CHAPTER 6: DISCUSSION AND CONCLUSION

This chapter covers two sections. Section 1 discusses the results of each hypothesis that was tested. It also covers theoretical contributions and practical implications. At the end of the section, the limitations of the study and plausible future research directions are highlighted. Finally, Section 2 presents the conclusions of the study.

6.1 Discussion

The main objective of the current study was to examine the antecedents and consequences of work engagement in the context of Indian commercial banks. Another major objective was to investigate the moderating role of transformational leadership in affecting the relationship between work engagement and its two antecedents namely perceived person-organization value congruence and the five job characteristics. While the results indicate support for most of the hypotheses, a few hypotheses did not find enough evidence. Therefore, a new framework emerged which complements most of the theoretical expectations. The emergent framework is shown in Figure 6.1. Out of the six antecedents tested, four were found to be strongly related to work engagement as shown in Table 5.8.

The results of this study show that, for every increase of one standard deviation in perceived organizational support, work engagement would on an
average increase by .08. This change in work engagement due to the change in perceived organizational support is highly significant \((p = .02)\). The results of Hypothesis 1 testing reaffirm the findings of prior studies such as Zacher and Winter (2011) and Kurtessis et al. (2015) that perceived organizational support has a positive influence on work engagement in the present context.

Out of the five core job-characteristics, four could be tested in Hypothesis 2 (a to e). This study discovers that for every increase of one standard deviation in autonomy, feedback, and task significance, work engagement would have an average increase of .24, .12, and .05 respectively. These changes in work engagement due to the change in autonomy, feedback, and task significance respectively are significant \((p < .001, p < .001, p = .07)\). The past studies also show that not all the job characteristics may lead to engagement at work. For example, Christian et al.’s (2011) study found that out of the five core job-characteristics, only four namely autonomy, skill variety, task significance, and feedback were the significant predictors of work engagement. The current study discovers that only autonomy and feedback strongly \((p < .001)\) and task significance marginally \((p < .10)\) predicted work engagement. Like, Christian et al.’s research, this study also finds a positive relationship between work engagement and the three dimensions of job characteristics namely autonomy, feedback and task significance. However, there is a lack of evidence to reaffirm their finding about the significance of skill variety-work engagement relationship \((p < .41)\). Whereas Christian et al.’s meta-analytic findings could not provide sufficient evidence for the task identity-work engagement relationship, this study
could not test this relationship stated in Hypothesis 2(d) because task identity showed no association (zero correlation) with work engagement.

The findings of the current study suggest that for every increase of one standard deviation in transformational leadership, work engagement would on an average increase by .18. This change in work engagement due to the change in transformational leadership is extremely significant ($p < .001$). This result validates Hoon Song et al.’s (2012) finding in the present context. According to their study, transformational leadership is a significant and positive predictor of work engagement in the diverse Korean for-profit organizations. While there was no hypothesis for this relationship in this study, it is a pre-condition suggested by Baron and Kenny (1986) for the examination of moderation.

Moderation by transformational leadership affected only the perceived person-organization value congruence and work engagement relationship. It shows that transformational leaders influence the extent to which subordinates’ value congruence affects their work engagement. However, for deeper insights, an interaction plot was drawn as shown in Figure 6.2. Interestingly, as clear from the plot, when the leader is high in transformational leadership, the positive relationship between value congruence and work engagement weakens. Conversely, when the leader is low in transformational leadership, the positive relationship between value congruence and work engagement strengthens. The results support Hypothesis 4 that transformational leadership acts as a moderator in the relationship between perceived person-organization value congruence and work engagement. These results show that Hoon Song et al.’s (2012) finding
about transformational leadership positively predicting work engagement is extendable to the present context. Interestingly however, transformational leaders seem to dampen the positive relationship between value congruence and work engagement. One reason could be that a supervisor who is low in transformational leadership gives the subordinates opportunity to identify themselves with their organization without any intervention. This study did not find enough evidence to support Hypotheses 3a to 3e that transformational leadership has a moderating role between the five job characteristic dimensions and work engagement. The meaning of this insignificant relationship is that the transformational leaders do not have much role in increasing the impact of job characteristics on work engagement. Since the banking system in India is still tightly controlled by the Reserve Bank of India (Demirgu'g-Kunt & Levine, 2013), a reason for this result could be that most of the job characteristics are not flexible in the banking industry thereby leaving less scope for the transformational leader to make an impact on the subordinate.

For every increase of one standard deviation in perceived person-organization value congruence there would be an average increase of .09 in work engagement. Hypothesis 5 test results are in line with that of Rich et al.’s (2010) study that perceived person-organization value congruence is a positive antecedent of engagement at work. Interestingly, the results are similar even though Rich et al. (2010) had used job engagement scale instead of the work engagement scale used in this study. In either case, the more the employees
perceive that their values are in congruence with that of their organization, the more they are engaged in their work.

On the other hand, both the consequences tested were found to be significantly associated with work engagement. The result from testing of Hypothesis 6 which stated a positive relationship between work engagement and task performance is in accordance with the expectations. For every increase of one standard deviation in work engagement, there would be an average increase of .28 in task performance. This change in task performance due to the change in work engagement is highly significant ($p < .001$). The results of Hypothesis 6 test support Burke’s (2008) view and validate Christian et al. (2011) and Rich et al.’s (2010) findings that engaged employees invest their energy in their work and improve their task performance.

Like Hypothesis 6, the current study also examined Hypothesis 7 grounded in social exchange theory and posited that engaged employees go beyond their job description to help other individuals at work. This hypothesis was also supported. Table 5.8 shows that for every increase of one standard deviation in work engagement, there would be an average increase of 1.15 in organizational citizenship behavior towards individuals. This change in organizational citizenship behavior towards individuals due to the change in work engagement is highly significant ($p < .001$). The results extend the finding of Tims et al.’s (2014) three-wave study in the present context by suggesting that engaged individuals exhibit organizational citizenship behavior towards other individuals in this context.
The extent to which the independent variables explain variance in the dependent variables shows their importance in the research framework under investigation (refer Figure 6.1). The results suggest that perceived person-organization value congruence, perceived organizational support, autonomy, feedback, and task significance together explain 31% variance in work engagement. The results also suggest that the antecedents of task performance explain eight percent variance in it. The same antecedents explain 75% variance in OCB-I. The comparison between the variance explained in task performance and OCB-I suggests that compared to task performance, work engagement has a much more crucial role in strengthening OCB-I at least in the current framework.
Figure 6.1: The emergent framework

- Perceived organizational support
- Value congruence
- Transformational leadership
- Job characteristics
  - Autonomy
  - Feedback
  - Task significance
- Work engagement
- Task performance
- OCB-I

Figure 6.1: The emergent framework
6.1.1 Theoretical Contributions

The framework of the present study combines two theories. The first theory is self and role theory based on which work engagement and its antecedents have been theoretically linked. The second theory is social exchange theory based on which work engagement and its consequence namely employee performance have been theoretically connected. The subsequent paragraphs discuss them in detail.

This study has contributed to self and role theory in many ways. First, Rich et al.’s (2010) seminal paper mentions that the physical nature of firefighting job could have been a potential source of bias towards the physical dimension engagement at work. This study overcomes this limitation by choosing the sample of commercial bank employees. Their job requires them to invest high levels of cognitive, physical, and emotional energies in their work.
Second, researchers such as Hackman and Lawler (1971) argued that different jobs may have different characteristics that together act as extrinsic motivation to employees. This study fills the second research gap which called for an examination of job characteristics in each context. In the present context, only autonomy, task significance, and feedback were found to be playing an important role in enhancing the engagement levels of employees.

Third, the study fills the third research gap by finding support for the moderating role of transformational leadership in the relationship between perceived person-organization value congruence and work engagement. However, not enough evidence was found to support transformational leadership as moderating the relationship between job characteristics and work engagement.

Fourth, Rich et al. (2010) used job engagement to test the extent to which it is predicted by perceived organizational support. As suggested by the fourth research gap of this study, studies were required to test the impact of perceived organizational support on work engagement. The current study fills this research gap by testing the influence of perceived organizational support on work engagement and finding a positive relationship between the two. Similarly, prior studies had tested the influence of perceived person-organization value congruence on job engagement and not work engagement. This similarity of results suggests that work engagement which Christian et al. had conceptualized as a subset of personal engagement is also affected by perceived person-organization value congruence.

This study also augments social exchange theory by filling the fifth research gap, broadly about the relationship between work engagement and employee performance, in several ways. First, prior studies did not consider testing all the dimensions including task performance, OBC-
I, and OCB-O of employee performance as consequences of work engagement. This research contributes significantly to understand the impact of work engagement on the two dimensions of employee performance namely task performance and OCB-I in a single study. Testing all these dimensions helps the researcher in gaining the insights into the relative importance of each dimension. For example, this study finds OCB-I as a relatively stronger consequence of work engagement than task performance. However due to the significant relationship between work engagement and task performance, the role of work engagement in improving task performance cannot be ignored.

Second, the results show that both OCB-I and task performance are significant positive consequences of work engagement in the present context. It is important to mention here that the work engagement-OCB-O relationship could not be tested as the reliability of OCB-O was much below the acceptable limit. It suggests that the employees reciprocate the benefits that they receive at work by exhibiting desirable behaviors in the form of task performance and OCB-I.

6.1.2 Practical Implications

This study can benefit Indian commercial banks in several ways. First, bank managers can focus on the job characteristics that increase the extent of engagement levels of the employees. In the present context, it is important for the managers to provide necessary autonomy at work. Also, they need to give consistent feedback to their subordinates so that corrective actions can be taken and engagement levels of the employees can be enhanced. It is also important for the managers to make the employees understand the significance of their task.
Second, it is suggested that work engagement can be measured periodically to understand, enhance, and predict employee performance.

Third, because transformational leadership is positively related to work engagement, bank managers may choose to appoint transformational leaders as supervisors because their presence may help subordinates feel more attached to their work role by improving their work engagement levels. However, this study finds that the positive relationship between perceived person-organization value congruence and work engagement is stronger when transformational leadership is low. Therefore, appointment of transformational leaders as managers may do little to positively affect the engagement levels of those employees who perceive that their own values and the values of their organization are congruent to each other.

Fourth, because the extent to which employees feel supported by the organization shows positive effect on work engagement, the banks may like to provide a supportive environment to the employees for enhancing their engagement levels. It is equally important to regularly communicate the supportive initiatives taken by the organization to ensure that the employees feel supported at work.

Fifth, since engaged employees tend to be better performers, the banks are encouraged to take initiatives that enhance perceived organizational support, person-organization value congruence, autonomy, and feedback. For this, bank managers may maintain the record of the engagement levels of their employees. Moreover, engaged employees are likely to exhibit organizational citizenship behavior towards individual which means such employees can be appointed as a trainer or on-the-job mentors for the new recruits.
6.1.3 Limitations and Directions for Future Research

Though several steps were taken at every stage to ensure robustness of the results such as systematic review of the literature, strict inclusion criterion of at least five year service in the current organization for the respondent, two-stage probabilistic sampling, principal component analysis, and structural equation modeling, the current study is not free from limitations. For example, this study was cross-sectional in nature which limits the causal interpretation. Though it can be argued that only theory can explain the cause and effect relationship, a longitudinal study in the future is advisable to limit the bias arising from filling of the survey questionnaire in a particular situation.

Another shortcoming is that this study was limited to employees as the ultimate and the only unit of analysis this has a potential to demean the inter-branch effects. Thus, it is suggested that researchers in the future may like to use multi-level modeling to get further insights into deviations in the results due to the branch level variations. However, the suggested sample size at branch level should be at least 50.

Self-report bias in case of performance variables is another shortcoming. Though supervisor-reported performance data are likely to be more credible, previous research shows that the supervisors also could be biased when they rate a particular employee higher, who is otherwise underperforming, due to personal camaraderie. Future studies are encouraged to take a 360 degree rating of respondents which includes rating from the immediate supervisor, the subordinates, and colleagues along with their own self. However, this is an advisable but extremely costly and time-consuming data collection technique.
The researchers in the future may like to gain further insights into understanding the reasons for transformational leadership weakening the positive relationship between value congruence and work engagement in the present context using qualitative studies. Moreover, the current study is limited to individual level factors. However, there could be organizational level factors such as organizational competition that may affect not only work engagement but the entire proposed framework.

6.2 Conclusion

The present study was done using 400 commercial bank employees in India with an objective to quantitatively explore the antecedents and consequences of work engagement. Another objective was to understand the moderating role of transformational leadership in the relationship between work engagement and its antecedents. The results indicates the importance of engaged employees in the Indian commercial banks and what keeps them engaged. In particular, perceived organizational support, autonomy, feedback, task significance and perceived person-organization value congruence were found to be significant antecedents of work engagement. On the other hand, task performance and organizational citizenship towards individuals were found to be significant consequences of work engagement. Moreover, transformational leadership played the role of a catalyst by interacting with perceived person-organization value congruence to influence the relationship between perceived person-organization value congruence and work engagement. An interesting finding was that in the presence of a transformational leader, the positive influence of value congruence becomes weaker.
This study contributed to two theories by connecting work engagement to its antecedents such as job characteristics, perceived person-organization value congruence, and perceived organizational support using self and role theory and by connecting work engagement to its consequences such as organizational citizenship behavior and task performance using social exchange theory. The results of the present study suggest that Indian banks need to appoint transformational leaders in conditions where the subordinates perceive person-organization value congruence as already low or/and other factors affecting engagement dominate over value congruence. Moreover, autonomy, feedback, and task significance need greater attention of the managers compared to task variety and task identity to keep the bank employees engaged in their work.