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Performance-Driven Climate, Overtime and Burnout in Digital Banking

A THESIS SUBMITTED TO THE DEPARTMENT OF BUSINESS ADMINISTRATION IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

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Declaration

I Dagem Yitbarek, declare that this thesis is my original work prepared under the guidance of research advisor and has not been presented for a degree in any other university. Sources and materials used for this thesis are acknowledged by citation with explicit reference.

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Approval

I, Dagem Yitbarek, declare that the thesis titled "**Performance-Driven Climate, Overtime and Burnout in Digital Banking**", is my own original work and has not been submitted for any degree in any other University. It is offered for the award of the degree of Master of Business Administration, management stream.

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This is to certify that this thesis paper titled: **"Performance-Driven Climate, Overtime and Burnout in Digital Banking."** Submitted by Dagem Yitbarek in partial fulfillment of the Requirements for the Award of a master's degree in Business Administration at Addis Ababa University has been examined and approved for meeting the University's standards.

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Abstract

Employee burnout is an increasing issue affecting the growing banking industry within sub-Saharan Africa. However, there is very little literature on how high-performance work environments contribute to burnout. Using the Job Demands-Resources framework, this research examines the pathways that connect a high-performance climate and employee burnout, and introduces power distance as a culture-based moderator. Data was collected via a cross-sectional quantitative survey with 217 full-time digital banking department employees at the Commercial Bank of Ethiopia (CBE), selected using a probabilistic simple random sampling methodology. The data was analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM).

The study findings indicate that there is a statistically significant direct relationship between a high-performance climate and employee burnout. There was a statistically significant relationship between overtime norms and employee burnout; overtime norms are a significant predictor of employee burnout which points to compliance behaviors as a key job demand. Additionally, power distance was identified as a conditional moderator of the relationship between high-performance climate and overtime, whereby employees with high levels of power distance reached a ceiling level of overtime due to organizationally sanctioned obedience. Additionally, in-role performance and work engagement did not buffer or reduce employee burnout within the context of this research study. Lastly, a post-hoc analysis revealed that power distance indirectly influenced employee burnout through overtime norms. The study provides a vital empirical diagnosis of the Ethiopian financial sector, showing that cultural hierarchy functions as a structural demand and establishing a clear boundary for western organizational framework.

Keywords: Employee burnout, performance-driven climate, overtime norms, power distance, job-demand resource model, PLS-SEM, Ethiopian banking

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LIST OF ABBREVIATIONS

CBE – Commercial Bank of Ethiopia

CBI – Copenhagen Burnout Inventory

JD-R – Job Demands-Resource

HPWS – High Performance Work Systems

PLS-SEM –Partial Least Square Structural Equation Modelling

UWES – Utrecht Work Engagement Scales

HTMT: Hetrotrait-Monotrait

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Today in a global economy, organizations are increasingly feeling the pressure to operate at maximum levels of production due to growing competition from other companies and increasing scrutiny of both the process used to create products and the effect that the products have on society. To meet these challenges, many businesses have adopted High Performing Work Systems (HPWS), which are the ways organizations create and utilize human resources in a manner that employs multiple coordinated techniques (e.g., selective recruiting; compensation tied to output; performance evaluations with quantitative and qualitative measures) to increase the productivity of their workforces (Huselid, 1995; Delery, 1998). HPWS creates an output-oriented organizational climate at the institutional level by creating an overall organizational climate where high levels of output are expected, monitored closely, and serve as the criteria by which employee contributions will be evaluated (Litwin & Stringer, 1968; Fastje et al., 2023). While HPWS creates an avenue for organizations to achieve a competitive advantage, there are multiple studies demonstrating that HPWS can also be psychologically costly to employees (Gulzar et al., 2014; Hadjri et al., 2025; Kloutsiniotis & Mihail, 2020).

The Job Demands-Resources (JD-R) model has been established as the main theoretical approach to explain these dynamics (Demerouti et al, 2001; Bakker & Demerouti, 2007). A JD-R Model suggests that all workplaces consist of 2 types of elements: job demands (that is, the characteristics of the job that require extensive effort and create psychological capital; examples would include heavy workloads and pressure from deadlines) and job resources (which are the characteristics of the job that help you achieve goals; reduce job demands; or help develop your skills; examples would include having the ability to make independent decisions and receiving supportive supervision).

The JD-R Model operates through two processes: A health impairment process in which chronic job demands exhaust your energy reserves and lead to burnout, and a motivational process in which the availability of job resources leads to work engagement and positive contributions to the organization.Importantly, both organizational and individual job resources provide a buffer against the adverse health effects of high job demands and act as a mechanism that prevents high workloads from leading to emotional exhaustion (Bakker, et al, 2004).

Overtime norms, part of a performance-driven climate, are an omnipresent condition (i.e., ambient job demand) of work. Overtime norms refer to organisations' implicit understanding of their employees working beyond their contracted hours as evidence of their commitment to their organisation and productivity (Niu & Yang, 2022; Fastje et al., 2023). Thus, overtime norms are non-acute job demands that create chronic stress, depleting energy reserves over long periods (Bakker & Demerouti, 2007). In other words, there is a causal relationship between extended hours of work and increasing trajectory of worsening burnout and various negative physical health effects, including increased likelihood of developing coronary heart disease or suffering from cardiovascular strain (Kivimäki et al., 2015; Chen et al., 2025).

The issue of burnout is the primary problem addressed in the current research project. Defined by the World Health Organization (2019) as a pattern developed due to long-lasting chronic stress in the workplace, burnout is composed of three parts: (1) high levels emotional exhaustion, (2) an increase in distance from work (or heightened cynicism), and (3) decreased perceived effectiveness in one's job in relation to their professional success. Based on the Job Demands-Resources Model (JD-R), burnout represents the termination point of the health impairment cycle. Burnout reduces the ability to perform necessary work, and poor-quality work results in an additional level of resource depletion (Demerouti et al., 2014).

According to the job demands-resources (JD-R) model of workplace stress (and thus, burnout), work engagement and in-role performance are the most important individual-level resources that serve to change the trajectory of demand to burnout. Work engagement (the positive and pleasurable psychological experience of being fully engaged, energetic, dedicated, and absorbed in work) acts as an energy-generating resource that subtracts or reduces the draining capacity of job demands on individuals and reduces the effects on burnout due to worker accountabilities related to job demands (Schaufeli, et al., 2002; Schaufeli & Bakker, 2003). In-role performance

(the degree to which employees perform their formally defined responsibilities; Williams & Anderson, 1991) also is a personal resource, as it provides task-specific self-efficacy that helps protect individuals from adversely affecting environmental influences surrounding them (Lee & Jo, 2023).

The effectiveness of protective resources depends largely on cultural boundary conditions, such as power distance, which is the extent to which less powerful members of an organization accept the unequal distribution of power (Hofstede, 2011). Research on organizations indicates that individual power distance orientation predicts how authority operates within an organization (Dorfman & Howell, 1988). Those with a high power distance orientation will absorb institutional demands and closely follow rigidly imposed supervisor expectations without exhibiting resistance (De Clercq et al., 2020). Therefore, creating a performance-based organizational climate enables organizations with high power distance to translate this to the expectation of compulsory overtime by creating an automated process that results in compliance with minimal resistance.

The principles described above are pertinent to the Commercial Bank of Ethiopia (CBE) as an illustration of how these theoretical principles manifest in real life. CBE is the largest Financial Institution in Ethiopia that is owned by the government and operates under strict, centrally mandated performance criteria, date, Digital Banking milestones, and stringent reporting to management. As the most visible area of CBE's transformation plan, the Digital Banking Department is where the organization's staff will experience extreme performance pressure while navigating rapid technological advances and holding customers accountable. This intensity is typical of the overall business environment in Ethiopia which is characterized by a high power distance (Hofstede, 2011). Indirectly, statistically significant evidence of local institutional strain is found in that over 60% of surveyed professionals from health and educational fields throughout Ethiopia had reported chronic work-related burn-out due to excessive workload, long quarters and formalized management systems (Gelaw et al., 2023; Kabito et al., 2020).

In spite of the well-known institutional risk factors described above, research how performance climate impacts on employee burnout in Ethiopia’s banking sector (through the paths of relationship) has not yet been completed. This current study addresses these separate but related research gaps by using the model proposed by Fastje et al. (2023), to assess the Digital Banking Department at the Commercial Bank of Ethiopia. Based on the JD-R theoretical framework, the

current study seeks to evaluate (a) whether overtime standards serve as indirect relationship between structural (performance) climate and employee burnout; (b) whether job engagement and in-role performance are resource buffers against structural (performance) climate/burnout; and (c) how individual power distance serves to condition the underlying institutional pathway (of structural (performance) climate/burnout).

1.2 Statement of the Problem

The paradox of HPWS is that while mechanisms to increase productivity may lead to increased output, to maintain the associated efficiency, HPWS consume other resources (human) required to sustain those HPWS. HPWS has been found to create competitive advantage (Huselid, 1995) and to create an environment with high levels of demand for employees leading to chronic stress and burnout (Kloutsiniotis & Mihail 2020) through digital transformation and high-performance metrics (Hadjri et al., 2025). Operational stress has become a common occurrence in sub-Saharan Africa, with systemic compliance for overtime (a standard practice) having become a normal operation assumption regarding after-hours work; (Pepple et al., 2024)

Within the Digital Banking Department of the Commercial Bank of Ethiopia (CBE), this crisis is very apparent. To maintain its market supremacy during the rapid pace of digital expansion, CBE has a centralized, top-down hierarchical structure that requires aggressive performance mandates. In an environment where employees experience being mandated to work overtime as a normal component of their daily operations, long-term harm (psychological and physical) to CBE's employees is likely (Kivimäki et al., 2015). There are a number of publications that document excessive hours being worked with in other sectors of the Ethiopian economy (Gelaw et al. 2023), however, to date, there has been no published research to explore how a performance driven organizational climate contributes to employee burnout in the Ethiopian financial industry.

A critical conceptual gap emerges from this lack of empirical evidence. The original Job Demands-Resources (JD-R) model (Bakker & Demerouti, 2007) and its more recent extension to performance climates by Fastje et al. (2023) have only been validated in Western contexts. Both models presuppose that all companies operate under flat organizational structures; therefore, there has not been enough research to understand how performance climates create a pathway for individual employees to engage in overtime work at bureaucratic organizations across Africa through subordination to bureaucratic pressure (Hofstede, 2011; De Clercq et al., 2020). In

addition, there are no known limits of the power these models possess regarding how they predict performance climates based on organizations having a low power distance culture. Ethiopian working and living conditions are characterized by a high level of power distance; thus, subordinates will be expected to perceive institutional expectations as being personally binding rather than being negotiable and have been shown to be conditional upon the presence of institutional expectations.

In light of the above, this information is essential to understanding the effects that lack of support for this model will have on employees' health. The evidence-based practitioner from the CBE (Commercial Bank of Ethiopia) has likely created burnout intervention programs based on Western cultural approaches, treating employee burnout as a symptom of a person's inability to cope and not as a reflection of a larger system. This study will address the gaps in both the theoretical and practical literature by expanding Fastje et al.'s (2023) model to the Digital Banking Department of the CBE. This study supplies a quantitative diagnostic map of burnout in Ethiopian Banking through a performance climate on overtime and how power distances affect both the work environment and personal work behaviors (i.e., work engagement and in-role performance). It presents an excellent empirical test of the main boundary conditions for Western organizational theories as they would apply in high power distance African contexts.

1.3 Research Questions

The following research questions have guided the study

1. Does performance-driven climate strongly predict overtime norms among employees in the digital banking department of the Commercial bank of Ethiopia?
2. Does overtime norms significantly predict burnout among employees in the digital banking department of the Commercial bank of Ethiopia?
3. Does overtime norms mediate the indirect relationship between performance-driven climate and burnout among employees in the digital banking department of the Commercial bank of Ethiopia?
4. Does in-role performance moderate the direct relationship between performance-driven climates and burnout such that the relationship is weaker when in-role performance is high among employees in the digital banking department of the Commercial bank of Ethiopia?

5. Does work engagement moderate the direct relationship between overtime norms and burnout such that the relationship is weaker when work engagement is high among employees in the digital banking department of the Commercial bank of Ethiopia?
6. Does power distance moderate the direct relationship between performance-driven climate and overtime norms such that the relationship is stronger when power distance orientation is high among employees in the digital banking department of the Commercial bank of Ethiopia?

1.4 Research Objectives

1.4.1 General Objectives

The general objective of this study is to examine the direct and indirect effects of performance-driven climate on employee burnout among digital banking employees of CBE.

1.4.2 Specific Objectives

1. To examine the direct effect of performance-driven climate on overtime norms among full time employees working in the digital banking department of the Commercial bank of Ethiopia.
2. To examine the direct effects of overtime norms on burnout among full time employees working in the digital banking department of the Commercial bank of Ethiopia.
3. To examine the indirect effects of performance-driven climate on burnout through the mediating role of overtime norms among full time employees working in the digital banking department of the Commercial bank of Ethiopia.
4. To examine whether in-role performance moderates the direct relationship between performance-driven climate and burnout such that the relationship is weaker when in-role performance is high among full time employees working in the digital banking department of the Commercial bank of Ethiopia.
5. To examine whether work engagement moderates the direct relationship between overtime norms and burnout among such that the relationship is weaker when work engagement is high among full time employees working in the digital banking department of the Commercial bank of Ethiopia
6. To examine whether power distance moderates the direct relationship between performance-driven climate and overtime such that the relationship is stronger when power distance orientation is high among full time employees working in the digital banking department of the Commercial bank of Ethiopia

1.5 Significance of the Study

This work gains relevance through four distinct pathways: conceptual frameworks, observable evidence, and real world application, alongside governance implications.

One step further, the analysis applies the JD-R model (Bakker & Demerouti, 2007) within an African environment marked by strong hierarchical norms whereas most past findings on performance-focused cultures originate in Europe and North America. Through mirroring yet broadening the structure proposed by Fastje et al. (2023), insight grows about how widely these models can travel across non-Western workplaces. Even so, placing power distance into the equation adds depth, showing how societal hierarchy intensifies stress pathways under heavy job demands thereby inviting fresh exploration in global workplace studies.

From observed evidence, this research marks the initial numerical analysis connecting work performance pressure, extended hours, and exhaustion within Ethiopia's financial institutions addressing an overlooked area in regional academic records. In parallel, findings reveal patterns and contributing elements tied to employee fatigue at the nation’s largest bank, introducing insights previously missing in scholarly reports.

For practical purposes, results will be given to HR staff, workplace psychologists, and supervisors at CBE along with similar Ethiopian financial institutions data supported understanding on adjusting performance reviews, extra work rules, and involvement initiatives to lower chances of exhaustion. Since power distance acts as a filter, local context matters when authority gaps are wide, launching participation efforts alone might fail if expectations about long hours tied to rank remain unchanged.

Should evidence guide decisions, the National Bank of Ethiopia may adjust labor norms based on insights tied to local workplace behaviors within its financial institutions. Insights drawn from research might shape occupational safety rules when aligned with how banks operate across different regions. Where practices differ, adjustments could reflect deeper understandings of employee interactions shaped by tradition and structure. As conditions evolve, so too might regulations, responding directly to observed patterns in service environments. Given these factors, institutional responses may increasingly mirror real world demands faced by workers daily.

1.6 Scope of the Study

This study covers a range defined by geography, organizational, population and methodological.

Centered on Addis Ababa, Ethiopia, the research focuses solely on the central office of the Commercial Bank of Ethiopia. This location was selected for its large staffing across numerous operational departments. Because multiple departments operate under one roof here, exposure to varied work demands becomes visible. Employees at this site face consistent pressure tied directly to output requirements. Other locations belonging to the same banking network fall outside the boundaries of this inquiry. No satellite offices within the capital nor regional outposts are included. The scope remains fixed on that single administrative hub in the heart of the city. Diversity in job roles emerges clearly only within this particular setting. Access to individuals shaped by rigorous workplace standards guided the choice. Expansion beyond this point would dilute the precision needed for observation.

Among those considered, only full-time staff within the digital banking unit at the headquarters of the Commercial Bank of Ethiopia are included. Individuals working part time fall outside this group, as do trainees and personnel assigned elsewhere. One reason for such limits lies in aligning exposure to shared workplace expectations and operational conditions. By narrowing focus this way, differences tied to local leadership methods or geographic influences grow less likely to misrepresent findings. Consistency across subjects supports clearer interpretation when examining outcomes.

Employing numbers to explain connections, this research uses a single point in time survey approach. Through statistical modeling known as PLS-SEM, relationships within a fixed framework are examined. Employee perspectives shape the core dataset, capturing views on workplace expectations, extra hours, exhaustion levels, job execution, involvement in tasks, and hierarchy acceptance. Measurements stop short of biological indicators related to fatigue, open ended narratives, or repeated observation across periods. Limited to constructs outlined in the modified theoretical map, the inquiry omits alternative causes like home work friction, environmental factors at the office, or broken trust assumptions. Further consequences extending past mental depletion, such as leaving thoughts or missed days are outside its boundary by design.

1.7 Limitation of the Study

The study acknowledges multiple limitations. Firstly the use of a cross-sectional design captures the relationships at only a single point in time limiting casual interferences and excludes the observations on how burnout levels change overtime as performance climates evolve and organizational objectives change. Secondly the use of self-reported data introduces chances of social bias, recall inaccuracy and other issues while the use of established, validated scales and anonym's data collection mitigates the limitation. Thirdly the geographic and organizational scope limits the generalizability of the results the findings from the CBE headquarters may not be representative to private and rural banks and other industries in Ethiopia. Future research should address these limitations through longitudinal design and multi-site sample.

CHAPTER TWO

2. LITERATURE REVIEW

2.1 Performance-Driven Work Climate

A set of linked human resource methods forms what is known as High-Performance Work Systems, aiming to lift company results by focusing on thorough hiring, incentive based compensation, close tracking of performance, broad worker participation, and structured training (Huselid, 1995). Due to the support provided by these elements across different functions, and their alignment with the organization's overall strategic objectives, the three elements are successful in enhancing workers' skills, motivation, and opportunity to add value to the organization (Delery, 1998). As these systems become entrenched in organizations, they create a culture that has a strong performance orientation with high expectations of achievement and little tolerance for low performance.

While the performance orientation that some organizations implement with regard to their workforce may generate positive outcomes, there is increasing evidence that the emotional toll of performance-oriented organizations can be significant. Many employees view high-performance systems as an opportunity to be exploited instead of supported, and these systems often result in high levels of stress and fatigue rather than a sense of achievement (Gulzar et al., 2014). In the healthcare sector, high demand without adequate resources results in excessive fatigue and incentivizes risky shortcuts (Waqar, Mahmood, and Ali, 2023). In the banking sector, high levels of workload and minimal volumes of resources also create significant strain, while in the digital sector, high-performance criteria with digital systems increase the workloads beyond the capacity of the human resources available to perform the work (Hadjri, Leovani, Murti, Adams, and Anggraini, 2025).

Performance-focused environments carry known risks. When pressure mounts without relief, workers often lose energy. Unrealistic goals make it worse. Without control over tasks, strain grows stronger. Research supports these patterns clearly. Ethiopia's banks show similar trends now. Competition pushes them to grow fast. New branches open one after another. Digital tools roll out across services. These moves increase job demands steadily. Energy drains as a result. Experts link such setups to exhaustion directly.

2.2 Job Demand-Resources (JD-R) Model

The Job Demands-Resources model first introduced by Demerouti, Bakker, Nachreiner, and Schaufeli in 2001 forms the core idea behind this research. Later adjustments came through Bakker and Demerouti's update in 2007, shaping how we understand it today. Every workplace, no matter the field, holds traits falling into one of two buckets: things that drain energy or things that supply support. When effort must stay high because of heavy tasks, tough interactions, mental strain, or structural pressures, these count as job demands they often bring physical or emotional exhaustion along with them. On the other side, what helps workers meet their targets, eases stress, lowers fatigue, or opens paths for skill building and self-improvement fits under job resources. These features don't just ease pressure; they also feed long term growth. What matters most is how each piece interacts within real daily routines.

Not every job trait works the same way inside a person's mind. Heavy workloads pile up stress over time, wearing down both body and thought, leaving people drained or unwell. On another note, things like support or control at work tend to spark active involvement in tasks. This energy can keep someone from becoming worn out, and increase how successfully someone can complete an objective. Resources do not only assist; they also reduce the stress level when there are very high, high demands from the job. So, with the presence of any tools, even when put under duress, will clearly be different to where they will change the experience of an individual based upon how the strain moves through that individual (Bakker & Demerouti, 2007; Bakker, Demerouti, & Sanz-Vergel, 2022).

The JD-R model can be used to fit into this research. It is designed to twist/bend without breaking, and it has been used more broadly across many parts of the world, Ethiopia (Bakker, Demerouti, & Sanz-Vergel, 2022), so contextual limits should not be an issue. In addition, there are certain linear relationships that exist within this model, overwhelming job demands (must do) lead to burnout. However, the model also takes into consideration connections that exist beyond only immediate relationships (a longer-term direction of travel), for example: working overtime as an intermediate step before progression onto burnout. This links nicely to the current study's consideration of factors with a hidden pathway linkage. Furthermore, the JD-R model includes links between the provision of support and a change in outcome of the provision of support either as an increase or decrease, thereby allowing this study to examine how attributes such as individual

performance, available energy whilst at work, or perception of hierarchy can impact upon an outcome. Built in flexibility means those parts aren't forced; they're natural extensions. On top of that, earlier work by Fastje et al. (2023) leaned on exactly this framework when shaping their own take about pressure-cooker workplaces leading to exhaustion. Pulling from the same base keeps ideas lined up, lets findings speak to each other later.

Looking at Ethiopian banks through the JD-R lens, a results focused environment acts like constant pressure to hit goals. Because of this push, working beyond regular hours becomes its own added strain almost an automatic follow up to high expectations. How well people perform their core duties, along with how involved they feel in their work, can ease some stress depending on personal resilience and support. Where power gaps between staff and leaders run deep, those pressures take stronger hold, changing reactions to workload. Layering culture into the model reveals not just causes of exhaustion but how local dynamics reshape them entirely.

2.3 Overtime Norms

Most people in some workplaces believe extra hours belong to the regular routine anything past thirty five or forty weekly hour's, even if tasks could fit inside standard shifts. This belief sticks because it spreads through unspoken cues rather than orders. Time spent at desks after hour's shows commitment and dedication, know your role, and fit in. Such patterns grow from group habits, not personal choice. What counts isn't how much someone needs to do but what feels required by the environment around them.

Working late because of workplace expectations eats into personal energy and time. As people stay longer at their jobs due to unspoken rules, the line between job and life outside blurs.

When strength fades slowly and when pressure loiters too long. Pushing hard with little reward spikes tiredness fast, studies note strain levels beyond 0.60 tie closely to burnout from overtime Li et al. (2026). Remaining at work after usual time connects clearly to heavier weariness, illness, lower health - more so when demands come from others rather than personal pick. Lingering stress tied to extended hours often cuts deeper than task load by itself Zhang (2023)

Most offices focused on outcomes slowly treat long days like routine. When targets matter more than anything, then time beyond clocking out begins to signal dedication. A study by Fastje and colleagues in 2023 found employees under intense performance systems believed strongly that

putting in extra hours was simply part of the job, based on data from many professions in Europe and North America. Not far behind, Niu & Yang (2022) noticed parallel habits emerge in Chinese workplaces: heavy demands led to extended schedules, yet individual choices swayed with perceived job stability. Though societal values differ, one thread runs through - emphasis on delivery tends to stretch working evenings unless checks exist. This project examines whether such pressure bends further where authority gaps shape daily behavior, measuring influence via cultural tolerance for hierarchy.

Based on the theoretical evidence from the JD-R model from Fastje et al. (2023), Niu & Yang (2022), and Bakker and Demerouti (2007) the following hypothesis is proposed

H1: Performance-driven climate positively predict the direct relationship on overtime norms among employees of Commercial Bank of Ethiopia working in the digital banking department.

H3: Overtime norms mediates the indirect relationship between performance-driven climate and burnout among employees of Commercial Bank of Ethiopia working in the digital banking department.

2.4 Burnout

In the World Health Organization definition of burnout (2019), ongoing stress from work leads to feelings of being overwhelmed with fatigue/loss of energy. You may begin disassociating from your role and develop negative/scathing views of the job. Furthermore, low performance on the job is usually noted as well. Experts attribute this phenomenon to the ongoing long-term pressure created by the way many organizations function rather than blaming individuals' shortcomings. Constant pressure to succeed and expectation to work overtime create conditions in which burnout will occur, and the way in which these variables come together demonstrate that a system's organization causes more of the development of burnout than individual choices. The JD-R model uses emotional exhaustion; when people experience stress for long periods, they deplete energy resources. The constant accumulation of work stress without adequate support will make workers lose their mental and physical strength over time. Workers begin to lose interest in the job and feel as if they can’t contribute as their energy declines (Bakker & Demerouti, 2007). New research by Fastje et al. (2023) used CBI items related to the emotional exhaustion of individuals to evaluate their emotional state. Their findings also identified long working hours resulting from an

organization’s emphasis on continual high-quality performance as contributing patterns of burnout at a later time. The connections that they made between prolonged exposure to work stress and burnout closely correspond to the ones made in the current analysis.

Burnout has shown to have impacts Africa and is a clear indicator of why its really matters now. Studies in Africa such as Khan (2024) has shown that in South Africa eight out of ten doctors faced burnout, one of the highest numbers. Let’s take a look at Nigeria with Nwosu’s 2020 studies showed seven out of ten physicians dealt with burnout and yet most of them felt that their ability to deal with patients was not the at the level it should be. Another study conducted on several sub-Saharan universities showed that six in ten of the teachers showed/carried signs of burnout some mild and some harsher Njonnou et.al 2025, in the Ethiopia Kabito’s et al. (2025) study at the University of Gonder showed that the majority of staff struggled with job stress and emotional drain.

Then in bigger Ethiopian medical centers, between a quarter and half of healthcare workers report feeling completely worn out, recent observations by Gelaw, Hanoch, and Adini (2023). Most Ethiopian employees work longer than eight hours each day, research shows. A study by Yesuf et al. (2022) revealed this was true for sixty five percent of surveyed workers. Meanwhile, nearly three out of four ICU staff in Addis Ababa were thinking about quitting their roles. That trend points toward deep fatigue building up across health teams. Farther west, another team Eyiah-Bediako and Gyasi (2025) looked into bank workers’ wellbeing in Ghana’s countryside. Their findings from the same year uncovered high levels of strain. Emotional drain stood out clearly among those employees. Job contentment dipped where stress climbed. Staff began missing more shifts without warning. The urge to switch careers grew stronger under pressure. Given how closely Ethiopia's banks resemble those systems, similar patterns might already be unfolding there.

Burnout often gets pinned on workers themselves, Korhonen and Komulainen (2023), even though deeper causes lie within how organizations operate Because of the habit of not seeing things we do at work that are shaping how we feel (from constant overworking and cultures of success at all costs), we don't think to look past the individual and to larger systemic issues of how we set up our workplaces. If we change our focus from placing blame on the worker to looking at broader patterns, it will allow us to explore our thoughts and beliefs about the rules that we have in our workplaces. This also shifts where research looks less on the individual and more on creating

environments that are based on speed and productivity. Systems create stress, not just scheduled hours that dictate when you work. This way of seeing will allow researchers to look back at the structure of how people do things instead of looking to the person to find out why a person has burnt out. Instead of investigating what is wrong with the person, we should ask what is normal for that person in that system. Instead of continuing to look for quick fixes, we should focus our attention on the habits that we do day in and day out. As we build up expectations, we also build up burnout. To truly understand burnout we must take a step back and look at shared experiences of workers in the workplace. This is not to say that the individual is "failing" but rather the system in which they work is pushing the individual to their limit without being stated. This study recognizes that burnout is a reflection of the organization's culture instead of an individual's character. When you see one person who is experiencing burnout, you can be sure that it is indicative of a larger aggregate pattern that the organization has created.

H2: Overtime norms predict the direct relationship on burnout among employees of Commercial Bank of Ethiopia working in the digital banking department.

2.5 In-Role Performance

Whether someone meets the tasks they were assigned will be determined by how well they have behaved in an expected manner (Van Wingerden, Bakker, & Derks, 2016). This behavior is typically defined within job descriptions; hitting targets, performing regular work, and meeting various standards. Also, voluntary activities such as assisting fellow employees outside of their job description are part of this list of expected behavior. Those who perform when the demands are high are dependent on actions taken as well as tools available for them to use (e.g., confidence, ability, and support from the organization). The JD-R framework indicates that consistent performance shows whether or not an employee has sufficient internal resources or support in their external environment to manage the workload. An employee’s performance to the limits of the prescribed job description demonstrates the reduction in obligation to perform and increases the burden an employee carries into their job when faced with increasing pressure.

When emotions weigh heavy at work, duties start slipping through fingers. Evidence links stress from emotions directly to how well people handle their jobs. Researchers found exhaustion builds when inner struggles grow too strong Bakker and Heuven 2006. Their study showed workers like nurses and police felt drained after long stretches of emotional strain. That drain brought doubt,

weariness, and then weaker results on duty. Later, others dug deeper using past numbers. Demerouti, Bakker,2014. Fatigue played a clear role in dropping efficiency across roles. The link was steady more tiredness meant less getting done. Numbers pointed to a moderate dip in output ($r = -0.22$). So heavier burnout walks hand-in-hand with slimmer chances of meeting everyday job bars.

Still, it goes both ways better performance can build up personal strengths that shield workers from burning out. Following the JD-R model, strong personal reserves soften how much job pressure affects health. When people handle core tasks well, that steady track record acts like armor against daily grind stress. Proving you can deliver keeps momentum alive in demanding settings. Evidence from Lee & Jo (2023) backs this idea: giving tailored tools boosted involvement at work, which helped maintain solid results despite heavy loads.

H4: In-Role moderates the direct relationship between performance-driven climate and burnout such that the relationship is weaker when in-role performance is high.

2.6 Work Engagement

A state of active involvement in tasks marks work engagement, described through energy, commitment, and deep focus (Schaufeli, Salanova, González-Romá, & Bakker, 2002). Energy shows up as sustained effort and strength under pressure. Commitment reveals itself via meaning felt, excitement present, motivation alive, ownership taken, and difficulty welcomed. Focus means time passes unnoticed due to full immersion in activity. According to the JD-R framework, such involvement emerges when support from roles and individuals matches what the job requires. Instead of mere absence of exhaustion, it stands on its own positioned across from depletion along a spectrum of occupational health. Where demands outweigh supplies, decline follows; where balance exists, persistence thrives.

Though demands at work often lead to strain, engagement may soften their effect. Noted in various analyses, this protective role appears consistent. Van Beek, Taris, and Schaufeli (2011) revealed those deeply involved in labour despite long schedules did not show peak exhaustion levels, hinting involvement lessens harm from overtime. Later, Brummelhuis, Bakker, and Van Woerkom (2017) observed such individuals held greater reserves compared to peers lacking similar drive; moreover, it was inner compulsion, rather than time spent, tied closely to poor well-being and

solely when enthusiasm for duties ran low. Evidence built further when Schaufeli (2021) confirmed energy toward tasks shapes how tools and support translate into results: lower depletion, stronger output. Within financial services, research by Hadjri et al.(2025) indicated these assets weaken consequences brought by tech related fatigue and excessive responsibility, reinforcing engagement's part as a balancing influence here.

In Ethiopia, how workers relate to their jobs gains meaning through social background. Where authority gaps are wide, involvement at work might do two things at once: it can act like fuel against exhaustion, yet also appear as a form of alignment with what institutions expectations. Separating these layers forms part of why this research matters within such surroundings. Earlier findings by Fastje et al. (2023) showed job dedication softened the path between results focused settings and fatigue, especially when long hours were common burnout rose more slowly if commitment ran high. Here, similar patterns emerge inside cooperative business enterprises, though expectations around rank and output shape the role of energy differently due to local norms.

H5: Work engagement moderates the direct relationship between overtime and burnout such that the relationship is weaker when work engagement is high

2.7 Power Distance

What one observes in certain cultures is how uneven distributions of influence are regarded. Where hierarchies stand firm, obedience tends to follow without public challenge. Acceptance of rank often shapes daily conduct within institutions. Authority figures receive respect by default rather than through demonstration. Expectations around duty may include unrequested responsibilities. Such norms appear deeply rooted in places like Ethiopia. Patterns across many African nations reflect similar tendencies. Unequal control over decisions meets little resistance there. This alignment with established order appears consistent over time. Hofstede (2011) labeled these settings as having elevated power distance. Social structures operate on assumed differences in status.

Within workplaces, the degree of hierarchical acceptance shapes reactions to authority pressures. According to research by De Clercq, Haq, and Azeem (2020), individuals who accept unequal power structures tend to endure disrespectful treatment without pushback their tendency to mentally absorb stress rather than resist it intensifies fatigue. Such a pattern connects clearly here

under intense output expectations, those inclined toward hierarchy compliance rarely question extended work hour demands set by leaders or embedded norms. Because dissent remains low, pressure to perform increasingly translates into longer hours worked. When elevated deference to rank exists, expected effort levels grow stronger due to passive alignment. Hence, unchallenged demands reinforce what counts as normal workload.

Still, how authority is distributed affects whether staff can speak up when workloads grow too heavy. Where hierarchies are flat, workers often expect to question unclear tasks or adjust assignments actions that slow unchecked pressure buildup. Under steep hierarchy conditions such as those found in CBE, pushing back meets resistance, leading individuals instead to accept added strain without response, draining mental reserves faster. This role of hierarchical acceptance in strengthening the link between output focus and long hours reveals a pattern shaped by local customs, one unexamined so far within Africa's financial sectors.

Power distance is measured here using an individual scale version drawn from Dorfman and Howell (1988), later confirmed through various intercultural analyses. Rather than relying on country wide indicators like Hofstede's, this tool reflects personal acceptance of authority structures by each worker. Variation among respondents becomes visible, supporting finer analysis inside groups. Such granule improves detection of conditional patterns in workplace research, as noted by Hofstede (2011) along with De Clercq and team (2020).

Introducing power distance as a moderating factor marks the core theoretical addition of this work compared to Fastje et al. (2023). What makes this shift notable is how it grounds performance-focused environments in cultural context, especially within Ethiopia and similar high power distance workplaces. One result becomes clear such climates can intensify under hierarchical structures. Further implications emerge when considering research across cultures on burnout triggers. Placing power distance inside the JD-R structure adds depth to the model itself. Also affected is existing scholarship linking HPWS and burnout, now extended by a cultural aspect previously overlooked.

H6: Power distance orientation moderates the direct relationship between performance-driven climate and overtime such that the relationship is stronger when employees have high power distance orientation.

2.8 Evidence from Banking Sector

Evidence increasingly links banking jobs to heightened risk of exhaustion. Not far behind, findings by Vinod and Ambatipudi (2024) reveal widespread strain within South Indian banks among 282 staff surveyed, most reported signs of depletion. Work intensity, extended shifts, along with demands from clients, emerged as central triggers. In different settings such as Iran a study by Sheykhi, Razavan, and Allahyari (2023) witnessed related patterns across the financial sector in Iran's Work force stress levels were congruent with symptoms where increased tension equated to higher fatigued symptom indicators. Conversely, where pressure was trivial almost no fatigue symptom indicators existed further implying an evolving relationship between workload and mental fatigue levels. Because of the regularity in this, it implies a common cause rather than isolated examples

Hadjri et al. (2025) examined the relationship between digital exhaustion, interference with home life, and unclear boundaries as indicators of increased burnout levels. Their findings support the early premise that demand-resource interactions affect the performance of banking institutions. Conversely, a year earlier, Pepple, Oben-Etchi, Ene-ita, and Eventus (2024) provided evidence demonstrating that banking sector workers in Nigeria continue to experience demands for high levels of output while also being subject to unspoken expectations regarding working beyond their normal business hours. It seems that there is a strong institutional commitment to engaging in after-hours work practice in many African banking institutions.

Despite being a large organization, CBE operates under a very structured system of output expectations. There is no option to experience growth through voluntary lending, but rather by adhering to mandated lending quotas. The way operations function indicates a system-wide focus on measurable outcomes. CBE is headquarters is located in Addis Ababa, where all directions are issued down through the ranks of employees without divergence. High levels of pressure are found in this location primarily because of the centrally-initiated monitoring and standardized benchmarks, which create uniform accountability to CBE's central office. Digital growth within this business has come as an imposed milestone, not as an option for growth. This hierarchical system amplifies the scrutiny of employees, as upward accountability is found solely at the top of the organization. While aspects of this operational system are efficient, this organizational

structure creates high levels of employee fatigue. This fatigue pattern will be studied at CBE's central office because of the many characteristics that CBE share with many public-sector organizations within the region's financial system.

CBE has formed the necessary foundation for investigating the degree of work exhaustion due to the intense labor expectations, after-hour work patterns, social hierarchy, and lack of data about how working conditions in Ethiopia. The employee population at CBE, at least within the headquarters, is a viable application for using the adapted investigative tools of Fastje et al. 2023.

2.9 Conceptual Framework

The concept of moderated mediation (depicted in Figure 2.1), suggests an explanation of the relationships between six constructs (Performance-Driven Climate (PDC), Overtime Norms (OV), Burnout (BO), In-Role Performance (IRP), Work Engagement (WE), and Power Distance (PD)) outlined for the analysis in this study. It highlights three potential types of structural relationships which can exist between the constructs identified: direct path(s), indirect path (mediated), or conditional path (moderated) to the direct path(s) between the constructs.

Direct path relationships are linear (one-step) between the constructs. Hypothesis 1 (H1) proposes that there is a positive causal relationship from PDC to OV, meaning that PDC has a positive (increased) effect on how employees perceive the normative role of working overtime i.e. employees perceiving that working longer hours is expected of them due to their organizational climate.

Hypothesis 2 (H2) proposes that there is a positive causal relationship from OV to BO, meaning that sustained exposure to normative overtime roles decreases employees' human resource levels (i.e. becomes exhausted) and thus causes them to become emotionally and mentally disrupted (Bakker & Demerouti, 2007).

H3 formulates an indirect (mediated) pathway by suggesting that PDC predicts BO through PDC → OV → BO; where the path goes from Performance Climate (PDC) leading to Normative Overtime Pressure (OV) and leading to Burnout (BO). Essentially, in Stage 1, Performance Climate (PDC) creates Normative Overtime Pressure (OV) and, in Stage 2, Normative Overtime Pressure (OV) leads to Burnout (BO). This indicates that OV is a mediated variable based on the existence of the above indirect path.

Hypothesis 4 (H4) proposes a direct relationship between PDC and BO, meaning that PDC positively affects BO through the exhaustion of human resources as a result of overburdening employees and/or perceived exploitation and/or cognitive overload (independent of the amount of time spent in a normative overtime role).

The conditional pathways and respective moderators are used to indicate the circumstances under which each of the above direct and indirect paths are strengthened or weakened. Three moderator variables are introduced that represent each of the above moderator paths:

H4 identifies IRP as a moderating variable for the direct path. H4 implies that the direct path (from PDC to BO) will be moderated by IRP such that those individuals who are effective at core job functions will be protected from the direct effect of being burned out due to Performance Pressures.

H5 identifies WE as a moderating variable for the direct path from OV to BO; indicating that those individuals who are highly engaged in the workplace will be protected from the burnout effect of time reporting overtime (i.e., BO from OV) based on the second path of mediating between OV and BO.

H6 proposes the idea that power distance moderates (direct) the relationship between the performance-driven climates to overwork through the mediation from the performance-driven climate to overwork. Employees with a high power distance orientation are believed to be more prone to convert a performance-based climate to an overwork-based climate. Because power distance moderates stage 1 of the mediated path, this means the moderation is occurring at the same time as the moderation of the indirect effect of performance-driven climate to burnout due to being mediated through overwork.

H3, H5, and H6 are all part of a structure for moderated mediation because the indirect effect of performance-driven climate to burnout through overwork is both mediated (through overwork) and moderated (at stage 1 by power distance and at stage 2 by work engagement). The direct relationship from performance-driven climate to burnout is conditioned separately by individual role performance. The proposed framework as shown here is a modification from Fastje, with the change to include Power Distance as a moderator culturally appropriate given the power distance and the institutions in Ethiopia.

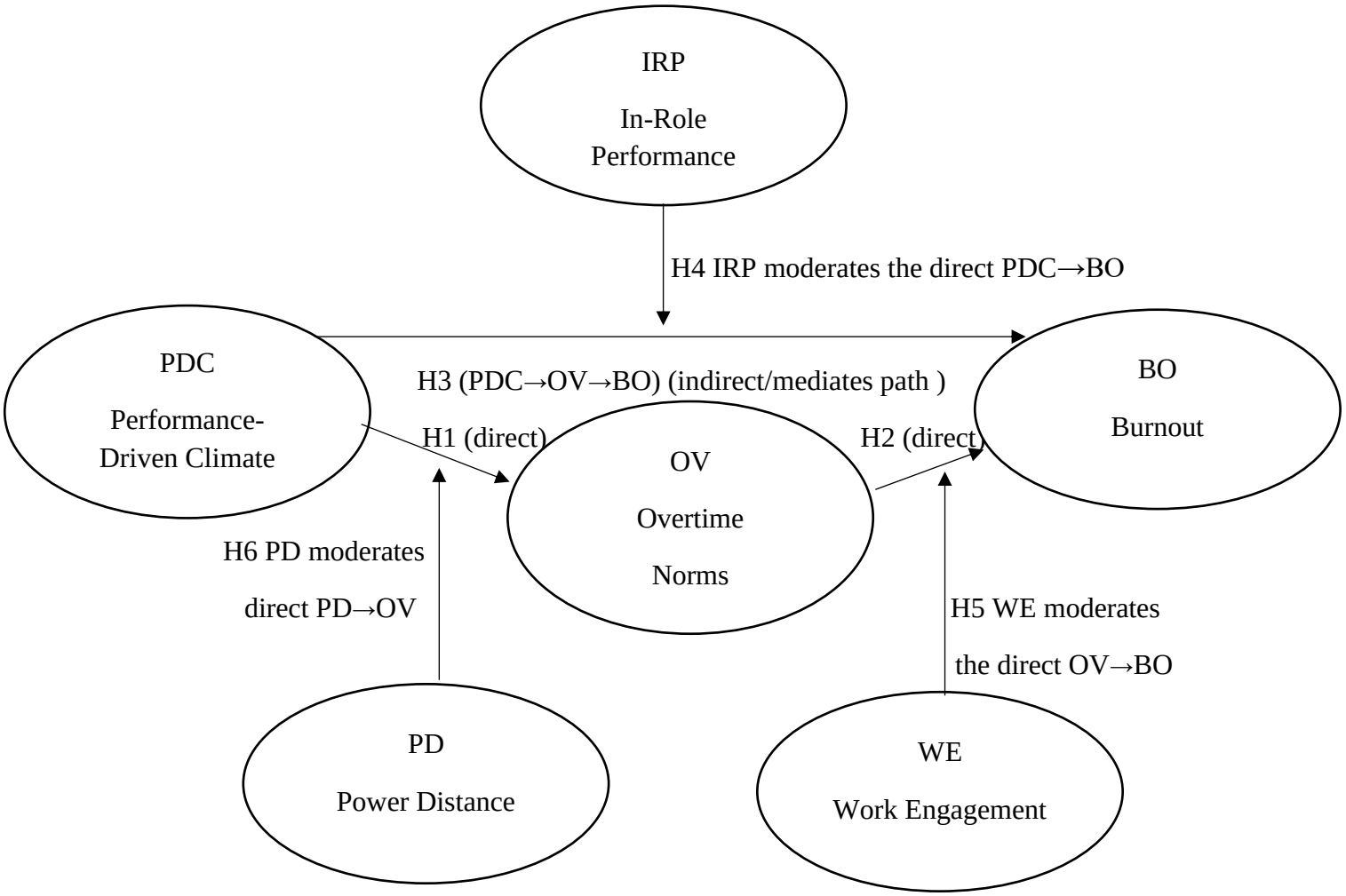


Figure 2.1: Conceptual Framework (Adapted from Fastje et al.2023)

Table 2.1 Hypothesis Summary

Hypothesis	Proposed Relationship	Direction Prediction	Theoretical Basis	Supporting Citations
H1	Performance-driven climate positively predict the direct relationship on overtime norms among employees of Commercial Bank of Ethiopia working in the digital banking department.	Positive (Direct)	JD-R Model/ Social Information Processing: How organizational climates pressure acts as a structural demand that shapes behavioral expectations	Fastje et al. (2023)
H2	Overtime norms predict the direct relationship on burnout among employees of Commercial Bank of Ethiopia working in the digital banking department.	Positive (Direct)	JD-R Model (Health-Impairment Process): Lasting exposure to extreme demands drains energy leading to strain	Demerouti et al. (2001) Fastje et al. (2023)
H3	Overtime norms predicts indirect relationship between performance-driven climate and burnout among employees of Commercial Bank of Ethiopia working in the digital banking department.	Mediating (Indirect)	JD-R Model: How organizational climate forms into psychological strain (Burnout) through behavioral norms(Overtime Norms)	Fastje et al. (2023)
H4	In-Role moderates the direct relationship between performance-driven climate and burnout such that the	Moderating (Direct)	JD-R Model: Experiences and high behavior competence serve as personal resources that buffer the	Fastje et al. (2023) Williams & Anderson (1991)

	relationship is weaker when in-role performance is high		effects of systemic stress	
H5	Work engagement moderates the direct relationship between overtime and burnout such that the relationship is weaker when work engagement is high	Moderating (Direct)	JD-R Model (Motivational): High psychological engagement functions as an energy resource that protects employees from operational overload	Fastje et al. (2023) Schaufeli & Bakker (2003)
H6	Power distance orientation moderates the direct relationship between performance-driven climate and overtime such that the relationship is stronger when employees have high power distance orientation	Moderating (Direct)	Hofstede's Cultural Dimensions: High approval of power structures intensify the corporate climate pressure into obedient behavior norms	Hofstede (1980) Fastje et al. (2023)

CHAPTER THREE

3. METHODOLOGY

3.1 Introduction

This Chapter of the study describes the methodology approach used to examine the relationships between performance-driven climate, overtime norms, and burnout among the employees of Commercial bank of Ethiopia in the headquarters. The chapter explains the research design, data collection procedure, measurement scales, target sample size, data analysis procedure, and ethical consideration. This chapter is structured to display how the adopted methods align with the study objectives and the Job Demand-Resource (JD-R) framework and ensure the study is replicable and can be critically evaluated.

3.2 Research Approach and Design

The study adopts a quantitative approach and was selected because the study tests the pre specified structural relationships between the constructs performance-driven climate, overtime norms, burnout, in-role performance, work engagement and power distance using a number of established and validated measurement scales and statistical modeling techniques. This approach lines up with the JD-R model and Fastje et al. (2023) original design guaranteeing the theoretical and methodological comparability.

An explanatory research design was selected due to the studies interest in describing the levels of burnout among CBE employees working in the digital banking department, but also explains how and why performance-driven climates lead to burnout through the direct and indirect relationships (moderators and mediators). A cross sectional survey design is appropriate for this role, it records how each variable is seen by a broad group at one moment. With that snapshot, connections among factors can be assessed without delay. Even so, tracking changes over time in Ethiopia’s banks faces real world barriers. Gathering long term information here proves difficult, given current conditions. Still, this method fits within those limits effectively.

3.3 Unit of Analysis

This study utilized a single unit of analysis, which is each employee in the Digital Banking Department of the Commercial Bank of Ethiopia . For the sampling design, the researcher employed a probabilistic simple random sampling method to identify the participants from the official HR roster so that all employees will have an equal opportunity of being a part of the research study.

3.4 Data Collection

Data was gathered through a fixed format survey, completed by participants themselves online. Chosen because it works smoothly across mobile devices and desktops, Google Forms supports private replies. Well suited to tech connected financial settings, the tool fits current operational patterns. Written fully in English the standard used for training and daily tasks within Ethiopia's banking sector each question undergoes refinement. Wording adjusts deliberately toward clarity, lowering chances of misunderstanding without weakening core meaning. Precision remains intact even as phrasing eases into simpler forms.

Four phases shaped how information is gathered. Approval comes first, sought from leaders at the CBE central office, after clearance arrives from overseeing bodies. At this stage, the completed survey link gets shared with staff through company messaging systems along with scan able codes placed in common areas instead of direct links. A brief message travels with it, outlining why the research exists, stating involvement is optional, while confirming identities remain protected throughout. When the set timeframe ends, access to the digital form shuts automatically, preventing further entries after which every submitted answer transfers securely into a workspace ready for review.

3.5 Measurement Scales

All measurement items use established and validated scales. Responses are all collected using a five point Likert scale ranging from 1(Strongly Disagree) to 5(Strongly Agree), Expect where noted. The Likert scale formatting was selected due to its wide use in organizational studies and its compatibility with PLS-SEM analysis and familiarity among bank employees with prior surveys.

3.5.1 Performance-Driven climate

Performance-driven climate was measured using five items adapted from by Litwin and Stringer (1968) “Pressure to Produce” as used by Fastje et al.(2023) including items such as “People are under pressure to meet targets” and “People are expected to do too much in a day” the scales have demonstrated good validity and reliability in performance climate studies across several organizational settings. Higher scores indicate stronger perception of performance-driven climate.

3.5.2 Overtime Norms

Overtime norms reveal the degree to which employees work beyond their regular hours that arise from organizational expectations. Following Fastje et al.(2023) the constructs is measured using a single item “To what extent does the organization make you feel like you have to work outside of normal hours?” Responses was given from five options “Not at all”, “Slightly”, “Moderately”, “Very much” and “Extremely”.

3.5.3 Burnout

Burnout was operationalized as work-related emotional exhaustion and measured using four items from the Copenhagen Burnout Inventory (CBI; Kristensen, Borritz, Villadsen, & Christensen, 2005), as implemented by Fastje et al. (2023). Representative items include "I feel emotionally exhausted at work" and "I feel burned out because of my work." The CBI has demonstrated strong cross-cultural reliability and validity, including in non-Western research contexts. Higher scores indicate greater burnout severity.

3.5.4 In-Role Performance

In-Role Performance was measured using the same 5-point Likert scale used for all the other variables using Williams & Anderson (1991) which assess how employees perform with items such as "I adequately complete assigned duties" and "I fulfill responsibilities specified in my job description" lower scores indicate high perceived in role performance.

3.5.5 Work Engagement

Work engagement was measured using the Utrecht Work Engagement Scale (UWES-9 by Schaufeli, Bakker, & Salanova, 2003), showing the three dimensions of vigor, dedication and absorption. The UWES-9 has been used in numerous studies that have touched in to multiple countries and industries and organizations and provides a valid and reliable evidence for

comparison. Items selected for this study include "At my work, I feel bursting with energy" (vigor), "I am enthusiastic about my job" (dedication), and "I get carried away when I am working" (absorption). Higher scores indicate greater work engagement.

3.5.6 Power Distance

Power distance orientation was measured using five items from Yoo et al. (2011). The items measure the degree to which employees accept hierarchical norms. Items include are "People in higher positions should make most decisions without consulting lower positions " and " People in higher positions should not ask the opinion of people in lower positions too frequently." Higher scores indicate a higher level of personal power distance orientation. These scales have demonstrated acceptable results in terms of internal consistency (>0.70 Cronbach's alpha) across multiple studies.

3.5.7 Demographic and Control Variables

Demographic information including the likes ages, gender, educational level, tenure and weekly hours. These variables were included to account for potential effects on burnout and performance outcomes consistent with prior studies in the JD-R.

3.6 Target Population, Sampling Method and Sample Size

3.6.1 Target Population

The target population consisted of full time employees working at the commercial bank of Ethiopia in the headquarters situated in the digital banking department, the total number of employees in this department is 550, and the digital banking department was selected for three separate reasons. Firstly it operates at the front of the banks strategic transformation, where performance targets, on time delivery and tech adoption goals create a strong performance-driven climate. Secondly employees of this department are required to meet demanding targets and measurable output on a daily basis making it relevant for examining the relationship between performance-driven climate, overtime and burnout. Thirdly as a clearly defined department it has a well-defined sample frame and can enable for precise and transparent sampling (Saunders, Lewis, & Thornhill, 2023).

3.6.2 Sampling Method

The study employs a simple random sampling to select respondents from a total population of 550 available employees. Simple random sampling is a probabilistic sampling technique where every

member of a well-defined population has an equal chance of being selected for the study (Saunders et al., 2023). It is widely viewed as the most unbiased of the probability sampling techniques and quiet relevant when the population is relatively small clearly defined and accessible through a complete, sampling frame as the case is for the digital banking department of CBE (Creswell & Creswell, 2023)

The sampling technique was performed as follows. Firstly a complete list of full time employees in the digital banking department was obtained then each employee was given a unique identification number from 1 to 232. A random number generator was used to randomly select 232 employees from the total population of 550, this was the process ensures the selection is clear and replicable and free from bias.

3.6.3 Sample Size

The necessary sample size needed for the study as determined by Yamane's (1967) formula for the sample size calculation from a limited population. This formula is widely accepted and cited in social science and management studies for defining the adequate number for sample size when the population is known (Israel, 1992; Memon, Ting, Cheah, Thurasamy, Chuah, & Cham, 2020)

$$\mathbf{n=N/(1+n(e^2))}$$

Where the needed sample size N is the total population size and e is the acceptable margin of error, N=550 and e=0.05(95% confidence level)

$$\mathbf{n=550/(1+550(0.05^2))}$$

$$\mathbf{=550/(1+550*0.00025)}$$

$$\mathbf{=550/(1+1.35)}$$

$$\mathbf{=550/2.375}$$

$$\mathbf{\approx 232}$$

The required number for the sample size is thereby 232 respondents. The 232 needed were draw from the digital banking department.

Beyond just population math shows why 232 cases might still work here, especially given the method used Partial Least Squares Structural Equation Modeling (PLS-SEM). The PLS-SEM

handles smaller data sets better than other analysis software's since it skips fixed assumptions about how variables spread out across populations. Instead of relying on shape heavy patterns in the data, it uses a process focused on variation, holding up better when numbers are lower. Experts suggest around 100 records for average sixed models while using PLS-SEM

3.7 Data Analysis

SmartPLS handled the data examination, leaning on Partial Least Square Structural Equation Modeling. Because this method manages intricate setups - especially those packed with mediators and moderators - it became the go-to choice. It works well when digging into causes or forecasting outcomes. Researchers in organizational behavior have tested it often, building trust over time through repeated use (Guenther et al., 2023; Kock & Hadaya, 2016).

First comes evaluation of the measurement model, focusing on how well each construct is captured by its indicators. Indicator loadings must reach at least 0.70 to qualify as meaningful. Reliability gets checked through both Cronbach's alpha and composite reliability both need values no lower than 0.70. To confirm convergent validity, Average Variance Extracted should stand at 0.50 or above. For discriminant validity, two benchmarks apply: the Fornell-Larcker criterion alongside the HTMT ratio, which stays under 0.85. Constructs failing to meet these standards are left out of further modeling. Structural testing only moves forward with those that pass.

Phase two focuses on evaluating the six proposed relationships and establishing estimates of the structural framework. The direct links of performance-driven climate affect expectations around extended work hours, which in turn affect exhaustion, are tested using resampling methods. By performing 5,000 iterations, adjusted interval estimates are produced. The connection between the initial condition of the employer's work hour standards was also be examined through the same processes as those used in understanding how performance-driven climate impact expectations around extended work hours. To understand where the influence of individual differences (e.g., prior experience performing work tasks, level of commitment to one's job responsibilities, cultural perceptions of hierarchy) may change the effects of certain types of conditional influences, the interaction components of this model was entered using partial least squares procedures. Boundary areas that indicate statistically significant relationships was determined using Johnson-Neyman statistics when results indicate dependency relationships. Each of the factors (e.g., age, gender,

education level, time spent in the current job, etc.) was accounted for in every relationship leading to indicators of fatigue.

3.8 Ethical Consideration

Ethical precautions have been integrated into the stages of the study design. Participation for the study is entirely voluntary. Respondents are free to decline or withdraw at any stage by closing the google form without any consequences. Prior to beginning the questionnaire respondents are presented with a clear and informative consent form explaining the purpose of the study, nature of participation, data usage and confidentiality.

Confidentiality and anonymity is guaranteed through the design of the google form, which does not collect any personal identification i.e. names, email address, employee id, or any other contact detail. Results were solely reported in aggregate form and all the data was stored securely by the researcher and made accessible to academic supervisor when necessary.

CHAPTER FOUR

4. DATA ANALYSIS AND RESULTS

4.1 Introduction

The chapter presents a complete analysis of the data collection from the employees of the Commercial Bank of Ethiopia (CBE) working in the digital banking department. The study conducted a Partial Least Square Structural Equation Modeling (PLS-SEM) using Smartpls 4 software (Ringle et al., 2024) to test the six hypothesis presented in chapter two. The selection of PLS-SEM was driven by its suitability for complex models that incorporate multiple mediating and moderating theories (direct and indirect relationships), its capacity for explanatory and predictive modeling and its well established and suitability for organizational behavior research(Guenther et al., 2023; Kock & Hadaya, 2016)

Out of the distributed 232 questionnaires a responses rate of 93 percent with 217 responses collected in the process from the employees of digital banking department of the headquarters of Commercial Bank of Ethiopia (CBE)

The analysis was carried out in two sequential stages and aligns with two-stage evaluation procedure suggested by Hair et al.(2022). The first stage involved meticulous assessment of the measurement models to confirm indicator reliability, convergent validity, internal consistency reliability and discriminant validity before any structural testing. The following stage inspected the structural model to assess the significance and direction of the hypothesis path direct effect, this included the mediation through overtime norms and moderation through in-role performance, work engagement and power distance as well as direct effects. All reported confidence intervals are bias-corrected and accelerated (BCa) this is the suggested when conducting bootstrap distribution of parameters estimates exhibits skewness (condition in which the present in the current data given the positively skewed distribution of Likert-scale responses (Hair et al., 2022)

Bootstrapping was also conducted using the 5000 subsamples with a two tailed testing at the 0.05 significance level, providing a standard for path significance.

4.2 Demographic Profile and Responses

A descriptive analysis of demographic variables was performed before conducting structural equation modeling analysis in order to describe the composition of the respondents in the active final sample (N = 217) and four primary demographic variables will be described (gender, age, education and weekly hours). The descriptive analysis presents a detailed frequency distribution of the sample and percentage being collected in table 4.11.

Table 4.2 General Demographic, Education, Tenure and Weekly Hours Distribution

Item		Number	Percentage
Gender	Male	127	58.5
	Female	90	41.5
Age	Under 25	34	16.7
	25 to 34	96	44.2
	35 to 44	51	23.5
	45 to 54	30	13.8
	55 to 64	6	2.8
Education Level	Bachelor's Degree	166	76.5
	Masters	51	23.5
Years in the Organization (Tenure)	Under 1 Year	28	12.9
	1 to 3	56	25.8
	4 to 7	82	37.8
	8 to 15	37	17.1
	Over 15	14	6.5
Weekly Working Hours	35 or less	13	6.0
	36 to 45	108	49.8
	46 to 55	91	41.9
	55 to 70	5	2.3

4.2.1 Preliminary Demographic screening

In order to determine whether the primary structural paths estimated in Stage Two were confounded/biased by individual-level demographic variance, preliminary statistical controls were applied. Differences in Burnout (BO) were evaluated at the gender level using Independent Samples T-Tests, while the age group, education level and work hours were evaluated with One-way ANOVA.

The review did not reveal any statistically significant difference in the levels of burnout based upon either gender or education level. As a result, both of these demographic variables were removed from the control path models in the overall SmartPLS 4 structural model canvas. This decision to omit these variables allows for the preservation of degrees of freedom and statistical power in the bootstrapping estimates being based entirely on the fundamental hypothesized structure and psychological paths.

4.3 Stage one Evaluation of the Measurement Models

In order to verify that the dimensions being measured are reliable and valid, a first step in the analysis was to see if the measurement model meets acceptable thresholds of reliability and validity. This means that each indicator must be accurate (or true) and attributable (in common).

When performing evaluations of the four criteria for Reflective Measurement Models, researchers will utilize the following evaluation techniques:

(1) Indicator reliability can be measured by taking the mean of the outer loadings;

(2) Internal consistency reliability is determined by the composite reliability (CR) coefficient;

(3) Convergent validity can be assessed by taking the average variance extracted (AVE);

(4) Discriminant validity may be determined by calculating the HTMT ratio and using the Fornell-Lacker criterion. (Hair et al., 2022)

4.3.1 Indicator Reliability and Measurement Model Cleaning

The indicator reliability was assessed using the outer loading for all the items on their individual latent constructs. The standard outer loading meets the minimum levels of 0.708, as their value squared equals 0.50, showing that the constructs explain at least 50 percent of the items variance.

Items with loading of less than 0.40 should be removed totally, but items that are between 0.40 and 0.70 can be considered for exclusion when their removal results in a significant improvement in the AVE or the composite reliability over the suggested levels (Hair et al., 2022)

Assessment of the entire questionnaire (25 items) showed that a number of the indicators revealed outer loading below the 0.70 threshold. Following this items were removed one at a time starting with the lowest and then running the PLS procedure was re done after removal of the items, this process was done repeatedly until the all the items that remained met the minimum loading.

The procedure resulted in the removal of fourteen items these were: three items from performance-Driven climate (PDC3, PDC4 and PDC5), one item from in-role performance (IRP1), five items from work engagement (WE1, WE2, WE3, WE4 and WE5), three items from power distance (PD1,PD2 and PD5) and finally two items from burnout (BO2 and BO4). Following the removal of these items work engagement and overtime norms had a single item each (WE6 and OV1) this is consistent with Wanouset et al.(1997) that a single item measurement is satisfactory when the respondent construct is sufficiently narrow and non-ambiguous, this condition holds for both overtime and work engagement. On the matter of reducing Work Engagement (WE) and Overtime. Construct to one measurement (WE6) and (OV1), it was operationally necessary due to strict psychometric cleansing protocols being adhered to by PLS-SEM methodology. Including the other weak measurements resulted in a number of significant systematic errors that dragged the Average Variance Extracted (AVE) and Composite Reliability (CR) values for the overall measurement model well below acceptable levels. According to foundational writings on PLS-SEM (Hair et al., 2022; Sarstedt et al., 2016), single item measures can be mathematically valid and computationally stable when the remaining measurement sufficiently captures the core operational definition of the construct in a given institutional context. In the instance of the digital banking implementation of CBE, cognitive absorption (WE6) and (OV1) was identified as being the sole stable high-loading indicators. The inclusion of low-loading indicators solely for the purpose of meeting the multi-item measure tradition would have substantially altered the structural path estimates and compromised the overall validity of the model and this has been mentioned in chapter 5 as a limitation.

Every measurement used here started out as one already tested in Western studies Fastje et al., 2023 yet earlier findings showed mismatches when these tools met workplaces across sub-Saharan Africa. Even though those original ideas came from cultures focused on personal goals, applying them elsewhere often missed the mark. At CBE, where paperwork and tech designs run in English, people still understood phrases about performance pressure and emotional exhaustion differently. Their minds linked such terms not to solo effort but shared duties under a state-led banking mindset. Because of that lens, early results bent toward error, weakening how strongly signals tied back to their intended factors. Not confusion over meaning caused this drift, just a gap between wording and lived experience. The numbers did not lie the words simply failed to fit. Following the strict protocols by Hair et al. (2022) indicators with results below 0.40 or those between 0.40 and 0.70 where their removal openly enhanced Composite Reliability (CR) and Average Variance Extracted (AVE) over the required threshold, were analytically removed, and keeping these items would have falsely inflated measurement errors and severely confused the structural paths undermining the validity of the empirical model.

And the number of items removed can be attributed to the difference in cross cultural measurements the measurements used were originally developed and authenticated in western organizational contexts used in Germany and the US (Fastje et al., 2023) and may not be interpreted the same to the Ethiopian banking context from the original studies public sector context. This presents a meaningful contribution to the paper.

Table 4. 3Outer Loading of the Final Measurement Model

Items	Description	Outer Loading	T-Statistic	P-value	Status
PDC1	**People are expected to do too much in a day**	**0.833**	**8.441**	**<0.001**	**Retained**
PDC2	**People are under pressure to meet targets**	**0.720**	**4.575**	**<0.001**	**Retained**
OV1	**To what extent does the organization make you feel like having to work outside of normal work hours**	**1.000**	**–**	**–**	**Single Item**
BO1	**I am often emotionally exhausted at work**	**0.704**	**6.001**	**<0.001**	**Retained**

BO3	**I feel worn out at the end of the working day**	**0.898**	**12.461**	**<0.001**	**Retained**
IRP2	**I fulfil responsibilities specified in the job description**	**0.703**	**2.576**	**0.010**	**Retained**
IRP3	**I perform tasks that are expected of me**	**0.783**	**3.007**	**0.003**	**Retained**
IRP4	**I meet the formal performance requirements of my job**	**0.784**	**2.753**	**0.006**	**Retained**
WE6	**It is difficult to detach myself from my job**	**1.000**	**_**	**_**	**Single Item**
PD3	**People in higher position should avoid social interaction with people in lower position**	**0.820**	**8.463**	**<0.001**	**Retained**
PD4	**People in lower position should not disagree with people in higher position**	**0.821**	**8.095**	**<0.001**	**Retained**

Note: All results from the outer loading are standardized. The T-statistics and p-value are based on the 5000 subsamples bootstrapping (two-tailed, $\alpha = 0.05$) and single items such as the OV and WE which outer loading fixed as 1.0 for single items

4.3.2 Internal Consistency Reliability

Internal consistency reliability was assessed using Cronbach's alpha and composite reliability. The suggested result is 0.70 for both the Cronbach's alpha and composite reliability but it is noted that composite reliability is more suitable measure in PLS-SEM, unlike Cronbach's alpha which does not account for different outer loadings of indicators rather than assume equal contribution and is even know to underestimate internal consistency reliability, when measures have small number of items (Hair et al., 2022)

As shown below on the Table the composite reliability (CR) values for the latent constructs exceeded the threshold of 0.70. Especially the values range from 0.754 to 0.805 this confirms the strong internal consistency reliability across the measurement scales.

Table 4. 4 Construct Reliability and Convergent Validity

Constructs	Items Remaining	Cronbach's alpha	ρc (CR)	AVE	Assessment
PDC	PDC1, PDC2	**0.354***	**0.754**	**0.606**	ρc &AVE pass but two items are removed
OV	OV1	**1.000**	**1.000**	**1.000**	Single item
BO	BO1,BO2	**0.484***	**0.786**	**0.651**	ρc &AVE pass but two items are removed
IRP	IRP2,IRP3,IRP4	**0.801**	**0.801**	**0.574**	ρc &AVE pass but single item are removed
WE	WE6	**1.000**	**1.000**	**1.000**	Single item
PD	PD3,PD4	**0.515***	**0.805**	**0.673**	ρc &AVE pass but two items are removed

4.3.3 Convergent Validity

The criterion for assessing convergent validities was the Average Variance Extracted (AVE). All of the multi-item constructs had an AVE greater than the threshold limit of 0.50 (Fornell and Larcker). In-Role Performance (IRP) had an AVE of 0.574 while Power Distance (PD) had an AVE of 0.673 (Table 4.4).

4.3.4 Discriminant Validity

Discriminant validity implies that every construct is distinct from other more than their definition or construct meaning; each construct embodies a unique theoretical domain defined by a single concept that isn't sufficiently fulfilled or defined by some aspect of other constructs. Fornell-Lacker criterion and HTMT ratio were used to measure this property as both were considered to be good representations of validity for constructs used statistically, with HTMT being the preferred measure for use in variance-based SEM (Henseler et al., 2015; Hair et al., 2022). The Fornell-Lacker criterion specifies that the construct's AVE must exceed the correlations with every relation in other constructs' AVEs (Fornell & Larcker, 1981**).**

Table 4 5 Fornell-Lacker

	PDC	OV	BO	IRP	WE	PD
PDC	**0.778**	0.017	0.435	0.268	0.322	0.247
OV		**1.000**	0.249	0.023	0.126	0.239
BO			**0.807**	0.200	0.204	0.170
IRP				**0.758**	-0.058	0.099
WE					**1.000**	0.301
PD						**0.821**

The table above Table 4.3 confirms that all the conditions were satisfied across all the combinations providing the evidence of discriminant validity**.**

The HTMT ratio later conducted and presented in Table 4.4; PDC (HTMT 1.007); and BO (HTMT within range) met conservative criteria (0.85 or below). The HTMT statistic can become inflated when measures include a limited number of indicators (e.g., purged PDC has two measure items, BO has two measure items), according to Hair et al. (2022). Therefore, the HTMT statistic might be sensitive to variations from sampling, therefore caution should be used when interpreting estimates as definitive indicators of construct overlap. However, that the Fornell-Larcker criterion confirms the discriminant validity of both measures confirms that the inter-construct correlation of PDC-BO (0.435) is statistically much less than the square root of the average variance extracted (AVE) for BO (0.807), as well as PDC (0.778) as such. Because PDC measures climate and performance pressures at the Organisation level and BO measures psychological and emotional exhaustion at the Individual level, providing conceptual and empirical bases for the distinction between these two constructs, it is reasonable to interpret that the overly inflated HTMT occurs due to measurement artifacts created by reduction of the total number of items included in the measurement.

Table 4.6 Hetrotrait-Monotrait (HTMT) Ratio

	PDC	OV	BO	IRP	WE	PD
PDC	_	0.138	1.007	0.593	0.552	0.579
OV		_	0.357	0.092	0.126	0.333

BO			_	0.352	0.243	0.312
IRP				_	0.143	0.201
WE					_	0.419
PD						_

As shown on table 4.4 the point estimate for Hertrotrait-Monotrait (HTMT) ratio between Performance-Driven Climate (PDC) and Burnout (BO) exceeded the conventional threshold of 0.85 and showed a result of 1.007(Henseler et al., 2015) Following the methodological recommendations of Hair et al. (2022) the bootstrapping process with 5000 subsamples was performed to conduct a 95% Bias-Corrected and Accelerated (BCa) confidence interval around, this estimate. The results interval for PDC and BO indicated a 95% confidence level of [0.957, 2.544] and a bias-corrected and accelerated (BCa) interval of [0.480, 1.518]. This study's measurement model is clearly limited due to the fact that both constructs have only two indicators because of item reductions during scale purification and thus are at risk for inflation (Hair et al., 2022). Nonetheless, the Fornell-Larcker Criterion provides very strong evidence for the discriminant validity of these two constructs, as the correlation coefficient between PDC and BO ($r = 0.435$) falls well below the square roots of their respective AVEs (0.778 and 0.807), but also because of the existing distinct theoretical boundaries between an organization-level climate variable and an individual psychological outcome.

4.4 Stage Two Evaluation of the Structural Models

The structural model was assessed using the sequential protocol set by Hair et al (2022)

The following steps were taken

1. Evaluating the presence of collinearity among predictor constructs. 2. Evaluating the path coefficient's significance and relevance. 3. Evaluating the R^2 coefficient for determination. And 4. Evaluating the f^2 effect size. The structural testing took place after assessing that the measurement model satisfied all reliability and validity criteria, following the two-phase process of structural equations modeling recommended by PLS-SEM literature (Hair et al., 2022; Fastje et al., 2023). To obtain the structural results based on the conformity of bootstrapping using 5,000 subsamples and BCa confidence intervals, 0.05 was used as the level of significance and two-tailed testing had been performed.

4.4.1 Collinearity Assessment

Before moving to path coefficients the structural model was examined for collinearity among predictor constructs using the Variance Inflation Factor (VIF) this phenomena know as collinearity occurs when two or more predictor constructs are extremely connected, this can have an effect on bias path coefficient estimates and inflate standard errors, rendering significance test unreliable The threshold for confirming no multicollinearity is that the Variance Inflation Facto (VIF) should be less than 5.0, while a preferable threshold would be less than 3.0. As can be seen in Table 4.5, the inner VIF for all predictor constructs ranged from 1.020 to 1.865, which indicates that there is no potential for multicollinearity because all calculated values are well below 5.0 and 3.0 respectively. Therefore, the lack of multicollinearity means that all of the predictors have an independent effect on the explanations of the endogenous variables, and the estimates of path coefficients are unbiased and stable.

Table 4.7 Inner Model Collinearity Statistics (VIF)

Structural Paths	VIF Value	Status
PDC → BO	1.448	Below 3.0
PDC → OV	1.126	Below 3.0
OV →BO	1.020	Below 3.0
IRP → BO	1.543	Below 3.0
IRP x PDC → BO(interaction)	1.865	Below 3.0
WE → BO	1.172	Below 3.0
WE x OV→ BO(interaction)	1.141	Below 3.0
PD → PV	1.065	Below 3.0
PD x PDC → OV(interaction	1.064	Below 3.0

4.4.2 Direct Effects and Hypothesis Testing

Table 4.8 presents results from the bootstrapping for all the direct structural paths in the model, this includes the standardized path coefficient (β), t-statistics, p-value and 95 percent BCa confidence intervals.

It is considered statistically significant if the absolute t-statistic is greater than 1.96, p-value is less than .05, and the 95% BCa Confidence Interval does not contain zero (Hair et al., 2022). Below, the resulting evidence is described for each hypothesis.

Table 4.8 Direct Path Coefficient and Hypothesis Testing Results

Hyp	Structural Path	β	t-stat	p-value	95 %BCa CI	Decisions
H1	PDC→OV	-0.088	1.041	0.298	[-0.243,0.0083]	Not supported
H2	OV→BO	**0.229**	**3.490**	**<0.001**	**[0.092,0350]**	Supported
_	PDC→BO(direct, unplanned)	**0.327**	**3.643**	**<0.001**	**[0.123.0.486]**	Supported
H4	IRP→BO	0.025	0.272	0.786	[-0.231,0.161]	Not supported
H4	IRPxPDC→BO(moderation)	-0.056	1.100	0.271	[-0.170,0.025]	Not supported
H5	WE→BO	0.046	0.502	0.616	[-0.130,0.230]	Not supported
H5	WE x OV→BO(moderation)	-0.062	0.788	0.431	[-0.207,0.099]	Not supported
H6	PD→OV	**0.246**	**3.364**	**0.001**	**[0.096,0.380]**	Supported
H6	PD xPDC→OV(moderation)	**-0135**	**2.232**	**0.026**	**[-0.244,-0.008]**	Partial

Hypothesis 1 Performance-Driven Climate (PDC) was hypothesized (H1) to have a positive association with Overtime Norms (OV), however, results did not support H1 (β = -0.088, t = 1.041, p = 0.298, 95% BCa CI [-0.243, 0.083]). Given that the confidence interval contains zero, and the t-statistic was below the critical threshold of 1.96, there is no statistical significance for this relationship within the data. In contrast to Fastje et al.'s (2022) findings of a positive statistically significant link between PDC and OV using a Western sample, this contradiction may demonstrate the contextual variances in expressions of PDC observed within Ethiopian banks. In particular, within CBE's digital banking unit, the expectation for OV may be due more to laws of hierarchy and institutional norms rather than employee perceptions of PDC, which is consistent with the previously significant relationship between PD and OV mentioned below.

Hypothesis 2 proposed that overtime norms (OV) would provide a positive contribution to predicting burnout (BO). This hypothesis was supported (β = 0.229, t = 3.490, p < 0.001, 95% BCa CI [0.092, 0.350]). Employees who perceived stronger organizational norms for working beyond their regular hours experienced significantly more burnout. This is theoretically consistent with the Job Demands and Resources model (Bakker & Demerouti, 2007; Demerouti et al., 2001), which states that constant demands on the job will progressively reduce the amount of emotional, psychological, and cognitive resources an employee has available to them and ultimately lead to

burnout. This finding replicates and extends the findings by Fastje et al. (2023) in a sub-Saharan Africa institutional setting in support of the theory that the experience of burnout due to overtime norms may cross cultures.

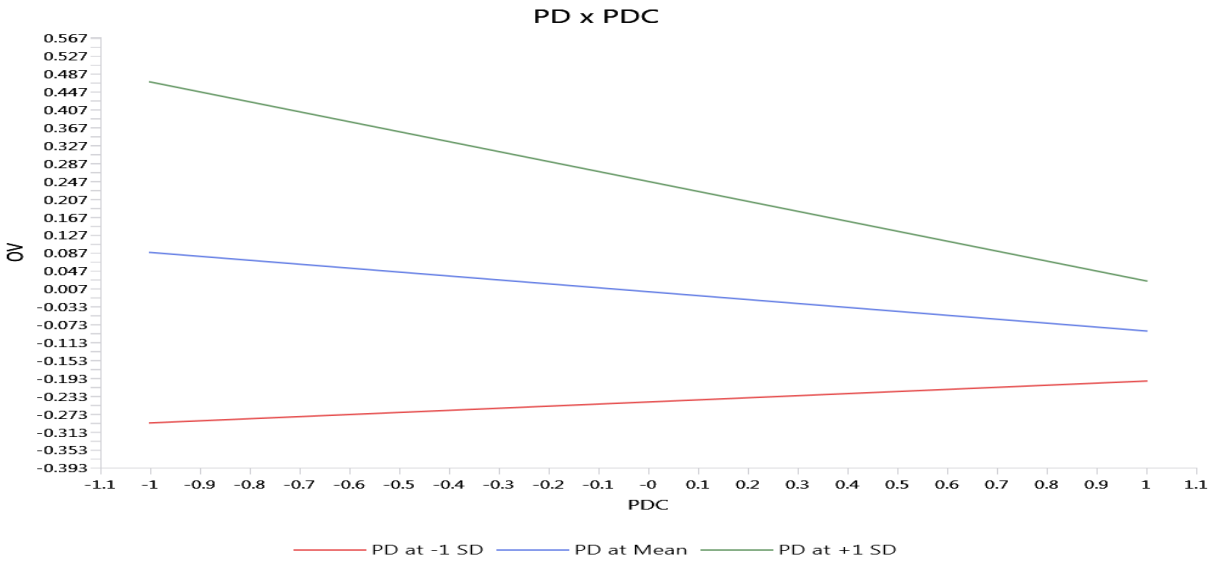
Although it was not specifically predicted there is a strong evidence of a direct and positive influence of Performance-Driven Climate on Burnout ($\beta = 0.327$, $t = 3.643$, $p < 0.001$, 95% BCa CI [0.123, 0.486]), with this effect being the strongest direct impact seen in the structural model indicating that there is a large psychological toll associated with Performance-Driven Climate on this study's sample of employees, regardless of their use of overtime. Within CBE's digital banking department, where employees are surveilled by technological means, held to performance targets, and subjected to public accountability pressures, employees' direct experiences with performance driven organizational climate may result in chronic emotional strain through such mechanisms as role overload and perceived exploitation or an 'always on' technological culture (Chelsey, 2014; Kloutsiniotis & Mihail, 2020). This chronic emotional strain may result in burnout and does not require that employees use more overtime in order for this to occur.

Hypothesis 4 anticipated that In-Role Performance (IRP) would negatively moderate the relationship between a Performance-Driven Climate (PDC) and Burnout (BO). The structural model test did not support this interaction empirically ($\beta = -0.056$, $t = 1.100$, $p = 0.271$, 95% BCa CI [-0.170, 0.025]). The corresponding effect size was small ($f^2 = 0.012$\$), as the confidence interval includes zero therefore creating statistically non-significant IRP buffering effects.

Hypothesis 5 suggests that Work Engagement (WE) is to moderate the relationship between Overtime Norms and Burnout, such that there would be a weaker OV → BO connection for highly engaged employees. However, the effects of WE on BO ($\beta = 0.046$, $t = 0.502$, $p = 0.616$) and the interaction term WE × OV → BO ($\beta = -0.062$, $t = 0.788$, $p = 0.431$) were not statistically significant, thus offering no support to H5. Once again, the interaction coefficient is in the predicted direction of the supposed moderation but nevertheless fails to reach significance. A marked limitation to the dimensional scope of work engagement was imposed when the WE construct was annotated to a single item (WE6: difficulty detaching from work) following purification, causing this not to become significant in moderation analysis Vigor, commitment and absorption (Schaufeli & Bakker, 2003), is likely the main methodological reason why the moderator variable is non-significant.

4.4.3 Moderation Analysis; Power Distance as a Moderator (H6)

Hypothesis 6 proposed that Power Distance (PD) would moderate the relationship between Performance-Driven climate (PDC) and Overtime Norms (OV) with a high power distance orientation, the PDC → OV relationship would be stronger or positive. The analysis was conducted using a Two-Stage approach to estimate the interaction term in SmartPLS as it is the best practice for determining moderation in PLS-SEM because it first estimates main effects and uses those estimates to create unbiased, single-item interaction terms in the second stage (Becker et al., 2018; Hair et al., 2022). The interaction term (PD × PDC → OV) was statistically significant (β = -0.135, t = 2.232, p = 0.026, 95% BCa CI [-0.244, -0.008]) confirming Power Distance shows the direct the PDC-OV relationship. The main effect of PD on OV was also statistically significant (β = 0.246, t = 3.364, p = 0.001), which indicated Power Distance was a separate predictor of how much time employees would spend working overtime and confirms the post-hoc indirect finding discussed in Section 4.3.4; however, an unexpected finding was the interaction term was negatively signed, although we predicted a positive amplifying effect for H6.



4. 1 Simple Slope Analysis

This is the simple slope analysis showing how the PD and PDC are interacting. The plot illustrates three slopes based on the power distance (PD) (-1 SD, mean PD, and +1 SD) with respect to the Overtime Norms (OV). The three PD slopes help explain how with respect to employees with a

high Power Distance orientation the Overtime Norms are higher when the Performance-Driven Climate (PDC) is low but decrease as PDC increases as a result of the attenuating effect of the interaction between PD and PDC, as indicated by the negative coefficient. Simple Slopes Analysis-PD x PDC Interaction on Overtime Norms According to SmartPLS 4 Simple Slopes Output (X=Performance-Driven Climate (PDC) (Standardized), Y=Overtime Norms (OV) (Standardized); PD=-1SD (Red, flat), PD=Mean (Blue, slight negative slope), PD=+1SD (green, steep negative slope from 0.487 to 0.087).]

The interpretation of this pattern of gradual loss considers that in environments with a high power distance, the norms of overtime are enforced by the hierarchical authority regardless of the performance climate within that hierarchical setting. Thus in these high power distance environments, employees are compliant with the overtime norms because of the hierarchical authority's direction to comply, rather than believing that the organisation supports overtime as a means of performance. As the PDC becomes even greater, the additional burden of the employee being required to comply with hierarchical authority and the increased pressure to perform could eventually arrive at a point where the two contradictory situations of hierarchical compliance and performance pressure cause the expression of overtime norms to actually waste, either due to the employee having reached the limit of their capacity to comply with further directions from authority or the escalating demands of performance resulting in the compression of available work hours rather than the extension of available work hours. This type of interpretation is consistent with Hofstede's (1980) conceptualisation of high power distance societies, in which the deference to authority is established as a part of the institution, and therefore, does not require the reinforcement of the performance climate in order to establish overtime behaviour. Therefore, H6 will be partially supported, as moderation is confirmed and is significant statistically but shows the reversed direction from the theoretical prediction.

4.4.4 Mediation Analysis (H3 and post-Hoc Findings)

Hypothesis 3 proposed that Overtime Norms has indirect relationship between Performance-Driven Climate and Burnout. The indirect effect of PDC on BO through OV was estimated using the bootstrapping procedure, with mediation confirmed when the 95% BCa confidence interval of the indirect effect excludes zero (Hayes, 2018; Preacher & Hayes, 2008; Hair et al., 2022).

Table 4.9 Indirect Effects and Mediator Analysis

Indirect Path	β	t-stat	p-value	95% BC CI	Mediation
PDC→OV→BO (H3)	-0.020	0.949	0.342	[-0.070,0.015]	Not supported
PD→OV→BO(post-hoc)	**0.056**	**2.356**	**0.019**	**[0.018,0.112]**	Supported
PD x PDC→OV→BO (explanatory)	-0.031	1.684	0.092	[-0.074,-0.002]	Marginal

Table 4.7 presents the specific indirect effect of PDC exerting a negative effect on BO through OV as β = -0.020, t = 0.949 and p = 0.342, with a 95% BCa CI from [-0.070, 0.015] that includes zero; H3 is therefore not supported. The absence of indirect relationship here is consistent with the non-significant direct effect of PDC on OV found in Section 4.3.2. In order for mediation to operate through an indirect specific pathway, the IV must first significantly predict the mediator (Hayes, 2018). Since PDC does not significantly predict OV in this sample, the overtime norms path does has no indirect effect of PDC on BO.

An unexpected and theoretically meaningful indirect effect was found, however: Power Distance (PD) significantly predicted Burnout indirectly via Overtime Norms (PD → OV → BO: β = 0.056, t = 2.356, p = 0.019, 95% BCa CI [0.018, 0.112]). Because there is no significant direct path from PD to BO, this analysis found evidence of complete mediation; thus, PD transmits all influence on Employee Burnout through Overtime Norms. This finding suggests that hierarchical cultural orientations increase the perceived normative pressure to work extended hours, and it is this normative pressure not the Power Distance Orientation itself that causes employee burnout. The results offer evidence that cultural values affect well-behaved outcomes "through sufficient job resource [demand] mechanisms" (Bakker & Demerouti, 2007). Additionally, these findings have important theoretical implications for the JD-R framework when applied to collectivist/hierarchical cultural contexts (Hofstede, 1980).

The third indirect relationship shown on table 4.7 PD x PDC → OV →BO resulted in β=-0.031, t=1.6884, p=0.092, 95% BCa CI[-0.074, -0.002]. This effects of the marginal result has shown, in part, that the lower end of confidence intervals does not include zero, indicating a moderation mediation (no indirect relationship) path that may be statistically significant. Since both of these results indicate a differing level of significance in the research, such findings will be presented in

a generally descriptive manner without implications for definitive conclusions about the hypotheses being tested here.

4.4.5 Explanatory Power (R^2)

In this case, R^2 represents an indication of how closely aligned the actual data is to our predicted values; the value of R^2 (which varies between 0 and 1) will help us interpret how much of the variability in the dependent variable is due to our model, i.e., how much of the variance in performance can be explained by our variables (0.75, 0.50 and 0.25 substantial to moderate to weak in that order). However, R^2 values also differ by discipline and field, and while organizational behavior researchers tend to find that their findings yield either a weak or moderate R^2 (even though humans are complex and multifactorial), there will always be other factors/circumstances affecting the measurement of R^2.

Table 4.10 Coefficient of Determination (R^2)

Construct	R^2	Adjusted R^2	95% BCa CI	Status
Burnout (BO)	**0.272**	0.251	[0.128, 0.368]	Weak-Moderator
Overtime Norms (OV)	0.089	0.076	[0.019,0.155]	Weak

The structural model explains 27.2 percent of the variances in Burnout (R^2=0.272, Adjusted R^2=0.251). This value nears the moderate limit (0.25), indicating that the independent variables (Predictor Constructs) including PDC, OV, IRP, WE and their respective interactions, account for a significant portion of the variability associated with employee burnout, but they do not account for all of the variability (72.8%). The remaining 72.8 percent of the overall variance is unexplained by the current model. The variance remaining in the model could be due to such things as; Personal psychological resilience, relationships with supervisors and fairness in the organization.

The model explains 8.9 percent of the variance in Overtime Norms (R^2=0.089, Adjusted R^2=0.076). The low values are consistent with the findings that the primarily hypothesized predictor of OV-PDC was not statistically significant, limiting the models predictive capability for the variable. The significant contribution of Power Distance (β=0.246, p=0.001)

The results show that the organization's performance climate is the largest contributing factor of explained variance in OV. In the context of CBE Digital Banking, the larger cultural orientation of the organization's hierarchy is a more significant predictor of Overtime Norms than is the Performance Climate of the Organization.

4.4.6 Effect Size (f^2)

The f^2 size computes the relative contribution of respective predictor constructs to the R^2 of its target constructs, providing an indication of practical significance beyond statistical significance (Cohen, 1988; Hair et al., 2022) Following the widely adopted benchmarks proposed by Cohen (1988), f^2 values of 0.02, 0.15, and 0.35 represent small, medium, and large effects respectively, while values below 0.02 indicate negligible practical impact.

Table 4.11 Effect Size (f^2) for All Structural Paths

Structural Path	f^2	95% BCa CI	Interpretation
PDC→BO	**0.099**	[0.019, 0.259]	Small to medium
OV→BO	**0.071**	[0.012, 0187]	Small
PD→OV	**0.063**	[0.011, 0.172]	Small
PD x PDC→OV	0.033	[0.000, 0.110]	Small
PDC→OV	0.008	[0.000. 0.062]	Negligible
IRP x PDC→BO	0.012	[0.000, 0.057]	Negligible
WE x OV→BO	0.006	[0.000 0.071]	Negligible
IRP→BO	0.001	[0.000 0.057]	Negligible
WE→BO	0.002	[0.000, 0.068]	Negligible

Performance-Driven Climate shows the largest effect size on burnout with (f^2=0.099), Interpreted as small to medium, while PDC has a significant, although small ($f^2 = 0.071$), practical effect. Both Overtime Norms and Power Distance exhibit small ($f^2 < 0.063$) effects and have a borderline level ($f^2 = 0.033$) concerning their interaction. The inclusion of all other predictors, such as the direct and interaction terms for IRP and WE, reveals no practical significance ($f^2 < 0.02$); thus it also follows suit with its non-significant path coefficient and provides no meaningful contribution to this sample at the practical level.

4.4.7 Model Fit Assessment

To evaluate how well the model fits the data, researcher looked at the Standardized Root Mean Square Residual (SRMR). The SRMR quantifies how connected or related two sets of data are based on an observed correlation matrix. If your SRMR score is lower than 0.08, then you have an excellent fit (Hu and Bentler, 1999). However, SRMR scores are between 0.08 and 0.10, they are still considered acceptable (Hair et al., 2022), as they represent moderate-to-high structural

complexity for the model being evaluated. The overall SRMR computed from this model was 0.103.

This score is just barely higher than the ideal score of 0.08; however, it is consistent with a typical score seen in PLS-SEM models of the same structural complexity as this PLS-SEM model, many of which are characterized by the inclusion of multiple interaction terms, a number of one-item constructs, and the presence of concurrent mediation (indirect) and moderation (direct) pathways (Hair et al., 2022). The marginally elevated SRMR may also be a result of the purification stage of the measurement model, during which time various scales were scaled down to two items each. The SRMR is influenced by the measurement scales chosen to measure the constructs; generally, the lower the number of items in a measurement model means the SRMR will be more sensitive to changes in the model itself. Therefore, since all measurement and structural criteria were met for all constructs within the model (i.e., the outer loadings, composite reliability, average variance extracted (AVE), discriminate validity, variance inflation factor, the significance of the path coefficients, and the magnitude of the path coefficients), there exists strong evidence that the structural model is valid and interpretable even given the marginal elevation of the SRMR value relative to the standard 0.08 or below.

4.5 Summary of Hypothesis Testing Results

Below the table provides a summarized table of all six hypotheses tested in the study, the table integrates the direct and indirect effects results present in the second stage. The table include standardized path coefficient, t-statistics, p-value and decision

Table 4.12 Summary of Hypothesis Testing

H	Hypothesis Statement	β	t-stat	p-value	95%BCa CI	Decision
H1	PDC positively predicts Overtime Norms	-0.088	1.041	0.298	[-0.243, 0.083]	Not supported
H2	Overtime Norms positively predicts Burnout	**0.229**	**3.490**	**<0.001**	**[0.092, 0.350]**	Supported
H3	Overtime mediates the indirect PDC →Burnout relationship	-0.020	0.949	0.342	[-0.070, 0.015]	Not supported

H4	IRP moderates the direct relationship PDC →BO(weaker when IRP is high)	-0.056	1.100	0.271	[-0.170, 0.025]	Not supported
H5	WE moderates the direct OV →BO(weaker when WE is high)	-0.062	0.788	0.431	[-0.207, 0.099]	Not supported
H6	PD moderates the direct PDC →OV (stronger when PD is high)	**-0.135**	**2.232**	**0.026**	**[-0.244, -0.008]**	Partial

Out of the six formal hypothesis tested, H2 was the only one that was supported, this confirms that overtime norms significantly and positively predicts employee burnout in the digital banking department in CBE. While H6 had partial support confirming that power distance has indirect relationship between Performance-Driven Climate→Overtime relationship. Different to expectation there was a weakly supports H1, H3, H4 and H5 in this sample. A few additional interesting results were: (1) There was a significant, and it showed a strong, direct path from PDC→BO (β=0.327, $p<0.001$) indicating that the performance climate contributes to burnout through several direct psychological channels in addition to excessive overtime) and, (2) the full mediation (indirect) of PD → OV → BO (β=0.056, $p=0.019$) showing that within an employee's specific job duties and tasks, the extent of the employee's need to exceed what is considered normal work hours will be the only way that a hierarchical culture results in employees having burnout. The theoretical implications and the practical implications of these two supplementary findings are discussed in Chapter Five.

CHAPTER FIVE

5. DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The following chapter interprets the findings of Chapter Four in relation to the studies theoretical framework, the existing literature and the specific organizational context of the Commercial Bank of Ethiopia (CBE) digital banking department. The chapter is structured into six sections, Section 5.2 discusses the hypothesis Hypothesis, given the data from research questions and Job Demands Resources model will be presented in section 5.3. Section 5.4 contains practical implications, which can be used by CBE managers, human resource practitioners and policy makers. The limitation of this study is addressed in section 5.5. Section 5.6 outlines future research directions, while section 5.7 will conclude the findings presented in this study.

The study was designed to extend Fastje et al. (2023) HPWS originally tested within the Western organization context, the present study is contextualized in the Ethiopia banking and introduces Power Distance as a moderator and examines whether cultural hierarchy orientation intensifies the pathway from performance-driven climate through overtime norms to burnout on employees.

5.2 Discussion of the Findings

The study had proposed six hypothesis but in chapter 4 the analysis revealed something unexpected out of the proposed six H6 was the only one that received full empherical support and H6 received partial support, while the remaining H1, H3 ,H4 and H5 were not supported. Along with the formal hypotheses established, some very interesting additional findings were also found: a direct relationship between PDC and BO, and an indirect between Power Distance and BO through overtime norms.

5.2.1 Hypothesis 1: Performance-Driven Climate and Overtime Norms (Not supported)

Based on the findings, there was no indication that a Performance-Driven Climate (PDC) is predictive of the overtime norms for digital bank employees within CBE as theorized ($\beta = -0.088$, $p = 0.298$). The results diverge from Western (Fastje et al., 2023) and Chinese (Niu & Yang, 2022) contexts supporting the conclusion that overtime in Ethiopia is mainly based on hierarchical authority rather than a shared performance oriented climate. Moreover, the difference between western (Fastje et al., 2023) and Chinese (Niu & Yang, 2022) findings can be linked to the elevated

presence of Power Distance on the top down nature of the institutional mandate for overtime (β = 0.246, p = 0.001). In high Power Distance contexts, extended working hours will generally be perceived as an institutional mandate from above instead of a consequence of performance pressure by others. To summarize, the relationship between performance climate and overtime norms is culture-bound and institutional-bound in nature, where institutional-driven hierarchical compliance is a more proximal determinant of overtime norms.

5.2.2 Hypothesis 2: Overtime Norms and Burnout (Supported)

According to empirical evidence, H2 is supported; more particularly, CBE digital banking employees' burnout is significantly and positively predicted (β = 0.229; t = 3.490; p < 0.001) by norms of overtime work. In other words, increasing an organization's and society's demand (via normative expectations) on individuals to work beyond standard working hours directly increases those individuals' level of burnout. This finding directly corroborates the key finding of Fastje et al.'s (2023): the relationship between work hours, chronic stress, and health impairment has been demonstrated repeatedly (Bakker & Demerouti, 2007; Demerouti et al., 2001; Chen et al., 2025). When framed within the Job Demands-Resources (JD-R) model of occupational health, norms of overtime work can be classified as a pervading and pernicious job demand. In contrast to specific, individual task-oriented demands that are clear, concrete, and identifiable, norms for extended hours constitute a social pressure and implicit institutional demand for compliance. This is why employees experience significant difficulty resisting or renegotiating these expectations. By continually being subjected to this pressure, an employee's emotional, psychological, and cognitive resources are depleted over time so that if no preceding time periods are available for recovery, they ultimately result in severe burnout (Bakker & Demerouti, 2007). The fact that this finding was established in the Ethiopian banking environment (which differs greatly from the Western sample used by Fastje et al.) provides important cross-cultural validation of the JD-R model. As a result, there is evidence that the exhausting nature of overtime norms extends beyond borders and types of organizations to impact employee well-being the same way, regardless of whether or not the driving force behind these work norms is from a performative climate or from some form of institutional hierarchy – being exposed to overtime norms repeatedly will, ultimately, lead to increased levels of burnout.

5.2.3 Hypothesis 3: Overtime Norms as Mediator (indirect relationship) (Not Supported, with Post-Hoc Findings

Evidence for Hypothesis 3 was not supported because there was no significant indirect relationship between performance-driven climate (PDC) and burnout through overtime (β = - 020; p = 0,342; BCa = [-,070; 0,015]). The failure to demonstrate mediation (indirect relationship) consistent with the theoretical rejection of Hypothesis 1 suggests that PDC does not predict significant levels of overtime in the current sample, as the absence of overtime mediated (indirect) the pathway from PDC to burnout. Thus, there was no indirect causal association through an overtime mechanism (Hayes, 2018). The non-replication of the sequential pathway outlined by Fastej et al. suggests a major structural boundary condition, as although some components of the model could potentially generalize to other contexts (e.g., the direct path between overtime and burnout),

Although hypothesis three was rejected, a significant post-hoc analysis identified an additional way to explain the data. Specifically, through normative overtime practices, power distance mediated the association between power distance and burnout. Therefore, the current finding (PD → OV → BO: β = 0.056, t = 2.356, p = 0.019, 95% BCa CI [0.018, 0.112]) represents an important theoretical extension of the JD-R model in a non-Western context. In addition, with respect to the CBE environment, the findings show that a hierarchical cultural orientation was the primary factor influencing expected overtime, rather than a performance climate. Employees who accept the legitimacy of hierarchical authority experience power distance as a distal job demand that leads them to feel normative pressure to work overtime, which in turn leads to increased stress and burnout.

5.2.4 Hypothesis 4: In-Role Performance Moderates the Direct Relationship (Not Supported)

Hypothesis 4 stated that in-role performance (IRP) would act as a buffering force moderating the relationship between performance-driven climate and burnout. An examination of both the IRP main effect on burnout (B = 0.025, p = 0.786) and the IRP and PDC towards burnout interaction term (B = -0.056, p = 0.271) failed to show statistically significant results. Hypothesis 4 was rejected in contrast to the results found by Fastje et al. (2023), indicating that high in-role performance serves as an active buffer against organizational stressors (β = 0.421, p < 0.05). This result was additionally inconsistent with the core assumptions of the Job Demands-Resources (JD-R) model. According to JD-R theory, personal resources, including task competence, mitigate

occupational strain through a perception of environmental competence (Bakker & Demerouti, 2007; Bakker et al., 2004). Lee and Jo (2023) also supported the assertion that performance capabilities are a viable psychological buffer.

The buffering capacity of performance competence appears to manifest differently between public sector institutions with rigid hierarchies and limited employee autonomy; this is due to the different ways in which they experience personal resources that contribute to self-efficacy and perceived control (i.e., strong role performance) as buffers against the psychological impact of pressures associated with performance. In comparison, the operational tasks performed within the CBE digital banking department are well-defined, top-down performance evaluations occur, and there is little opportunity for individual decision in completing assigned tasks. As a result, individual competence does not equate to a sense of autonomy or control under these restrictive conditions. Additionally, there is evidence from the academic literature collected from several regions that indicates, in highly hierarchical work environments, individual performance competence is seen more often as a duty to the institution than a personal resource. The successful fulfilment of an employee's duty is interpreted by the employer as indicating that the employee can handle a larger volume of work, which tends to result in additional institutional demands and fewer buffers against performance pressure. This scenario contradicts the assumption of a universal resource-buffering behavior of KPI associated with JD-R theory as it relates to high power distance cultures.

5.2.5 Hypothesis 5: Work Engagement Moderates the Direct Relationship (Not Supported)

The results for hypothesis 5 shows that work engagement does not moderate the relationship between overtime norms and burnout as reflected in statistical results for hypothesis 5. The direct effect of work engagement on burnout ($B = .046$, $p = .616$) as well as the interaction term (WE x OV→BO: $B = -.062$, $p = .431$) were both non-significant. Further supporting the rejection of the hypothesis, Fastje et al. (2023) found that work engagement serves as a buffer to prevent burnout in engaged employees because it exhibited a significant moderated mediation effect. This is inconsistent with the prevailing view in organizational psychology literature that work engagement serves as an important psychological buffer against burnout at work (Schaufeli & Bakker, 2003; Van Beek et al., 2011; Hadjri et al., 2025). The lack of significant results can primarily be attributed

to a methodological limitation, scale purification of the work engagement construct to a single item (WE6; difficulty detaching from work). Work engagement has been typically defined as a complex, multidimensional construct requiring vigor, dedication and absorption to provide a buffer against stressors. Consequently, the use of only one item, which only measures one facet of the construct (absorption), limits the ability of the scale to detect the subtle moderating effects that have been demonstrated with multi-item constructs.

The CBE digital banking environment might have added another factor influencing how we understand engagement by using only one item to operationalize engagement. The CBE digital banking world is constantly open 24/7; therefore, if someone does not show any signs of work-life balance (i.e., ability to leave work) it could be due to their cultural norm of being expected to respond back to emails when they are in the office, thus they were forced into this 'positive psychological absorption/ intrinsic motivation.' You will note that this one item was designed to provide a supportive personal resource; however, in the context of the CBE digital marketplace, it unintentionally may have identified an example of another job demand or pressure similar to overtime, therefore, confusing the two.

5.2.6 Hypothesis 6: Power Distance Moderates the Direct Relationship (Partially Supported)

This research partially supports hypothesis six; showing that the power distance creates a moderating influence on the relationship between performance-driven climate and overtime norms ($\beta = -0.135$, $t = 2.232$, $p = 0.026$). However, this moderating effect is negative (i.e., it will weaken the relationship rather than magnify the relationship); as such, it will negatively affect individuals who exhibit high power distance behavior. A more in-depth analysis will show simple slopes to identify how different values within power distance relate to overtime behavior based on variations in performance climate. To illustrate this pattern, for individuals who display a high level of power distance, overtime norms are already high; thus, when performance climate pressure is low, the average value for overtime appears to be approximately OV ≈487. However, when performance climate pressure increases (i.e., when performance-driven climate becomes more intense), this expectation decreases by almost the same amount, resulting in a downward slope. For those who have either a mean or a low level of power distance, the slope of their overtime behaviors is much flatter than for those who have a high level of Power Distance.

These findings suggest that individuals with high levels of power distance will have their overtime behaviors decoupled from the performance climate due to the structural expectations created by the power distance hierarchy. That is, in a high power distance culture, the structural aspects of overtime will dictate behavior, and therefore the power distance created by this hierarchical authority will act as a baseline from which overtime behaviors will exist prior to any immediate influence created by the performance climate of the organization.

5.3 Conclusion

The study was set out to extends on the work of Fatje et al.(2023) and contextualize it within the Commercial Bank of Ethiopia's digital banking department a n environment characterized by the rapid digital transformation , state-driven performance directives and the extensive hierarchical cultural norms. Through a rigorous two staged PLS-SEM analysis of data from 217 employees, the study hypothesis concerning the relationship among performance-driven climate, overtime norms, in-role performance, work engagement, power distance and burnout.

The outcomes provide empirical evidence that both confirms and complicates the previous framework of Fastje et al. (2023). In terms of confirming present outcomes, overtime norms are a statistically significant and psychologically relevant predictor of burnout (H2: $\beta = 0.229$, $p < 0.001$), thus replicating the fundamental JD-R relationship within a vastly different cultural context. This helps to bolster assurance in how universally applicable the demand/burnout pathway is globally. In terms of complicating prior outcomes, current findings suggest that how performance climate and cultural hierarchy generate burnout in Ethiopia, are not how it was initially theorized to occur. Specifically, performance climate does not use an overtime channel to create burnout; instead, it generates burnout directly ($\beta = 0.327$, $p < 0.001$). Oppositely, it is Power Distance that influences overtime expectations through compliance-based hierarchies rather than performance climate.

The discovery that Power Distance fully has direct effects on burnout through overtime norms (PD→OV→BO: $\beta=0.056$, $p=0.019$) is study's main theoretical contribution was that cultural hierarchy, as a structural job requirement, functions as a compliance-based behavioral norm within high power distance institutional settings that cause employee burnout because of the demands imposed by cultural hierarchy as opposed to task or policy-based reasons. This has clear

implications for how organizations in sub-Saharan Africa and other high power distance environments should define and respond to the effects of hierarchical work environments on human costs.

The partial failure to replicate the buffering effects of H4 in-role performance and H5 work engagement can be attributed in part to poor measurement and in part to real contextual differences between western and non-western countries. Therefore, it is important to study organizational behavior within its cultural and institutional context rather than assuming that Western-created theoretical models will be universally applicable and unaffected by differences across cultures.

The banking industry in Ethiopia with the integration of state-owned enterprises, the digital transformation, heretical power structure and that most of the employees background mostly consist of bachelor's degrees creates a unique organizational context.

The Ethiopian banking industry, with its combination of state-owned enterprises, digital transformation pressure, hierarchical authority structures, and the fact that many employees' professional backgrounds only have a Bachelor's degree, creates a unique organizational context that deserves separate empirical research.

HR teams in all banks in Ethiopia must no longer view digital staff burnout as simply another example of people not putting enough effort into their work, but rather as a result of the habits and routines with which we share over an extended period of time. Developing a standard approach to tracking/monitoring employee performance (e.g., how many times have employees overachieved and how many times have workers gone home late?) will shine a light on the unwritten rules we create as leaders about overtime expectations. Most cases, the work-related issues we experience as an individual are created because there are unwritten expectations about our work from a leadership perspective. True change can occur if we are willing to challenge the historical, routine method of how we conduct our daily business (including meeting times/locations). Understanding and raising awareness of the pressures of routine will change the way employees behave.

In summary: this study provides an insight into the issue of workplace exhaustion/energy depletion within the workplace of companies operating in sub-Saharan Africa; a region frequently overlooked by banking institutions. Additionally the study clearly illustrates how cultural norms affect the workday and energy level of employees, as cultural norms/inconsistencies extend the

hours of daily working activities, resulting in greater depletion of staff energy. In addition to this, the study highlights a thrillingly new region for the job demands-resources model and provides insights that may help reduce job stress without increasing job shortage, and may be an anomaly of a fast-growing financial environment across the world.

5.4 Theoretical Contribution

The study makes a few theoretical contributions to the organizational behavior.

Firstly the study provides a new look into Fatje et al., (2023) performance-driven climate burnout model in the sub-Saharan setting and specifically in the Ethiopian Banking sector. The results from the study replicate and deviate from the findings of the original study. The replication of the H2 pathway (OV →BO) across the different cultural samples strengthen the generaliasiblity of the JD-R models core that sustained job demand regardless of their cultural origin and that it leads to burnout. The non-replication or the deviation from the original study of the mediation (indirect) pathways of (H3) and the buffering moderators of (H4 and H5) highlighting the boundary condition of the original model.

Secondly the study makes an original theoretical contribution by indicating that Power Distance PD can function as a moderate of the (PDC →OV) relationship but also as by increasing overtime norms (PD → OV → BO), PD has also been identified as an indirect influence on burnout. The discovery of this chain of influence following the initial investigation of the JD-R model has provided evidence that cultural hierarchy orientation can serve to generate demands through normative behavior compliance. Before this study, no such pathway had been documented within the JD-R model. The implication of this is that in high power distance contexts, cultural values may provide structural job demands as defined by normative behavior expectations rather than through job-tasks or workplace policy.

Thirdly the findings in this study concerning Power Distance (PD) moderation direction may dismiss a fairly common assumption in cross-cultural organizational behavior research that high PD leads to an amplification of negative effects from Performance Pressure.

The findings from this research suggest that, in hierarchical institutions, there is a ceiling on Overtime behavior that can be physically enforced because of the loyalty to authority, beyond

which Overtime behavior produced the diminishing or compressive effects of Performance Climate Pressure This represents a refinement of the application of Power Distance Theory to research related to Overtime and Burn Out.

Fourth, the methodology also provides evidence regarding the cultural portability of established Western organizational scales through the number of items removed during the process of measurement model purification (particularly for Work Engagement and Power Distance scales) creating an empirical basis for questioning the psychometric equivalence of these instruments when applied in differing cultural contexts. In addition, the results provide support for the increasing call for culturally adapted measurement instruments in African organization research (e.g., Gelaw et al., 2023; Kabito et al., 2020).

5.5 Practical Implications

5.5.1 Implications for CBE Management and Leadership

The study's findings demonstrating that Performance-Driven Climate is a direct and significant predictor of Burnout ($\beta = .327$, $p < .001$), and that this relationship occurs independently of overtime norms, have serious ramifications for the CBE's leadership and management strategies. The pressure on employees within the digital banking environment to perform creates burnout – not only because of long working hours but also as a result of the psychological demands associated with ongoing performance monitoring; performance target accountability; and the cognitive load of working at the technological edge of a rapidly transforming state-owned bank. Therefore, leaders at the CBE should evaluate their performance management practices to determine if they reflect sustainable output expectations versus whether they routinely exceed employees' capacity for psychological resources.

To this end senior management should consider putting in place regular assessments related to Burnout risk within the Digital Banking department, implementing performance target cycles that allow for adequate recovery periods between targets, and providing training to line managers so that they can identify early indications of burnout among their employees and respond appropriately. Performance management systems that reward organizations for throughput without considering the human cost of long-term exertion will naturally create the massive Burnout levels found in this research.

5.5.2 Implications for Human Resource Management

The confirmation that overtime norms predict burnout (H2) combined with the findings that power distance drives overtime through the institutional authority has specific implications for the Human Resource (HR) policies of CBE.

As a possible course of action, HR ought to establish clear and concise governance policies governing overtime, so that upper limits on after-hours expectations are communicated to employees; create formal avenues for employees to address overload issues without hierarchy-based fear of retaliation; and clarify through communication from senior leadership that overtime will not be expected and, therefore, will not be rewarded through promotion or development opportunities (to the extent that promotions or developmental opportunities will likely, or reasonably, follow from approved overtime). The research indicates that employees in high-power distance work environments have been following their superiors' lead (and working overtime), due primarily to the fact that they assume their superiors expect them to work overtime, rather than that they need to work overtime due to workload. Hence it may reasonably be concluded that if primary leaders provide an authoritative, clear signal that they do not expect (or reward) overtime work results, then this may have an important positive influence upon reducing the normative entrenchment of overtime working hours.

The failure to find a statistically significant relationship between either the independent variable of IRP or the independent variable of WE, on the primary dependent variable burnout has two possible implications. One, evidenced by the differences in measurement limitations, is that burnout mitigation strategies based upon measuring employee engagement (i.e., IRP) or using performance-driven strategies (i.e., WE) should not be positioned as the primary solutions to burnout; however, either building employees' competencies or creating a greater sense of employee engagement would positively impact employee relationships to the organization and would complement other organizational outcomes. Secondly, workplace configurations through structural managing workloads will clearly differ from those configurations of employees in considering burnout prevention in the CBE banking environment.

5.5.3 Implications for the National Bank of Ethiopia and Policy

At a sectoral level these findings specifically the burnout and the institutional overtime norms documented in the CBE have implication for labor regulations and occupational health policies in

the Ethiopian Banking sector. The National Bank of Ethiopia and the Ministry of Labor should consider developing sector specific labor laws and regulations that can address the unique burnout risks associated with the digital banking environment due to this specific area of banking systems being adopted and pushed and constantly growing, this includes the norms that are now being implemented in such environments such as always on culture that are facilitated by technology.

The performance measurements intensity of public banking mandates, hieratically forced overtime norms and the sheer volume of customers pushes employees in such departments and environments to work beyond regular hours leading to burnout.

5.6 Limitations of the Study

The study acknowledges the several number of limitations that must be considered when interpreting the results and generalizing the findings.

Firstly the use of a cross-sectional research design only capture all the constructs at a single point in time, preventing casual interference among the study variables. While the JD-R model despite having an established theoretical order of the models and predicted paths, the relationships between the measures are all correlational. There is a plausible reason to expect that the two-way relationship between burnout and perceived performance climate is equally significant; consequently, there is no way to eliminate the two-way relationship via study design alone because it is not possible to collect self-report data longitudinally.

Second, all measures were obtained from a single source at the same time, increasing the likelihood that the relationships among the different measures will be inflated due to common method bias (Podsakoff et al., 2003). Although the use of existing validated scales and the assurance of anonymity during collection should reduce this potential influence, it would be beneficial for future research to collect data from multiple sources, such as manager evaluations of employee in-role performance and archival or objective evidence of employee hours worked, in order to further build confidence in the findings and conclusions derived from the data.

Thirdly, the data collection sites used in this study were limited to CBE's central headquarters. Thus, findings from this study are not likely to be generalizable beyond CBE's central headquarters to other CBE departments, private or rural banks in Ethiopia, industries other than banks, or additional countries. The unique performance climate, technological environment, and hierarchical

structure of the state-owned digital banking division of CBE may not accurately represent the broader workforce of Ethiopia.

Fourthly, another limitation of the study is the absence of a preliminary pilot testing before the distribution of the survey. Due to the pilot test not being distributed the items could not be pre-screened for contextual reliability, language clarity and item cross loading specific to the digital banking department. As a result of not having an initial screening for the latent measurement errors and overlapping indicators all the weight of validation of the scales was left to the final analysis requiring an extensive removal of items with in SmartPLS (14 items).

Finally, the measurement model purification resulted in the elimination of 14 measurement items across six constructs, resulting in significant reductions of scale breadth for each of the key variables. Most importantly, the extent of Work Engagement decreased to one item (WE6) and of Power Distance to two items (PD3/PD4), which affected the construct validity of these constructs. The researcher's inability to assess hypothesis five (H5) using the full scale of engagement represents a significant limitation that may explain the finding of no significant moderating effect of Work Engagement. Future research should employ the UWES-9 (Schaufeli & Bakker, 2003) and a comprehensive multi-item measure of Power Distance to adequately assess these moderating effects and finally problems emerge when looking at how discriminant validity was assessed under the HTMT model. Notably, the HTMT result between performance-focused culture and burnout reached 1.007, while bootstrapped intervals at 95% suggest it could even touch exactly 1.0. Given this, alongside support from the Fornell-Larcker test showing just 0.435 correlation this becomes clear that such inflated values stem unavoidably from extensive data cleaning plus fewer indicators tied to each concept.

Future studies in East Africa's banks sector should begin by building local measures of job demands, one reason being that current tools often overlap too much when grouped together.

5.7 Direction for Future Research

The findings and limitation of the study present productive directions for future research.

Firstly, Future studies should employ a different research design longitudal design to examine how performance-driven climate, overtime norms and burnout evolve overtime with in the Ethiopian Banking sector.

Secondly, the lack of success in duplicating the IRP and WE buffering effects from Fastje et al. (2023) highlights the need for further direct replications that include sufficiently powered studies and fully operationalized measures of both constructs. An investigation utilizing the complete five-item IRP scale (Williams & Anderson, 1991) as well as the complete nine-item UWES (Schaufeli & Bakker, 2003) within the same institutional setting could provide insight into whether these non-significant results are due to real contextual differences or measurement limitations experienced within this study.

Thirdly, future studies need to systematically develop and validate culturally adapted versions of the main scales investigated in this study (e.g., Work Engagement, Power Distance, Performance Driven Climate, and Burnout) based on the Ethiopian organizational context. This will involve conducting qualitative interviews with banking employees in Ethiopia to evaluate the relevancy and cultural tone of the items, and then subsequently conducting confirmatory factor analysis using an independent large sample. Such an effort will yield valid measurement instruments that can be used for future investigations related to Ethiopia's organizations.

Fourthly, this study's post-hoc finding that Power Distance predicts Burnout completely through Overtime Norms (PD → OV → BO) should be formally hypothesized and tested in future research efforts. This finding suggests that cultural hierarchy orientations can serve as an indirect antecedent to burnout in high power distance contexts. This theoretical notion has important implications for understanding organizational behavior in sub-Saharan Africa, South Asia, and other regions that exhibit high power distance. Furthering our understanding of the cultural boundary conditions of the JD-R model could greatly benefit from conducting a multi-country comparative study assessing whether this indirect evidence is replicated across different cultures classified as exhibiting high power distance.

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Appendix

Employee Burnout

This questionnaire is a part of academic research conducted for the partial fulfilment for a Master of Business Administration. The purpose of this study is to examine employee burnout. The information collected will solely be used for academic purpose. The question. Participation is voluntary and all responses information is confidential and anonymous. By completing this questionnaire, you are providing consent to participate in the study. The questionnaire will take approximately 10 to 15 minutes. I would greatly appreciate it if you would share this questionnaire among your fellow CBE colleagues located in the Digital Banking Department. And any inquiries regarding the questions and topics relating to the questionnaire can contact dagemyitbarek657@gmail.com. Thank you

1.Age *

Mark only one oval.

Under 25

25 to 34

35 to 44

45 to 54

55 to 64

65+

2.Gender *

Mark only one oval.

Male

Female

3. Education level

Mark only one oval.

Bachelors Degree

Masters Degree

PhD or Equivalent professional degree

4.Weekly Hours *

Mark only one oval.

35 hours or less

36 to 45 hours

46 to 55 hours

56 to 70 hours

5.Years in the Organisation *

Mark only one oval.

Less than 1 year

1 to 3 years

4 to 7 years

8 to 15 years

Over 15 years

6.People are expected to do too much in

a day

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

7.People are under pressure to meet targets *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

8.I dont feel that the pressure of work is excessive *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

9.There is rarely too much work and too little time *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

10.I usually do not have to put in long hours to complete my work *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

11.I am often emotionally exhausted *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly Agree

12.Do you feel burnt out because of your work *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

13.Do you feel worn out at the end of the working day? *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

14.Are you exhausted in the morning at the thought of another day at work *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

15.I Adequately completes assigned duties *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

16.fulfills responsibilities specified in job description *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

17.Performs tasks that are expected of him/her. *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

18.Meets formal performance requirements of the job. *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

19.I am enthusiastic about my job *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

20.At my work, I feel bursting with energy *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

21.At my job, I feel strong and vigorous *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

22.My job inspires me *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

23.I get carried away when I’m working *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

24.It is difficult to detach myself from my job *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

25.People in higher positions should make most decisions without consulting lower positions *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

26.People in higher positions should not ask the opinion of people in lower positions too frequently

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

27.People in higher positions should avoid social interaction with people in lower position *

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

28.People in lower positions should not disagree with decisions by people in higher positions

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly Agree

29.People in higher positions should not delegate important tasks to people in lower positions

Mark only one oval.

Strongly disagree

Disagree

Neutral

Agree

Strongly agree

30.To what extent does the organization make you feel like having to work outside of normal work hours

Mark only one oval.

Not at all

Slightly

Moderately

Very much

Extremely