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The Impact of Employee Engagement on Job Performance of Executives of Banking Sector in Colombo District

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Area of the Study

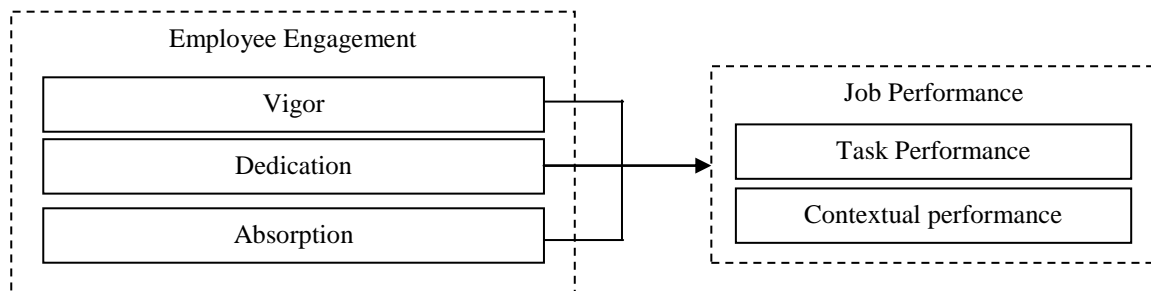
Job performance is one of the most important dependent variables and has been studied for a long period. Employee engagement is one of the emerging concepts among the researchers. Therefore, this study is aimed to discuss the impact of employee engagement on job performance of banking executives.

Objectives

The main objective of the study is to find out the impact of employee engagement on job performance of the executives in the banking sector. There are two specific objectives;

1. To find out the impact of employee engagement on the task performance of the executives in the banking sector.
2. To find out the impact of employee engagement on the contextual performance of the executives in the banking sector.

Conceptual Framework



Hypotheses

- H₁: There is a positive relationship between the employee engagement and task performance.
 H₂: There is a positive relationship between the employee engagement and contextual performance.

Method

100 executives in two commercial banks in Colombo district were considered as the sample of the study. The structured questionnaire was used to gather the data from the sample and questionnaire consisted of 44 question statements with 5 points Likert scale. The data were analyzed using univariate and bivariate analysis with SPSS (16 Version).

Measures

Employee Engagement: Vigor, Dedication and Absorption of UWES¹ (18 items)

Job Performances: Task Performance and Contextual Performance of Borman and Motowidlo² (26 items)

Reliability

Table 1: Results of Reliability Tests

Instruments	Test-retest coefficient	Cronbach's Alpha
Employee Engagement	0.869	0.811
Job performance	0.804	0.801

Data Analysis

Table 2: Mean and Standard Deviation of the Variables

Variable	Mean	SD
Job performance	2.2777	.50068
Task performance	2.2286	.41983
Contextual performance	2.3267	.73126
Employee Engagement	2.1137	.47149
Vigor	2.0653	.49316
Dedication	2.1180	.59973
Absorption	2.1579	.51665

Table 3: Correlation between Employee Engagement and Job Performance

Correlations		Employee Engagement	Job performance	Task performance	Contextual performance
Employee Engagement	Pearson Correlation	1	.642**		
	Sig. (1-tailed)		.000		
	N	100	100		
Employee Engagement	Pearson Correlation	1		.786**	
	Sig. (1-tailed)			.000	
	N	100		100	
Employee Engagement	Pearson Correlation	1			.428**
	Sig. (1-tailed)				.000
	N	100			100

** . Correlation is significant at the 0.01 level (1-tailed).

Table 4: The Curve Fit Analysis of Task Performance

Variables	Task performance
Method	Linear
R Square	0.617
Adjusted R Square	0.613
F	157.928
Significance	0.000
B- constant	0.005
b- Value	0.786

Table 5: The Curve Fit Analysis of Contextual Performance

Variables	Contextual performance
Method	Linear
R Square	0.183
Adjusted R Square	0.175
F	219.800
Significance	0.000
B- constant	0.005
b- Value	0.428

Findings

1. There is average and positive relationship between job performance and employee engagement in the banking executives.
2. There is strong and positive relationship between task performance and employee engagement in the executive employees.
3. There is average and positive relationship between contextual performance and employee engagement of the executives in the banking sector.
4. As R squared, 61% of the variance of task performance explained by the employee engagement of the executives in the banking sector.
5. As R squared, 18% of the variance of contextual performance is explained by the employee engagement of the executives in the banking sector.

Discussion

The findings of the study revealed that there is positive impact of employee engagement on the job performance of the executives in the banking sector. However, when comparing with the contextual performance, the impact of the employee engagement on task performance is higher than the impact of contextual performance. Therefore, the management of the banking sector has to consider the employee engagement for the purpose of enhancing the performance of executives.

Note

1. Schaufeli, WB & Bakker, AB 2003, 'UWES – utrecht work engagement scale: test manual', Department of Psychology, Utrecht University, Utrecht, available at: www.schaufeli.com.
2. Schaufeli, WB, Salanova, M, Gonzalez-Roma, V & Bakker, AB 2002, 'The measurement of engagement and burnout and: a confirmative analytic approach', *Journal of Happiness Studies*, Vol. 3, pp. 71-92.
3. Borman, WC & Motowidlo, SJ 1993, *Expanding the criterion domain to include elements of contextual performance*, In *Personnel Selection in Organizations*, San Francisco, Jossey-Bass.



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