and its equity was considered as one of the key factors influencing degree of job involvement (Gummadi & Devi, 2013). When employees are rewarded and recognized for a job well done, employees' engagement increases, whereas when organizations fail to reward and recognize good deeds, employees' engagement will suffer. Such results were found out by Yee (2012); Gummadi & Devi (2013); Derara (2014); Saks (2006) and Maslach, Schaufelli, & Leiter, (2001). In line with these studies, the relationship between reward and recognition and employees' engagement is hypothesized as

H2: reward and recognition is expected to have a significant effect Employee Engagement

2.2.3. Organizational justice and Employee Engagement

Favorable organizational policies and procedures build trust within the organization and they include organizational policies as the rules, regulations and framework defined by the top management and is not in the hand of middle or lower level employees are called organizational policies (Gupta, Ganguli, & Ponnampalani, 2015). They further stated that organizational policies and hence organizational justice is a key factor for employee

engagement for any organization. Maslach *et al.*, (2001), Saks (2006) and Derara (2014) found out that organizational justice is one of the major employee engagement antecedent that help employees to being engaged to the organization in which they concluded that a lack of fairness can aggravate burnout and while positive perceptions of fairness can improve engagement. When employees have high perceptions of justice in their organization, they are more likely to feel obliged to also be fair in how they perform their roles by giving more of themselves through greater levels of engagement. Thus, in this study;

H3: Organizational justice *will be expected to have a significant effect Employee Engagement*

2.2.4. Perceived organizational support and Employee Engagement

Different findings of various surveys confirmed the existence a positive relationship between the of perceived organizational support and employees' engagement. The findings by Kahn (1990); Maslach *et al.* (2001) and Schaufeli and Bakker (2004) revealed that the amount of care and support employees' perceive to be provided by their organization as well as their direct supervisor and the supportive and trusting interpersonal relationships makes employees more engaged. In other words, employees' who have higher perceived organizational support might become more engaged to their job and organization. Social support is also one of the conditions in the Maslach *et al.* (2001) model and a study by Schaufeli and Bakker (2004) found that a measure of job resources that includes support from colleagues predicted engagement. Thus, in this study, it hypothesized that as

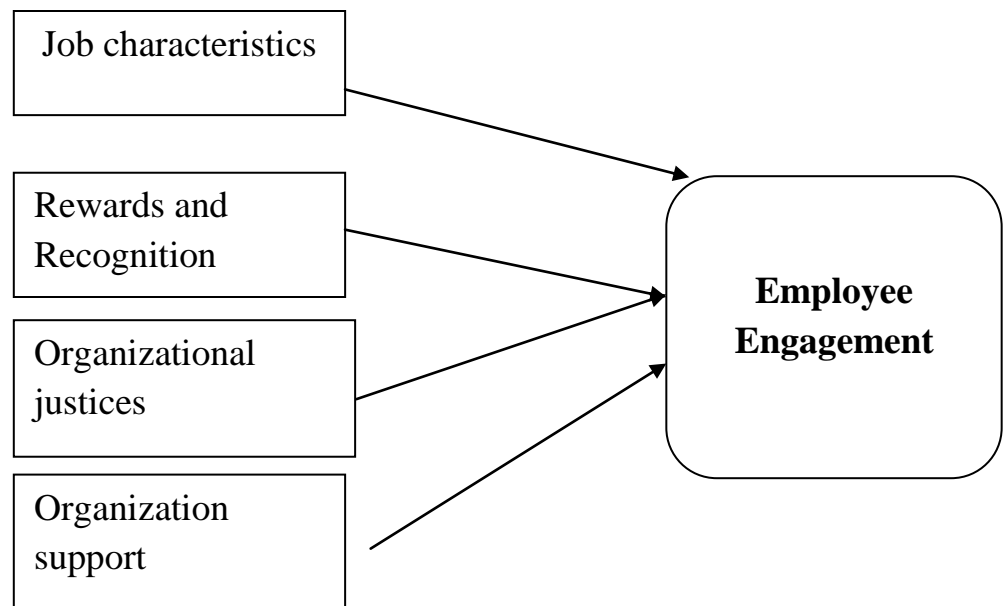
H₃: Perceived organizational support *expected to have a positive and significant effect Employee Engagement*

2.3. Conceptual Framework

The conceptual framework of this study is designed based on the review made about the determinants of Employees' engagement. Job characteristics reward and recognition, organizational justice and perceived organizational support are expected to be the major factors which will determine the engagement of the employees' in the selected banks. Thus, those employees who are positioned in a better job title will be expected to be better engaged. Similarly, employees who are provided with a better monetary reward and recognition are also expected to have a positive relationship with employees' engagement. Organizational Justice and perceived organizational support will also contribute for the engagement of the employees in their work. Thus, the framework of this study is presented as shown in the figure 1 below.

Figure 2: Conceptual Framework of the Study

Determinants of Employees' Engagement



CHAPTER THREE

METHODOLOGY

The major objective of this research is to identify the determinants of employee engagement in three selected private banks. The methodology used to achieve this objective is presented in the following sub topics.

3.1. Description of the Study Area

The study was conducted in three private bank branches located in Addis Ababa only. The respondents who participated in the study were selected from sample branches of the bank the three private banks (Abyssinia, Enat and Bunna) located in Addis Ababa City branches (located in Addis Ababa) were considered in the study due to financial and time constraint to include outlying branches of the bank.

3.2. Organizational Context

Bank of Abyssinia is one of the privately owned banks which was established in 1999. The bank is currently one of the private banks which is performing best. The bank's total asset has reached Birr 25 billion in 2017. Whereas, the bank's total deposit and profit of the bank in the same year was Birr 20.7 billion and Birr 704 million ,respectively. The data from the bank indicates that the number of branches which the bank opened in various areas of the country reached 233 as of June 2017 and the number of employees who are working in these branches were registered to be 5005.

Bunna International Bank S.C. is also one of the privately owned banks which has joined the Banking industry of Ethiopia since 2009. As to the information obtained from the

banks website, the bank has more than 12,500 shareholders that put the bank on a strong base. The bank's total asset, total deposit and its profit reached Birr 9.8 billion, 7.5 billion and 265 million, respectively as of June 2017. The Bank has more than 138 branches that are distributed throughout Ethiopia out of which more than 77 of them are found in Addis Ababa and employed 1,168 employees. The bank is working hard to achieve its vision of "becoming a public-powered, uniquely flavored and the most accessible Bank" and mission of "providing distinctly flavored banking services, at conveniently accessible locations/outlets, with unparalleled commitment to enhance values of key stakeholders and ensure public trust through diversification, state-of-the-art technology, and ethically motivated and knowledge driven human capital."

Enate bank is one of the recently established private bank in the country (in 2013). It has started its operation in 2013. Enat is the first and only bank in Ethiopia initiated by women. It was founded by successful and visionary business women and professionals committed to excellence in business and to empowering women. Almost 65% of the shareholders are women, and the majority of the Directors of the Board and employees are women. The total asset of the bank has reached around Birr 5 billion and its total deposit reached Birr 3.7 billion as June 2017. The bank has got a total profit of about Birr 129 million birr in the same year. The total number of branches and total number of employees became 40 and 780.

3.3. Research approach

There are two Research approaches, quantitative and qualitative, which can be used either independently or together where one of them is not better than the others and their use depends on how the researcher want to do a research of study (Ghauri & Kjell, 2005). So as to answer the research questions, the study will adopt a purely quantitative research approach. Quantitative method is study involving analysis of data and information that are descriptive in nature and qualified (Sekaran, 2003). A quantitative approach is one in which the investigator primarily uses postpositive claims for developing knowledge, i.e., cause and effect relationship between known variables of interest or it employs strategies of inquiry such as experiments and surveys, and collect data on predetermined instruments that yield statistics data.

Thus, this study employed mainly a quantitative approach in line with its objectives as it involves the analysis of data and information which was gathered using questionnaire which was descriptive in nature and qualified.

3.4. Research Design

Research design is the general plan of how the research questions would be answered. It is the conceptual structure within which research is conducted. It constitutes a blue print for the collection, measurement, and analysis of data (Saunders, Lewis, & Thornhill, 2007). The research design for this study was cross-sectional field survey method because data were collected at one point of time using a structured questionnaire. The relationship between the factors and engagement level was analyzed using correlation coefficients and regression analysis.

3.5. Population and sample

The target population for the study were the employees of the three private banks (Abyssinia, Enat and Bunna) under their branches found in Addis Ababa which was 259 branches (143 branches from Abyssinia with estimated number of 3070 employees, 19 branches from Enat with estimated number of 370 employees and 77 branches from Bunna (652 employees). These three banks were selected taking into consideration the time they have started operation. Bank of Abyssinia was selected from the batches opened at the time private banks were allowed to operate, Buna bank was selected among the second batches private banks and Enate bank was selected from the recently opened banks.

The sampling design of the study was more of probabilistic where multiple random sampling techniques were applied to select the respondents. In the first stage, total of 25 (14 branches from Abyssinia, 7 from Buna and 4 from Enate) were selected from the three private banks based on their number of branches found in Addis. In the second stage, sample respondents were allocated for the selected branches according to the number of employees they have. Finally, questionnaires were distributed to the employees in the selected branches by selecting employees using random sampling technique.

The sample size was determined based on formula of optimum sample size determination, Daniel (1999). The sample size was determined using the formula;

$$n = \frac{NZ^2P(1-P)}{d^2(N-1) + Z^2P(1-P)}$$

Where; n is Sample size with finite population correction.

N is total population

Z is the critical value for chosen confidence level (90% confidence level)

P is the response distribution (50%), d is the acceptable margin of error (5%)

Taking total number of employees Abyssina, Buna Bank and Enate bank branches located in Addis Ababa branches $N= 4092$ the sample size n was be found to 252. The sample employees were proportionally divided to branches of the three private bank branches selected.

3.6. Data Collection Instruments

The primary data was collected from the research participants using structured self-administered questionnaire as an instrument. The instrument for data collection in this research which was structured questionnaire had three parts. Part one of the questionnaire consists of questions about the demographic characteristics of the respondents. The main parts of the questionnaire measure the organizational about the determinants of employees' engagement. The instrument had four subsections, measuring the four determinants of employee engagement: job characteristics, rewards and recognition, organizational justice and perceived organizational support.

The dependent and independent variables were taken from Saks(2006). The independent variable job characteristics contain 8 items for example, 'there is much autonomy in my job'; and 'the job require me to do many different things at work, using a variety of my skills and talents'; were the two items included in this independent variable. The items 'a pay raise is available for me' and 'I get Praise from my supervisor' were among the 8 items of reward and recognition. Similarly, 9 items were included under the variable organizational justice among which 'I have been able to express my views and feelings during any procedural justice' and 'the Justice procedures in the organization have been applied consistently' were two of them. The last independent variable of the study was perceived organizational support which comprised of five items of which ' my organization

really cares about my well-being' was one of the items considered. Whereas, the dependent variable, employee engagement, contained 8 items of which 'I really “throw” myself into my job' and 'I am highly engaged in this organization' were two of them.

Part of the question which is the main part of it was about the factors which affect employees and engagement and a five point Likert scale (1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree). Finally, one open ended question was used to enable employees express their view freely. The questions were prepared in a simple and understandable English language as far as possible

3.7. Data Collection Process

After testing the questionnaire, the questionnaires were administered to the selected branches and head office organs by the researcher. Then, questionnaires were collected by checking whether employees filled them properly or not. As far as possible a due attention were given by the researcher to minimize non-response rate. After preparing the questionnaires, pilot test was conducted and the reliability test was also conducted using a Cronbach's Alpha. Then, based on the result of the test, questions were added or reduced and the final questionnaires were distributed for the sample respondents and collected in person.

3.8. Validity and Reliability of the Measuring Instrument

So as to ensure the quality of the research design, content and construct validity of the study were checked. The content validity was verified by my advisor by looking in to the appropriateness of questions and the scales of measurement to be used. Other methods such as peer discussions could also be applied so to check the appropriateness of questions

included in the questionnaire. Another important activity used to check the validity was the data and comments which was obtained from pilot test.

Furthermore, one of the most commonly used indicators of internal consistency was Cronbach's coefficient. This coefficient should be above 0.7. Reliability test was conducted from the pilot test and improvements were made in line with the result of the pilot test and the Cronbach's alpha coefficient of the parameters and the attributes each parameter include were presented in Table 1 below. The table indicates that the Cronbach's alpha coefficient of each parameters were above the minimum acceptable value (0.7). This could indicate the attributes included in each parameter were internally consistent and reliable.

Table 1: Cronbach's Alpha Coefficient of the parameters.

Parameters	Source of the Parameters	Cronbach's Alpha Coefficient	Number of Items
Job Characteristics	Saks(2006)pp :618	0.87	8
Rewards and Recognition	Saks(2006)pp:618	0.79	8
Organizational Justice	Saks(2006)pp:618	0.86	9
Perceived organizational support	Saks(2006)pp:618	0.76	5
Employee engagement	Saks(2006)pp:617	0.80	8
All items		0.939	

Source: Own survey(2018)

3.9. Data Analysis

The data collected were encoded and analyzed using SPSS 20 version software. Tables, percentages, graphs will be used to analyze the data. Different descriptive statistics mean and Pearson correlation of coefficient analysis and various inferential tests and regression analysis were conducted to assess the relationship of level of engagement with its

determinants. More specifically the statistical tools used were aligned with the objectives of the research. The independent samples T-test was chosen as the non-parametric statistical measure for demographic variables (Andy, 2006).

3.10. Ethical Considerations

In this study, attempts were made to respect some ethical consideration such as soliciting explicit consent from the respondents, ensuring that the respondents were aware of the objectives of the research and their contribution to its completion and treating the respondents with respect and courtesy. This was done to ensure that the respondents to be at ease and more likely to give honest responses to the questionnaire (Leary,2004).

With respect to data analysis, to ensure the integrity of data, the researcher checked the accuracy of encoding of the survey responses. Which in turn help to make the statistics generated from the study are truthful and verifiable (Leary,2004).

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSIONS

As indicated in the preceding chapters, this research study attempted to examine factors that affect employee engagement in in the selected private banks. A total of 252 (141 from Abyssinia, 71 from Buna and 40 from Enate) questionnaires were distributed to employees and all of them were completed and submitted which made the response rate 100%. This was due to the fact that all the questionnaires were collected by the researcher on the spot.

4.1. Demographic Profile of Respondents

The respondents of the three private banks were selected randomly with no prior consideration on their gender, age, education level and service year.

As indicated in table 2, 79% and 21% of the respondents were male and female which indicates the majority of the respondents in the three banks were male. This also implies most of the employees of the employees of the banks included in the study are male

The majority (60.7%) of the respondents participated in the survey were in the age group of 25-36 years. The rest 20%, 11.9% and 6.7% were in the range of 18-25, 36-40 and 41-50 years, respectively. This implies that the age of most the employees of the private banks are below 40 years of age.

Table 2: Demographic Profile of Respondents

Demographic characteristics	Category	Frequency	Percent
Gender	Male	199	79
	Female	53	21
	Total	252	100%
Age (Years)	18-25	51	20
	26-35	153	60.7
	36-40	30	11.9
	41-50	17	6.7
	51-60	1	0.04
Education Level	Diploma/TVET	17	6.7
	First Degree	178	70.6
	Second Degree and above	57	22.7
Bank	Abyssinia	141	56
	Buna	71	28.1
	Enate	40	15.9
Years of Service	Less than one year	2	0.8
	1- 5 years	116	46
	5- 10 years	95	37.7
	Above 10 years	39	15.5

Source: Own survey (2018)

The table 2 also reveals that the majority of the respondents (70.6%) were first degree holder and 22.7% and 6.7% of the respondents were second degree and diploma holders.

About 56% of the respondents were from Abyssinia and the rest 28.1% and 15.9% were taken from Buna and Enate banks, respectively.

With regard to work experience or service years, the majority (46%) of the respondents has served the Banks between 1 and 5 years and about 37.7% of the respondents served the bank between 5 and 10 years. This reveals that about 84.5% of the respondents have 10 years and less experience in the banks under investigation. Whereas, 15.5% of the respondents have more than 10 years of experience in the banks, which can be considered as relatively loyal.

4.2. Factors Determining the Level of Employees' Engagement

4.2.1. Job characteristics

Job characteristic is one of the major factors which can affect employees' engagement. In this study, it was measured by eight attributes.

Table 3: Respondents' agreement level on job characteristics attributes

Statement	Level of Agreement (%)					Overall agreement (%)
	SD	D	N	A	SA	
There is much autonomy in my job	8.3	12.7	27.8	43.3	7.9	51.2
My job permits me to decide on my way how to go about doing the work	5.6	6	20.6	35.3	32.5	67.8
My Job is a complete piece of work that has an obvious beginning and end	7.9	6.3	10.3	24.2	51.2	75.4
The job requires me to do many different things at work, using a variety of my skills and talents.	12.7	14.7	20.2	35.7	16.7	52.4
The results of my job significantly affect the lives or well-being of other people	11.5	8.3	11.5	20.6	48	68.6
My managers or co-workers job let me know about how well I am doing on my job.	10.7	14.3	22.2	39.7	13.1	52.8
Doing the job itself provides me with information about my work performance.	8.7	6.7	12.7	22.2	49.6	71.8
The actual work itself provides clues about how well I am doing – aside from any “feedback” coworkers or supervisors may provide.	5.6	6	20.6	35.3	32.5	67.8
Job characteristics Average	8.9	9.4	18.2	32	31.4	63.4

Source: Own Survey (2018)

As shown in table 3, among the attributes of job characteristics, the statements "my job is a complete piece of work that has an obvious beginning and end" (75,4%) and "doing the job itself provide me with information about my work performance" (71,8%) were the

two attributes which had higher overall agreement level. On the other hand, the overall agreement level of respondents were relatively lower about the existence of much autonomy in in their job job.(51.2%) and whether their managers or co-workers let them know about how well employees are doing their job(52.8%). The mean overall level of agreement for job characteristics attributes was 63.4% which implies that on average, 63.4% of the respondents either agreed or strongly agree on each statement.

4.2.2. Reward and recognition

A lack of rewards and recognition can lead to burnout whereas appropriate recognition and reward is important for engagement (Maslach *et al.*, 2001; Kahn, 1990). Thus, reward and recognition could play their own role in employees' engagement.

Table 4 : Respondents' agreement level on reward and recognition attributes

Statement	Level of Agreement (%)					Overall agreement (%)
	SD	D	N	A	SA	
A pay raise is available for me.	9.1	6.3	10.7	24.2	49.6	73.8
A promotion is available for me.	9.9	11.9	21	31.3	25.8	57.1
A job security is available for me.	5.2	6.3	15.1	32.5	40.9	73.4
I get Praise from my supervisor.	7.9	11.9	18.7	32.5	29	61.5
Training and development opportunities available for me.	14.3	12.7	14.7	27.8	30.6	58.4
I get respect from the people I work with	12.3	13.1	14.7	27	32.9	59.9
There is some form of public recognition.	12.7	13.5	16.3	28.6	29	57.6
There is a reward or token of appreciation.	8.3	7.9	15.9	21.8	46	67.8
Reward and recognition average	7.1	10.5	15.9	28.2	35.5	63.7

Source: Own Survey(2018)

As shown in table 4, the majority of respondents agreed on the existence of a pay raise in their bank (73.8%) and the availability of a job security for them (73.4%) in their respective banks. Respondents were asked whether a promotion is available for them, they get praise from supervisor and training and development opportunities available for them or not. With regard to these statements, 57.1%, 61.5% and 58.4 % of the respondents either agreed or strongly agreed on the statements, respectively.

Similarly, 59.9%, 57.6%, and 67.8% of the respondents confirmed that the presence of a reward or token of appreciation in their bank, the presence of some form of public recognition and they receive a respect from the people to whom they work with. Looking at the table on can understand that the availability of a pay raise in their bank was the attribute with a high agreement level (73.8%) whereas the availability of promotion was the attribute which was with a lower agreement level(57.1%). Finally, about 64% of the respondents agreed on each attributes of reward and recognition on average. Hence, the overall agreement level on the parameter reward and recognition was 64%.

4.2.3. Organizational justice

A review of organizational justice research found that justice perceptions are related to organizational outcomes such as job satisfaction, organizational commitment, organizational citizenship behaviour, withdrawal, and performance (Colquitt et al., 2001). Thus, in this study, organizational justice was among the factors which was considered as one determinant factor for employee engagement.

Table 5: Respondents' agreement level on organizational justice attributes

Statement	Level of Agreement (%)					Overall agreement (%)
	SD	D	N	A	SA	
The outcomes I receive reflect the effort I have put into my work	7.1	6	20.2	34.5	32.1	66.6
The outcomes I receive are appropriate for the work I have completed.	9.5	11.1	21.8	28.6	29	57.6
My outcomes reflect what I have contributed to the organization	7.5	8.7	19.8	32.1	28.6	60.7
I have been able to express my views and feelings during any procedural justice.	6.3	6	19.8	34.5	32.5	67
I have had influence over the outcomes arrived at by justice procedures.	9.1	9.1	18.3	31.3	32.1	63.4
The Justice procedures in the organization have been applied consistently.	10.3	15.5	21.8	35.3	17.1	52.4
Justice procedures have been free of bias.	12.3	13.9	16.3	25	31.7	56.7
I have been able to appeal the outcomes arrived at by justice procedures.	10.3	14.3	17.9	28.6	29	57.6
Those justice procedures of the organization have upheld ethical and moral Standards	12.3	11.9	18.3	31	26.6	57.6
Organizational Justice average	9.4	10.7	19.4	31.2	28.7	59.9

Source: Own Survey (2018)

As shown in table 5 above, majority (66.6%) of the respondents of the three private banks confirmed that the outcomes they receive could reflect their effort they exerted on their work. Similarly, 57.6%, 60.7% and 67% of the respondents agreed on the appropriateness of the outcome they received for the work completed, the outcome reflects their contribution to the organization and they have been able to express my views and feelings during any procedural justice, respectively. Furthermore, about 63% and 52% of the respondents agreed

on the statements " I have had influence over the outcomes arrived at by justice procedures' and 'The Justice procedures in the organization have been applied consistently', respectively. Respondents agreement level about unbiasedness of the justice procedures, whether they were able to appeal the outcomes arrived at by justice procedures and whether those justice procedures of the organization have upheld ethical and moral Standards were 56.7%, 57.6% and 57.6%, respectively. The attributes which score the lowest and highest agreement score were" The Justice procedures in the organization have been applied consistently" and " I have been able to express my views and feelings during any procedural justice. ", respectively. The table reveals that about 60% of the respondents agreed on the attributes of organizational justice, on average.

4.2.4. Perceived organizational support

The perceived supports by the organizations could have a significant effect on the employees' engagement (Saks, 2006).

Table 6: Respondents' agreement level on perceived organizational support attributes

Statement	Level of Agreement (%)					Overall agreement (%)
	SD	D	N	A	SA	
My organization is supportive of my goals and values.	7.5	7.5	17.5	27	40.5	67.5
Help is available from my organization when I have a problem.	8.3	7.5	17.5	29.4	36.9	66.3
My organization really cares about my well-being.	9.5	7.5	25.4	43.3	14.3	57.6
My organization shows great concern for me.	7.1	7.5	17.1	34.9	32.5	67.4
My organization cares about my opinions.	9.9	8.7	14.7	29.4	37.3	66.7
Perceived organizational support average	8.5	7.7	18.4	32.8	32.3	65.1

Source: Own Survey (2018)

Table 6 depicts majority of the respondents (67.5%) either agreed or strongly agreed on the supportiveness of their organization for the achievement of their goals and values. On the other hand 66.3% of the respondents believed that help is available from their bank when they face problems. Similarly, 57.6%, 67.4% and 66.7% of the respondents agreed on the statements that their organization really cares about their well-being, show great concern for them and their organization cares for their opinions, respectively. The overall average agreement level for the perceived organizational support was about 65%. Thus, the respondents had a relatively a better agreement level in this parameter as compared with the other parameters of engagement.

4.3. Employee Engagement

Engagement is about how much people want to exert extra effort and will engage in the discretionary behaviors that contribute to business success (Weatherly, 2003). In this study, attempts were made to see the engagement level of employees in the selected private banks. Eight attributes were used to measure the engagement level of employees.

Accordingly, most of the respondents (71.4%) agreed on the statement " I really "throw" myself into my job". Getting involved with things happening in the organizations create excitement most of the respondents (73.4%). Similarly, respondents feels that they are highly engaged in their organization (75%). But the lowest agreement level (33.4%) was registered for the attribute "being a member of this organization makes me come "alive." The table showed most of the respondents agreed on the other attributes.

The overall agreement level as measured by the average agreement values of all the eight attributes was 64.3%. This value indicates the existence of a relatively high agreement on engagement attributes.

Table 7: Respondents agreement level on employee engagement attributes

Statement	Level of Agreement (%)					Overall agreement(%)
	SD	D	N	A	SA	
I really “throw” myself into my job.	10.7	8.7	9.1	23.4	48	71.4
Time passes quickly when I perform my job.	9.9	11.5	15.5	31.3	31.7	63
I stay until the job is done.	15.1	8.3	9.9	29.8	36.9	66.7
I get excited when I perform well on my job.	8.7	10.7	17.9	36.9	25.8	62.7
Being a member of this organization is very captivating.	8.7	7.1	15.9	35.3	32.9	68.2
One of the most exciting things for me is getting involved with things happening in this organization.	7.1	7.1	12.3	25.4	48	73.4
Being a member of this organization make me come “alive.”	10.7	15.9	36.5	16.7	16.7	33.4
I am highly engaged in this organization.	6.7	6.3	11.9	23.4	51.6	75
Employee engagement average	9.7	9.5	16.1	27.8	36.5	64.3

Source: Own Survey(2018)

4.4. Descriptive Analysis of Factors Affecting Employees’ Engagement

The respondents’ perception about the factors affecting employees’ engagement and their items are summarized using means and standard deviations in the table below. Thus, the mean indicates to what extent the sample group on average agrees or disagrees with the different items. The higher the mean, the more the respondents agree with the items whereas the lower the mean, the more the respondents disagree with the items. The mean values each

attribute and the resulting mean values of each dimension of organizational culture were presented in table 8.

As Table 8 presents the mean score for job characteristics is 3.68 (SD=1.213) which reveals the average agreement level of the respondents on the eight items included. The three items of job characteristics which have higher agreement level were ‘My Job is a complete piece of work that has beginning and end’; ‘doing the job itself provide me with information about my work performance’; and ‘the results of my job significantly affect the well-being of other people’ with mean value of 4.04(1.26), 3.97(1.29) and 3.85(1.397), respectively.

Table 8: Descriptive analysis on the factors and their items.

Items	Mean	Std. Dev
There is much autonomy in my job	3.30	1.061
My job permit me to decide on my way how to go about doing the work	3.83	1.117
My Job is a complete piece of work that has beginning and end	4.04	1.260
Job require me to do many different things at work, using a variety of my skills and talents	3.29	1.265
The results of my job significantly affect the well-being of other people	3.85	1.397
Managers/ co-workers job let me know how well I am doing on my job.	3.30	1.186
Doing the job itself provide me with information about my work performance.	3.97	1.298
The actual work itself provides clues about how well I am doing -aside from any feedback co-workers or supervisors may provide	3.83	1.117
Mean of Job characteristics items	3.68	1.213
A pay raise is available for me	3.99	1.298
Promotion is available for me	3.51	1.267
Job security is available for me	3.98	1.132
I get praise from my supervisor	3.63	1.238
Training and development opportunities are available for me	3.48	1.407
I get respect from the people I work with	3.55	1.383
There is some form of public recognition	3.48	1.367
There is a reward or token appreciation	3.89	1.297
Mean of Reward and recognition items	3.69	1.299
The outcomes I receive reflect the effort I have put into my work	3.79	1.168

The outcomes I receive are appropriate for the work I have completed	3.56	1.275
My outcomes reflect what I have contributed to the organization	3.68	1.209
I have able to express my views and feelings during those procedures	3.87	1.309
I have had influence over the outcomes arrived by those procedures	3.68	1.263
The justice procedures have been applied consistently	3.33	1.224
Justice procedures have been free from bias	3.50	1.386
I have been able to appeal the outcomes arrived at by Justice procedures	3.52	1.319
Justice procedures of organization have ethical & moral Standards	3.48	1.328
Mean of Organizational Justice items	3.60	1.276
My organization is supportive of my goals and values	3.85	1.243
Help is available from my organization when I have a problem	3.82	1.328
My organization really cares about my well-being	3.45	1.123
My organization show as great concern for me	3.79	1.189
My organization cares about my opinions	3.75	1.307
Mean of perceived organizational support	3.73	1.238

Source: own computation (2018)

Similarly, Reward and recognition scored a mean value of 3.69(1.299) and the existence of pay raise(3.99), job security (3.98) and reward or token appreciation(3.89) were the three items of Reward and recognition with a relatively higher mean score. The mean score of Organizational Justice was 3.60(1.276) and the items of Organizational Justice with a relatively higher mean score were ' I have able to express my views and feelings during those procedures' (3.87) and 'the outcomes I receive reflect the effort I have put into my work' (3.79).

Finally, the mean score of Mean of perceived organizational support was (3.73) and the two items with a relatively higher mean score were 'my organization is supportive of my goals and values'(3.85) and 'help is available from my organization when I have a problem'(3.82).

4.5. Descriptive Analysis on Employees' Engagement Measures

Eight items were included to measure employees' engagement. Table 9 depicts that the mean score of the employees' engagement attributes was 3.72(1.279) which could indicate that the responses of the respondents tending to agree on engagement measures. The higher mean score was recorded for the item which states employees' I am highly engaged in this organization (4.07) whereas the lowest mean scored was recorded for the item which states 'being a member of this organization make me come "alive"(3.15).

Table 9: Descriptive analysis on employees' engagement attributes

Items		
I really throw myself into my job	3.89	1.371
Time passes quickly when I perform my job	3.63	1.303
I stay Until the job is done	3.65	1.430
I get excited when I perform well on my job	3.60	1.224
Being a member of this organization is very captivating	3.77	1.229
One of the most exciting things for me is getting involved with things happening in this organization	4.00	1.240
Being a member of this organization make me come "alive"	3.15	1.209
I am highly engaged in this organization	4.07	1.224
Mean of Employee engagement items	3.72	1.279

Source: Own Survey (2018)

4.6. Analysis of the Relationship between the Factors Affecting Engagement and Employees' Engagement

Pearson correlation coefficient reveals the magnitude of the association of two variables as well as the direction of relationships (whether positive or negative). It is known that correlations are the most important measure of association or relationship between two or more variables though they do not cause and effect relationship. The value of the correlation coefficient of ranges from -1.0 to $+1.0$. The association between two variables become strong as the value of the coefficient approaches to the either extremes.

Table 10: Correlation analysis

Correlations					
Factors	Job characteristic	Reward recognition	Organization Justice	Perceived Support	Engagement
Job characteristic	1				
Reward recognition	.753 ^{**}	1			
Organization Justice	.845 ^{**}	.882 ^{**}	1		
Perceived Support	.582 ^{**}	.579 ^{**}	.670 ^{**}	1	
Engagement	.637 ^{**}	.571 ^{**}	.602 ^{**}	.493 ^{**}	1

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Own Survey (2018)

Table 10 reveals the Pearson correlation coefficients of the factors and employees commitment. All the factors were positively and strongly correlated with employees' engagement. The correlation coefficient of the factors with employees' engagement ranges

from 0.493 (between perceived organizational support and employees engagement) to 0.637(between job character and employee engagement). The factors were positively and significantly related with each other.

The correlation coefficient between the factors which affect the employees engagement and employee engagement was significant and positive. This indicates the existence of the association between the factors and the employee engagement. The association was statistically significant. The strong correlation as indicated in the table reveals that there exists a strong association among the independent variables and with dependent variables.

4.7. Inferential Statistics Results

The study assessed the relationship and the effect of the factors which affect employees' engagement, the existence of significant difference in employee engagement level among various demographic profiles of the respondents. For this, inferential statistics such correlation, different tests and regression analysis were used in this study. The results of such analysis are presented below.

4.7.1. Analysis of the effects of the major factors affecting engagement on employees' engagement.

Multiple regression analysis was conducted to find out the effect of each of the factors which affect employees' engagement. As shown in table 9 below, 43% of the variation in employee engagement were determined and explained by the factors job characteristics, reward and recognition, organizational justice and perceived organizational support. The ANOVA table shows the model significantly fits and indicates the overall

acceptability of the model from a statistical perspective. Simply, the model was significant as the significance value of F statistics shows a value 0.00 and implies the variation explained by the model is not by chance. The four objectives of study were to see the effect of the four factors which are expected to affect employees engagement.

Table 11: Multiple Regression result of selected organizational cultures traits and employee commitment

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.663 ^a	.439	.430	.51814

a. Predictors: (Constant), Perceived Support, Reward recognition, Job characteristic, Organization Justice

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51.976	4	12.994	48.400	.000 ^b
	Residual	66.313	247	.268		
	Total	118.289	251			

a. Dependent Variable: Engagement

b. Predictors: (Constant), Perceived Support, Reward recognitions, Job characteristics, Orgnization_Justice

Coefficients^a

Factors	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	1.565	.168		9.300	.000		
Job characteristics	.339	.069	.437	4.902	.000	.285	3.506
Reward recognition	.145	.084	.276	2.740	.003	.222	4.508
Organization Justice	.021	.102	.026	.201	.841	.131	7.620
Perceived Support	.119	.050	.154	2.397	.017	.549	1.820

Source: Own survey (2018)

As shown in table 11, the last result indicates the effect of each independent variable on employee engagement. The standardized beta coefficient explains the average amount of change in dependent variable that is caused by a unit of change in the independent variable.

Among the factors stated as determinate factors for employee engagement, job characteristics and perceived organizational support had a statistically significant and positive effect on employees' engagement. When the agreement level of employees on job characteristics' attributes increased by 1% on average, the employees engagement on average increase by 0.437%. Similarly, as the agreement on perceived organization support increased by 1%, employee engagement on average may increase by 0.157%.

The model result also revealed that all the factors which are considered as an independent variable in this study had all positive coefficients. The increase in agreement level in job characteristics, reward and recognition and perceived organizational support attributes increase the engagement level of employees. The coefficient of job characteristics was higher than others which depicts its contribution in the prediction of employee engagement was high. This means as employees have autonomy in their job; the job permits employees to decide on the way they do the work,; as the job became a complete piece of work that has an obvious beginning and end; as the managers or co-workers job let employees know about how well they are doing on their job and the like, the engagement level of employees is expected to increase. The findings of this study about the positive effect of job characteristics which is achieved from task characteristics that provide challenging work, variety, allow the use of different skills, personal discretion, and the opportunity to make important contributions on the employees' engagement was in line with the findings of Kahn (1990).

Similarly, reward and recognition practices which the private banks are competitive and good, employees' engagement is expected to increase. According to Maslach *et al.* (2001), a lack of rewards and recognition can lead to burnout, whereas appropriate recognition and reward is important for engagement. That is why in this study, reward and recognition had a positive and statistically significant relationship with employees' engagement. The existence of competitive and good remuneration in the banks such as the availability of a pay raise, promotion, job security, praise, training and development and public recognition in the organizations contribute for the increase in employee engagement. Thus, in the study, reward and recognition had a positive and statistically significant effect on the engagement of the employees. This is due to the fact that when an employee does not feel appreciated for the work that they do, they are more likely to leave their jobs. Feeling valued is an important factor in determining how engaged an employee feels. reward strategies can be described as management's key lever in creating higher levels of engagement. Similar findings were obtained by other scholars (Hewitt,2011; Bratton and Gold, 2007 & Robinson *et al.*, 2004).

Finally, perceived organizational support was another variable which had a significant effect on employees' engagement. It refers to an employees' belief that the organization values their contribution and cares about their well-being (Rhoades and Eisenberger, 2002). The level of support and care the employee receives from the organization influences their psychological safety and enables them to employ themselves without fear of negative consequences (Kahn, 1990). Well-being is linked to Kahn's engagement model where employees feel they work in a safe environment. If an employee perceives the organization is not concerned for their well-being, engagement levels will most

likely decrease. Thus, the increase in the perceived organizational support such as the organizational support for employees' goals and values, the availability of help from organization when employees' face a problem, organization's cares about the well-being of employees, organization shows great concern for employees' and the existence of care about employees' opinions, are expected to increase employees' engagement. Thus, the more employees perceive organizational support, the employees will be committed. This finding was in line with the findings of Lee & Peccei (2007) and Kahn (1990).

Thus, alternative hypotheses of the independent variables, job characteristics and perceived, reward and recognition and organizational support were accepted. Thus, the banks should work hard and focus on increasing the agreement level of employees which are under job characteristics, reward and recognition and perceived organizational support. The findings of the study were in line with the results obtained by other researchers who concluded that that perceived organization support and job characteristics predicted employees' engagement (Yasmin, 2011; Saks,2006).

The tolerance and the VIF in the above table indicate the absence of serious multicollinearity among the independent variables. This is due to the fact that all the tolerance values were greater than 0.1 which also made the VIF which is the inverse of the tolerance less than 10 (Pallant, 2005).

4.7.2. Hypothesis testing

The null and the alternative hypothesis about the relationship between the listed factors and employees' engagement is presented in table 12.

Table 12: Summary of overall outcome of the research hypothesis

Hypothesis	Result
Ho: There is no significant relationship between job characteristics and employees' engagement	B = .437 p < 0.05 Ho:Rejected
H1: There is significant relationship between job characteristics and employees' engagement	H1:Accepted
Ho: There is no significant relationship between reward and recognition and employees' engagement	B = .176 p < 0.05 Ho: Accepted
H1: There is significant relationship between reward and recognition and employees' engagement	H1: Rejected
Ho: There is no significant relationship between organizational justice and employees' engagement	B = .026 p >0.05 Ho: Accepted
H1: There is significant relationship between organizational justice and employees' engagement	H1: Rejected
Ho: There is no significant relationship between perceived organizational support and employees' engagement	B = .157 p < 0.05 Ho: Rejected
H1: There is significant relationship between perceived organizational support and employees' engagement	H1:Accepted

Source: Own Survey (2018)

The table indicated that the alternative hypothesis about the relationship between the job characteristics, reward and recognition and perceived organizational support and employees' engagement were accepted at significance level less than 5% probability. The implication from the findings in this study is that if the employees feel that their jobs provided variety, freedom, identity and proper feedback the employees get more engaged; when employees are rarely rewarded and recognized for a job well done, or when recognition is given inappropriately, engagement will suffer; and when employees believe that their organization is highly concerned about them and cares about their well-being, they are likely to respond by becoming more engaged.

In general, as the job characteristics that is when employees are doing something that is challenging, clear, creative, and autonomous, they experience psychological meaningfulness and become more devoted and committed. Similarly, the increasing importance of reward and recognition in engaging employees and the need for creating such reward system which makes employees fully devoted, engaged and efficient; and employees' who have higher perceived organizational support might become more engaged to their job and organization.

4.7.3. Engagement difference among various demographic factors of respondents

The study tried to see the existence of a significance difference in the mean engagement score between male and females, education level, age category, service year and the bank they operate. . To see such existence of such a difference among the various groups, Mann-Whitney U test (for two categories) and Kruskal-Wallis test (for more than two categories) independent groups analysis were employed.

Table 13: Variation of employee engagement score across different demographic factors

Demographic	Category	Mean	Tests	Sig.
Gender	Male	3.7	Mann-Whitney U Test	0.193
	Female	3.9		
	Total	3.7		
Age	18-25	3.7	Kruskal-Wallis Test	0.08
	26-35	3.7		
	36-40	3.7		
	41-50	4.1		
	51-60	2.4		
	Total	3.7		
Education Level	Diploma	3.5	Kruskal-Wallis Test	0.138
	1st Degree	3.8		
	2nd Degree & Above	3.6		
	Total	3.7		
Bank	Abyssinia	3.8	Kruskal-Wallis Test	0.062
	Buna	3.8		
	Enate	3.5		
	Total	3.7		
Year of Service	Less than one year	4.1	Kruskal-Wallis Test	0.418
	1-5 years	3.7		
	5-10 years	3.7		
	Above 10 years	3.9		
	Total	3.7		

Source: Own Survey(2018)

As shown in the table 13, statistically significant variation was not observed among the demographic factors at a 5% significant level. Thus, there was no significant difference in mean employee commitment score in gender, age group, education level, the bank they work and service year.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1. Summary of the Findings

The summary of the findings of the study are briefly discussed as follows;

- ❖ In the study 252 respondents were participated out of which 56% were taken from Abyssinia bank and 28.1% and 15.9% were from Buna and Enate bank, respectively. From these participants, 79% were male and the remaining 21% were female. Age wise, most of the respondents (80.7%) were below 35 years. With regard to education level, the majority (70.6%) of the respondents were degree holders whereas 22.7% and 6.7% respondents were second degree and above holders and diploma holders, respectively.
- ❖ The study found out the average agreement score of the four parameters which were considered as a determinant factor for employees' commitment. In line with, the average agreement score of job characteristics was 63.4%. With regard to the reward and recognition, the average agreement score was 63.7%. The averages agreement score for organizational justice and perceived organizational support were 59.9% and 65.1%, respectively. On the other hand, the average agreement score for employees' engagement attributes was 64.3%.
- ❖ The correlation coefficient of the study indicates the presence of relatively a strong association between among the factors (independent variables) themselves and between factors and employees' engagement. The correlation coefficients confirmed that all the

four dimensions of organizational culture were all positively and significantly related with employees' engagement which ranges from 0.493 to 0.637.

- ❖ The multiple regression analysis depicts that 43% variation in the mean employee engagement score was explained by the independent variables such as job characteristics, reward and recognition, organizational justice and perceived organizational support. The value of F statistics shows a value .000 implying the model was significant. Job characteristics, reward and recognition and perceived organizational support were the independent variables which had positive and statistically relationship with employee engagement. The regression results confirmed that job characteristics the most dominating factors in affecting the employees' engagement with a higher coefficient. Reward and recognition and perceived organizational support were the other two factors which had a significant contribution/effect on the employees' engagement in that order.
- ❖ The findings from the descriptive and inferential analysis of the study shows the more employees are provided a more autonomy in their job, allowed them to decide by themselves on how to do their work, their job with a complete which had a beginning and end and provided with challenging job which requires using a variety of their skills and talents, the more employees will be engaged. In addition, the banks should confirm that the results of the job employees perform significantly affect the lives or well-being of other people and let the employees know about how well employees are doing their job so that employees will be highly motivated and increase their engagement. Therefore, the banks' managers should provide jobs which can utilize the employees'

talents and skills and try to make the job inspiring so that employees' engagement and commitment increases.

- ❖ The result of the study indicated that the various reward and recognition provided by the banks to employees could have a positive effect on employee's engagement. The availability pay rise, promotion, training and development, respect, appreciation and public recognition increases employees engagement. Thus, the presence of recognitions and rewards systems which is fair and just is mandatory as they are the key in driving engagement levels in banks.
- ❖ Similarly, the organizational support perceived by the employees could have an important effect on employees' commitment. When employees perceive the existence of organizational support in terms of achieving their goals and values, helping to solve a problem, showing great concern for employees' opinions and caring about employees' well-being, employees' engagement will be boosted. The amount of care and support employees' perceive to be provided by their organization as well as their direct supervisor can increase employees' engagement. This is because perceived organizational support creates an obligation on the part of employees to care about the organization's welfare and to help the organization reach its objectives. Employees' who have higher perceived organizational support might become more engaged to their job and organization. This is due to the fact that when employees believe that their organization is concerned about them and cares about their well-being, they are likely to respond by attempting to fulfill their obligations to the organization by becoming more engaged.

5.2. Conclusion

Thus, a due attention has to be given to improve the agreement score of the parameter organizational justice and other parameters so that employees' engagement could increase

Employee engagement is a condition where employees are committed and emotionally attached to their work and it is possible only when the employees have challenging work environment and opportunities to use their creativity and skills. For employees' of any organization to be engaged various factors which could affect the engagement level of employees. Based on the findings of the study, the following conclusions were made.

Job characteristics was found to be a dominant effect on the employee engagement in the selected banks. But the agreement level score for some of the items such as “the job requires me to do many different things at work, using a variety of my skills and talents’ and ‘my managers or co-workers job let me know about how well I am doing on my job’ scored the lowest scores. Thus, the jobs which employees perform do not allow employees to use their skills and talents as they are routine in nature which in turn reduces the employees’ engagement. Similarly, the culture of letting employees know how well they are doing their job by their managers and co-workers is low. Therefore, the banks' managers should provide jobs which can utilize the employees' talents and skills and try to make the job inspiring so that employees' engagement and commitment increases.

The result from the study indicates that the various rewards and recognitions provided by the banks to employees could have a positive effect on employees’ engagement. The availability pay rise, promotion, training and development, respect, appreciation and public recognition increases employees engagement. However, the agreement levels of employees

on the availability of promotion, training and development opportunities and public recognition were low. These could indicate the lack of proper recognitions and rewards systems which is fair and just as they are the key in driving engagement levels in banks

Although insignificant in the regression analysis, the agreement level for some organizational justice items was low. Based on the result from the agreement level of respondents, one can conclude that the justice procedures of the banks are not applied consistently, not free from bias, and lack ethical and moral Standards

Both the regression and correlation analysis confirmed that the perceived supports by the banks for employees could have a significant effect on the employees' engagement. This is because perceived organizational support creates an obligation on the employees' side and they are expected to be more committed and engaged in their job. Although the agreement level employees on the attributes (items) of perceived organizational support, considerable percentage of the employees did not agree about the various supports and cares provided by their organizations and they believe that little concern is given to them. Thus, the banks lack a proper and well-designed support system for their employees.

5.3. Recommendations

The following recommendations were drawn on the basis of the findings of the study;

- The banks should look in to the characteristics jobs they offer to employees and should try to make the job to have characteristics which enables employees to do independently (autonomy), use the skills and talents of employees and task significance so that they can play their contribution to lead to employee engagement this is because of the fact that employees who are provided with jobs that are high on

the job characteristics are more likely to reciprocate with greater job engagement. Bank managers should use job rotation so as to exploit the various skills and talents of employees.

- The banks should have a proper reward and recognition system so that the employees are motivated to work in the organization so that employees' engagement levels will be boosted. Thus, employees who should be provided with certain benefits and compensations.
- The banks should ensure that employees have all the resources they need to do their job, give appropriate training to increase their knowledge and skill, establish reward mechanisms in which good job is rewarded through various financial and non-financial incentives.
- The banks should provide with the appropriate support because employee who perceive higher organizational support are more likely to respond with greater levels of engagement in their job and in the organization;
- The banks should be caring and concerned associated with perceived organizational support creates a sense of obligation on the part of employees who respond with greater levels employee engagement. To this end, if the banks wish to improve employee engagement, they should work hard focusing on employees' perceptions of the support they receive from their respective organization.
- The banks should understand that employee engagement can lead to positive organizational outcomes such as higher levels of productivity and task performance, customer satisfaction, and reduced employee turnover. Thus, the banks and all other

organizations should monitor employee engagement and create an environment that fosters their employees' engagement.

Generally, based on the findings of this study, it can be concluded that the banks which were included in this study should focus on the attributes of job characteristics, reward and recognition and perceived organizational support which can increase the employees' engagement.

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APENDIX

ADDIS ABABA UNIVERSITY COLLEGE OF BUSINESS ANE ECONOMICS

SCHOOL OF COMMERCE

MA IN HUMAN RESOURCES MANAGEMENT

Questionnaire to be filled by Respondents

The purpose of this questionnaire is to collect data for my MA thesis entitled “Factors Affecting Employees’ Engagement: The Case of Selected Private Banks”

Dear respondents,

My name is Segenet Meshesha. I am a graduate student at Addis Ababa University, school of commerce. This questionnaire is prepared to assess the **Factors Affecting Employees’ Engagement: the Case Selected Private Banks** (Abyssinia, Buna and Nib) in their day-to-day activities to bring about better change in the future. Thus, you are kindly asked to give us your genuine response to the following questions. The information you provide will be confidential and will be used for the study purpose only. Please put “√” in the box of your choice or write your response in the blank space provided.

THANK YOU SO MUCH FOR YOUR COOPERATION

1. PERSONAL INFORMATION

1.1 sex Male Female

1.2 Age(in year)

- | | | | |
|------------|--------------------------|------------|--------------------------|
| 1. 18 - 25 | <input type="checkbox"/> | 4. 41 - 50 | <input type="checkbox"/> |
| 2. 26 - 35 | <input type="checkbox"/> | 5. 51 - 60 | <input type="checkbox"/> |
| 3. 36 - 40 | <input type="checkbox"/> | | |

1.3 Level of Education

- | | | | |
|---------------------|--------------------------|--------------------------|--------------------------|
| 1. Primary School | <input type="checkbox"/> | 4. First Degree | <input type="checkbox"/> |
| 2. Secondary School | <input type="checkbox"/> | 5. Second Degree & above | <input type="checkbox"/> |
| 3. Diploma (TVET) | <input type="checkbox"/> | | |

1.4 Place of work: Branch/District/Process _____

1.5 Occupation/ Position/Job title: _____

- | | | | |
|--------------------------------|--------------------------|-----------------------------|--------------------------|
| 1. Manager | <input type="checkbox"/> | 7. Customer Service Officer | <input type="checkbox"/> |
| 2. Customer Service Manager | <input type="checkbox"/> | 8. Officer | <input type="checkbox"/> |
| 3. Customer Relation Manager | <input type="checkbox"/> | 9. Junior officer | <input type="checkbox"/> |
| 4. S. Customer Service Officer | <input type="checkbox"/> | 10. Clerk | <input type="checkbox"/> |
| 5. Customer Relation Officer | <input type="checkbox"/> | 11. Secretary | <input type="checkbox"/> |
| 6. Principal Officer/Expert | <input type="checkbox"/> | 12. Other_____ | |

1.6 Job Grade _____

1.7 Year of Service

- | | | |
|-----------------------|---|--------------------------|
| 1. Less than one year | 3 <input type="checkbox"/> 10 years | <input type="checkbox"/> |
| 2. 1 - 5 years | 4 <input type="checkbox"/> ove 10 years | <input type="checkbox"/> |

2. Factors needed to measure the relationship among the variables of the study are presented below. Please indicate your level of agreement by putting "√" on your choice.

Compiled from Saks(2006)

No.	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Job Characteristics						
2.1.1	There is much autonomy in my job					
2.1.2	My job permit me to decide on my way how to go about doing the work					
2.1.3	My Job is a complete piece of work that has an obvious beginning and end					
2.1.4	The job require me to do many different things at work, using a variety of my skills and talents.					
2.1.5	The results of my job significantly affect the lives or well-being of other people					
2.1.6	My managers or co-workers job let me know about how well I am doing on my job.					
2.1.7	Doing the job itself provide me with information about my work performance.					
2.1.8	The actual work itself provides clues about					

	how well I am doing – aside from any “feedback” coworkers or supervisors may provide.					
	Rewards and Recognition					
2.2.1	A pay raise is available for me.					
2.2.2	A promotion is available for me.					
2.2.3	A Job security is available for me.					
2.2.4	I get Praise from my supervisor.					
2.2.5	Training and development opportunities available for me.					
2.2.6	I get respect from the people I work with					
2.2.7	There is some form of public recognition.					
2.2.8	There is a reward or token of appreciation.					
	Organizational Justice					
2.3.1	The outcomes I receive reflect the effort I have put into my work					
2.3.2	The outcomes I receive are appropriate for the work I have completed.					
2.3.3	My outcomes reflect what I have contributed to the organization					
2.3.4	I have been able to express my views and feelings during any procedural justice.					
2.3.5	I have had influence over the outcomes					

	arrived at by justice procedures.					
2.3.6	The Justice procedures in the organization have been applied consistently.					
2.3.7	Justice procedures have been free of bias.					
2.3.8	I have been able to appeal the outcomes arrived at by justice procedures.					
2.3.9	Those justice procedures of the organization have upheld ethical and moral Standards					
Perceived organizational support						
2.4.1	My organization is supportive of my goals and values.					
2.4.2	Help is available from my organization when I have a problem.					
2.4.3	My organization really cares about my well-being.					
2.4.4	My organization shows great concern for me.					
2.4.5	My organization cares about my opinions.					
Employee engagement						
2.5.1	I really “throw” myself into my job.					
2.5.2	Time passes quickly when I perform my job.					
2.5.3	I stay until the job is done.					
2.5.4	I get excited when I perform well on my job.					
2.5.5	Being a member of this organization is very					

	captivating.					
2.5.6	One of the most exciting things for me is getting involved with things happening in this organization.					
2.5.7	Being a member of this organization make me come “alive.”					
2.5.8	I am highly engaged in this organization.					

3. If you have any additional comment or suggestion

Thank you for filling the questionnaire