

Factors Influencing the Employee Engagement of Regional Rural Bank Employees in Madurai District

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Abstract: *The effects of work qualities, procedural justice, and rewards on employee engagement are examined in this study. Primary data came from a survey of 150 workers at the Regional Rural Bank in the Madurai area. Multiple regression analysis and percentage analysis are used to examine the hypotheses. According to the findings, procedural fairness is the element of employee engagement that is most predictable, followed by reward and recognition. There is discussion of the implications for management and practice.*

Keywords: Job characteristics, Rewards and Recognition, Employee engagement and procedural justice

1. Introduction

A measure of an employee's satisfaction with their work, working conditions, and productivity is called employee engagement. Any business may benefit much by managing strong moral standards among its workforce since engaged personnel are more dependable and devoted to their employers. An increasing amount of research indicates that strong levels of productivity and performance within a company are correlated with employee engagement. For instance, a number of studies concur that workers may play a critical role in the performance and success of an organisation because of their seeming considerable potential influence on productivity, retention, and loyalty (Schaufeli and Bakker, 2004; Saks, 2006). Businesses now work in a business climate that is evolving quickly and becoming more and more competitive. Over the past 20 years, there has been a noticeable increase in business competitiveness due to globalisation and the rapid advancements in communications and information technology. The main components that influence employee engagement were examined in this study.

2. Review of Literature

Kahn (1990) asserts that an individual's level of mental, physical, and emotional engagement with a task constitutes their contribution to the job. In the words of Schaufeli et al. (2002), commitment is a "optimistic, fulfilling, productive state of mind characterised by vigour, commitment, and focus." A few business concerns that are essential to justice are interpersonal behaviours, fairness in decision-making processes, and organisational justice in resource allocation. One of the biggest challenges in studying organisational behaviour is trying to understand how people judge fairness in their companies and respond to perceived injustice or justice.

Maleki and Taheri, (2012) the two fundamental requirements for justice research that academics have long emphasised are distributive justice and procedural justice. Procedural fairness is the idea that people are equal before

the rules and procedures that are used to assess performance at work (Suliman and Kathairi, 2013). Workers' correct assessments of the techniques and processes used to decide how much and what kind of services are provided are referred to as procedural fairness (Saks, 2006). After interviewing 400 full-time employees in Korean companies, Kim and Park (2017) discovered a strong correlation between procedural fairness and worker engagement, knowledge sharing, and innovation. Regressive analysis of data from 414 healthcare personnel by Ozer, Zlem, et al. (2017) showed that relational justice and procedural justice had the most effects on labour participation.

Mesepy (2016) found that rewards and recognition can motivate employees to work harder and more productively, which boosts the organization's bottom line. He conducted this research on bank workers in Indonesia. The aim of this study is to investigate the potential relationship between employee engagement and views of procedural justice, incentives and recognition, and work features.

Jangam Chandra Babu and Panatula Murali Krishna (2019) study followed a comparative approach to study employee engagement with level of employee's engagement and employee engagement practices. The first hypothesis that there will be a significant association between demographical factors and the employee engagement in the both public and private sector banks. This discovery means that employees who receive the necessary resources through them banks that carry out their tasks effectively tend to respond positively to banks have committee and also discovered that employee engagement mediated association between people background and job satisfaction, organizational commitment, intentions to leave work and organizational citizenship behavior. So, concluding, a well-built engagement strategy will help banks compare the value of their brand. Always remember that the transformations of these benches are not a night-time exercise, but a more organic process.

Rabeya Akther Shumi and Sharmin Begum (2021) concluded that bangladesh's economic expansion has been quite telling from the perspective of the GDP growth rate.

Banks and financial institutions are playing a significant role in this growth. Researchers' have been tried to find out the most influential factors that enhance the performance of bank employees of Bangladesh from the employee engagement viewpoint throughout the study. The prime objective and specific objectives have been attained through the analysis and discussion. This study has constructed a new model from the factor analysis that depicts the three components or factors. These features are performance management agreement, awareness of goals and objectives, and leadership role in understanding job/task that can bring positive change in the performance of employees involved in the banking sector of Bangladesh.

Dr. Bhagtani Bharat Jethanand (2023) concluded that majority of the employees in the ICICI banks are satisfied that they have had opportunities at work to learn and grow. It is very important aspect of the career development for the employees and therefore, it would make employees more enthusiastic about their work. The employees in the Yes bank are not satisfied with bank's opportunity for learn and grow, essential material availability, banks mission and purpose and not proper motivational work in the bank. The study has conducted survey from five Banks, which are ICICI Bank, HDFC Bank, Kotak Mahindra Bank, Yes Bank and Axis Bank. The private banks - unit's grand mean score is $3.99 = 4$ an engagement state at an organizational level. This shows that majority of the employees in the private banks are engaged which is a positive sign towards employee productivity in private banks.

Objectives of the study

- To ascertain the respondents' socioeconomic profile
- To determine the major factors that influence employee engagement.

Hypotheses of the study

- Rewards and Recognition significantly and positively related to employee engagement
- Procedural justice is significantly and positively related to employee engagement
- Job characteristics is significantly and positively related to employee engagement

3. Research Methodology

The study employed a descriptive cross-sectional technique with a single sample of managers, officials, and clerks from several Regional rural Bank locations in Madurai. In the study, a purposive test strategy was employed. The researcher has collected the structured questionnaire from 150 regional rural bank staff in Madurai. Several measures that have been validated in previous research were employed to measure the study's constructs. Schaufeli and Bakker (2003) developed a ten-item scale to measure employee engagement. The work qualities were evaluated using six items from Hackman and Oldham (1980). The research included a ten-item scale to evaluate incentives and recognition (Saks, 2006). Colquitt's (2001) seven-item scale was used to rate procedural justice.

Participants were made aware of the study's aims and the anonymity of the questionnaire replies prior to its delivery.

Every item evaluated was compiled onto a five- point Likert scale. Multiple linear regression analyses and the percentage were used to test the hypothesis for the sample.

4. Results and Discussions

Table 1 presents the respondents' demographic characteristics. The distribution of respondents by gender, age, monthly income, educational Qualification and marital status is shown.

Table 1: Demographic Profile of the Sample Respondents

Profile		Percentage
Gender	Female	41.0
	Male	59.0
Age	Below 40	55.5
	Above 40	44.5
Monthly Income	Less than 25000	37.5
	25001 – 35000	49.5
	Above 35000	13.0
Educational Qualification	Graduate	19.0
	Post Graduate	42.5
	Others	20.0
Marital Status	Married	41.0
	Un Married	58.0

Three independent factors were examined to determine their effects on employee engagement using multiple regression analysis. Table 2 indicates that the independent factors account for 27% of the variance in employee engagement. At the five percentile, the study's F-statistics indicate significance. Procedural fairness is the second most significant factor impacting employee engagement, behind rewards and recognition ($\beta = 0.317$, $p < .05$).

Table 2: Summary of regression analysis results

Dependent Variable	Independent Variables	Standardized β	R ²	F Value
Employee engagement	Job characteristics	.110*	0.275	44.668*
	Procedural Justice	.208*		
	Rewards and Recognition	.317*		

*Significance at 5 % level

Values in table are standardized β coefficients

5. Conclusion

The present study examined the employee engagement in the banking industry. This study demonstrates the importance of employee engagement and identifies several variables that significantly affect it. Additionally, it shows how significant the relationship is between all of the predictor factors and employee engagement. The demands of their staff as well as the consequences of past causes must be taken into consideration by Regional Rural Bank management while developing their communication programmes and policies.

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