CHAPTER V
HYPOTHESIS

5.1 Hypotheses of the Study

The study had seven broad hypotheses which proposed the impact of organizational culture and communication on employee engagement in the banking sector. The null Hypothesis $H_{10}$ and $H_{20}$ were based on the theoretical construct. Null Hypotheses $H_{30}$ was based on the relationship between the category of bank and employee engagement. Null hypotheses $H_{40}$, $H_{50}$, $H_{60}$ and $H_{70}$ were based on influence of different demographic aspects of employees and their relationship with employee engagement.

5.2 Formulation of Hypothesis H1

The hypothesis H1 proposes the influence of organizational culture on employee engagement. Organizational culture is considered to have an impact on employee engagement. Employee engagement comprises of three dimensions of vigor, dedication and absorption. The impact of organizational cultural factors including autonomy, external orientation, inter-departmental cooperation, human resource orientation and improvement orientation on each of the dimensions of employee engagement in the three types of banks i.e. co-operative, nationalized and private sector banks have been hypothesized in H1. The sub-hypothesis $H_{1a}$ to $H_{1c}$ have been listed below:
Hypothesis 1\textsubscript{0}: Organizational Culture has no significant impact in predicting employee engagement comprising of vigor, dedication and absorption of employees.

Hypothesis 1: Organizational Culture has significant impact in predicting employee engagement comprising of vigor, dedication and absorption of employees.

Vigor is an important dimension of employee engagement. Employees who are engaged display high levels of energy and mental resilience while working, and the willingness to invest effort in one’s work. This is hypothesized as resulting from organizational culture which is perceived to be healthy and progressive by employees. Organizational culture was taken as a construct comprising of autonomy, external orientation, inter-departmental co-operation, human resource orientation and improvement orientation. This resulted in formation of null and alternate hypothesis $H_{1a0}$ and $H_{1a}$

$H_{1a0}$: Organizational Culture does not have significant impact on predicting vigor of employees and influencing employee engagement.

$H_{1a}$: Organizational Culture has significant impact on predicting vigor of employees and influencing employee engagement

Dedication is an important dimension of employee engagement. It was hypothesized that organizational culture comprising of autonomy, external orientation, inter-departmental co-operation, human resource orientation and improvement orientation leads to employees deriving a sense of significance from one’s work, by feeling enthusiastic and proud about one’s job, and by feeling inspired and challenged by it. This resulted in formation of Hypothesis $H_{1b0}$ and $H_{1b}$
H1 b0: Organizational Culture does not have significant impact on predicting dedication of employees and influencing employee engagement.

H1b: Organizational Culture has significant impact on predicting dedication of employees and influencing employee engagement.

Absorption is an important dimension of employee engagement. Absorbed employees are characterized by being totally and happily immersed in one’s work and having difficulty detaching oneself from it. Hypothesis H1c0 and H1c are drawn on the premise that organizational culture comprising of autonomy, external orientation, inter-departmental co-operation, human resource orientation and improvement orientation has an impact on absorption dimension of employees.

H1 c0: Organizational Culture does not have significant impact on predicting absorption of employees and influencing employee engagement.

H1 c: Organizational Culture has significant impact on predicting absorption of employees and influencing employee engagement.

5.3 Formulation of Hypothesis H2

Hypothesis H2 proposes the influence of organizational communication on employee engagement. Employee engagement comprises of three dimensions of vigor, dedication and absorption. The impact of organizational communication factors including organizational integration, supervisory communication, personal feedback, corporate information, communication climate, horizontal and informal communication, media quality and sub-ordinate
communication on each of the dimensions of employee engagement in the three types of banks i.e. co-operative, nationalized and private sector banks have been hypothesized in H2. The sub-hypothesis H2a to H2c has been listed below:

**H2a0:** Organizational Communication has no significant impact in predicting employee engagement comprising of vigor, dedication and absorption of employees.

**H2:** Organizational Communication has significant impact in predicting employee engagement comprising of vigor, dedication and absorption of employees

The sub-hypothesis H2a0 tested impact of organizational communication factors including organizational integration, supervisory communication, personal feedback, corporate information, communication climate, horizontal and informal communication, media quality and sub-ordinate communication on vigor dimension of employee engagement. Vigor indicates high level of energy and enthusiasm that employees bring to work. Engaged employees are believed to display vigor resulting from organizational communication.

**H 2a:** Organizational Communication has no significant impact in predicting vigor of employees and influencing employee engagement.

**H2a:** Organizational Communication has significant impact in predicting vigor of employees and influencing employee engagement.

The sub- hypothesis H2b0 tested impact of organizational communication factors including organizational integration, supervisory communication, personal feedback, corporate information, communication climate, horizontal and informal communication, media quality and
sub-ordinate communication on dedication dimension of employee engagement. Dedicated employees are more persevering, inspired and take pride in their work.

**H2b₀:** Organizational Communication has no significant impact in predicting dedication of employees and influencing employee engagement.

**H2b:** Organizational Communication has significant impact in predicting dedication of employees and influencing employee engagement.

Organizational communication factors including organizational integration, supervisory communication, personal feedback, corporate information, communication climate, horizontal and informal communication, media quality and sub-ordinate communication was hypothesized as having an impact on making employees feel absorbed and engrossed in their work. Hence, organizational communication’s impact on absorption of employees was tested.

**H2c₀ :** Organizational Communication has no significant impact in predicting absorption of employee and influencing employee engagement.

**H2c :** Organizational Communication has significant impact in predicting absorption of employees and influencing employee engagement.

5.4 Formulation of Hypothesis H3

Employee Engagement levels differ due to ownership type and nature of organization. This is attributed to the differences in orientation towards managing, developing and motivating human resources in the organizations. Every bank displays different interplay of organizational drivers and hence varying levels of employee engagement.
Hypothesis H3 proposes the significant differences in employee engagement levels among the three categories of banks i.e. co-operative, nationalized and private sector banks. Through this hypothesis the study investigates whether employee engagement levels are similar or different in the three categories of banks.

H3₀ : There is no significant difference in Employees Engagement levels across different category of banks.

H3 : There is significant difference in Employees Engagement levels across different category of banks.

5.5 Formulation of Hypothesis H4

All categories of employees work in an organization. It is believed that they have diverse needs, interests and career aspirations. Employee engagement levels are possibly different for different age-groups. Hypothesis H4 proposes the significant differences in employee engagement levels among employees of different age categories. Through this hypothesis the study investigates whether employee engagement levels are similar or different in the different age categories of employees in banks. This hypothesis will help in testing the one–size fits all approach.

H4₀ : There is no significant difference across different age categories in predicting the overall employee engagement levels of bank employees.

H4 : There is significant difference across different age categories in predicting the overall employee engagement levels of bank employees.
5.6 Formulation of Hypothesis H5

Educational backgrounds of employees define their expectations and enrich their experiences. It was important for the researcher to ascertain whether employee engagement levels show differences on account of educational qualifications.

Hypothesis H5 proposes the significant differences in employee engagement levels among employees of different educational qualification categories. Through this hypothesis the study investigates whether employee engagement levels are similar or different in the different educational qualification categories of employees in banks.

**H5₀**: There is no significant difference across different educational qualification categories of employees in predicting the overall employee engagement levels of bank employees.

**H₅**: There is significant difference across different educational qualification categories in predicting the overall employee engagement levels of bank employees.

5.7 Formulation of Hypothesis H6

Organizational tenure plays an important role in shaping employee attitudes towards the job and the organization. Employees with less or more years of work experience possibly have different insights which define their engagement levels. Hypothesis H6 proposes that significant differences in employee engagement levels arise with different work experiences in the current organization of employment. Through this hypothesis the study investigates whether employee engagement levels are similar or different among employees with different organizational tenures in banks.
H6₀: There is no significant difference across employees with different years of work experience in the current organization in predicting the overall employee engagement level of bank employees.

H6: There is significant difference across employees with different years of work experience in the current organization in predicting the overall employee engagement level of bank employees

5.8 Formulation of Hypothesis H7

Gender is considered to be an important predictor of employee engagement. Organizations have different perceptions about males versus female employees with regard to identifying their needs, shaping their attitudes and thereby engaging them. Hypothesis H7 proposes that significant differences exist in employee engagement levels for different gender. Through this hypothesis the study investigates whether employee engagement levels are similar or different among employees of different gender in banks.

H7₀: There is no significant difference between genders in predicting the overall employee engagement level of bank employees.

H7: There is significant difference between genders in predicting the overall employee engagement level of bank employees.