

## **Work Engagement and Innovative Work behavior: Evidence from Banking Sector of J&K**

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### ***Abstract***

The study aims at exploring the impact of Work Engagement of banking employees on their Innovative Work Behavior (IWB). The impact is examined through an empirical study involving 246 banking employees of three major banks of Kashmir region, using correlation and regression analysis. The results revealed that Work Engagement of employees positively and significantly influenced the Innovative Work behavior among the employee surveyed.

***Keywords: Work Engagement, Innovative Work behavior, Banking Sector.***

### **Introduction**

In the face of globalization and rapid technological advancements, Organizations are encountering the challenges of varying customer demands and increased competition. Researchers have concluded that organizations have recently been facing pressures and challenges, highlighted in the lack of available resources, the multiplicity of objectives, the low levels of productivity, increasing societal needs, the low level of satisfaction of beneficiaries and employees, etc. To ensure the survival and continuity in the light of the rapid changes and to maintain a competitive edge, organizations requires dynamic changes and need to bring innovation in their product, service; introduce new technology, new managerial or administrative

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practices and bringing changes in all the other elements of the organization. To build an innovative workplace employees are heavily relied upon and must bring innovations in their processes, methods and operations (Ramamoorthy et al., 2005). In order to be effective and ensure long-term success in this endeavor, organizations shouldn't confine innovation only to the research and development professionals but should also encourage and develop the innovative potential of all of their employees and promote innovative work behavior (IWB). Innovative Work Behavior helps to develop new and creative ideas and encompasses their implementation. IWB among employees is of crucial importance for organizations in order to match the customer expectations and remain competitive in the market. Consequently, a myriad of research studies have been conducted in order to identify the factors that cultivates and promotes the innovative work behavior among employees. Employee work engagement has a close relationship with innovative work behavior. Engaged employees want to use their talents and strengths at work every day. They drive innovation and display innovative work behaviours to propel their organizations forward. The present study aims to empirically test and measure the relationship between work engagement of the employees and innovative work behavior in context of financial institutions. The justification of the present study lies in the fact that the current theoretical understanding of the relationship between work engagement and Innovative Work Behavior is largely based on the studies conducted in western contexts lacking evidence in Asian perspective.

## **WORK ENGAGEMENT**

According to Schaufeli & Bakker (2003), work engagement is a positive, fulfilling, work related state of mind that is characterized by vigor, dedication, and absorption. Vigor is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one's work, and persistence even in the face of difficulties. Dedication refers to being strongly involved in one's work and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge. Absorption is characterized by being fully concentrated and happily engrossed in one's work, whereby time passes quickly and one has difficulties with detaching oneself from work. Work engagement is characterized by energy, involvement and efficacy. Engaged employees have a sense of energetic and effective connection with their work activities and they see themselves as able to deal completely with the demands of their job (Maslach & Leiter, 1997). Engaged employees are committed, motivated, energetic and enthusiastic about problem

solving. They are absorbed in their work, put their heart into their jobs, are excited about doing a good job and exert energy in their work (Katzenbach, 2000). According to Robinson et al. (2004) engaged employees exhibit clear behaviors like belief in the organization, desire to improve their work, an understanding of the business strategy, ability to collaborate with and assist colleagues, willingness to demonstrate extra effort in their work, drive to continually enhance their skill set and knowledge base.

## **INNOVATIVE WORK BEHAVIOR**

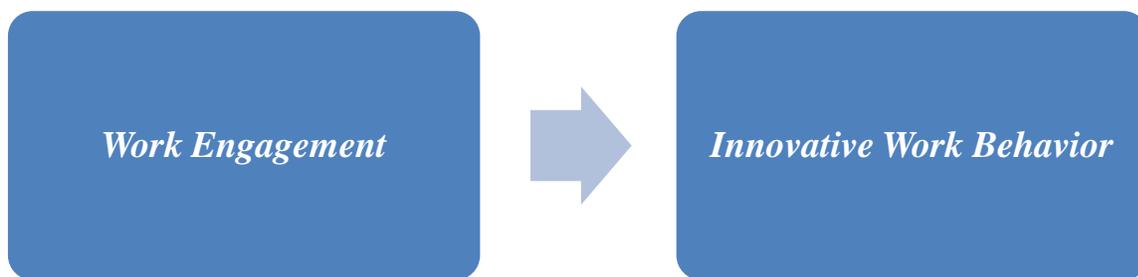
Innovative Work Behavior (IWB) is described as the intentional creation, introduction and application of new ideas within a work role, group or organization, in order to benefit performance (Janssen, 2000). The concept of IWB is more applied in nature as it results in innovative outputs and aims to benefit the organization through these innovative outputs. Employee's behaviors aimed towards making new products, processes and services are included in Innovative work behavior (Scott and Bruce, 1994). The two concepts of creativity and IWB are thought to be overlapped and used interchangeably by many researchers (De Jong, 2006). IWB is defined by De Jong (2006) as "Individuals' behaviors directed toward the initiation and intentional introduction of new and useful ideas, processes, products or procedure within a work role, group or organization." IWB is individual's future oriented and self initiated behavior. These actions are aimed at changing or bringing improvement in one's current situation (Janssen, 2000).

## **WORK ENGAGEMENT and INNOVATIVE WORK BEHAVIOR**

Engaged employees exhibit an ability to collaborate with and assist their colleagues (Robinson et al., 2011). This in turn leads to more informational exchange among co-workers, which enables them to create ideas and generate original solutions to problems at work, which is characterized as idea generation. In addition, employees with high levels of work engagement are more involved in their jobs and are more focused. This assists them to evaluate the utility of innovative ideas, introduce innovative ideas into the work environment in a systematic way, which is characterized as idea realization. Lastly, work engagement develops positive attitudes at work and positive mental health among the employees (Schaufeli & Bakker, 2003). With their positivity, employees are likely to display a broad way of thinking and flexibility which leads them to inspire their co-workers to embrace innovative ideas. This, in turn, fosters

their ability to mobilize support for innovative ideas, and acquire approval for innovative ideas which is characterized as idea promotion. Therefore, it can be concluded that properly managed work engagement among employees can lead to high levels of engagement among the work force which consequently will promote innovative work behavior among them. Corroborating with this conclusion, Slåtten & Mehmetoglu (2011) suggest that a positive emotional state implicit in Work Engagement has two effects that encourage the innovative behavior among employees: an attitude more positive facing job opportunities, that lead to the vocation of service, and positive emotions associated with creativity. Based on the above discussion, it is postulated that:

**Hypothesis: *Work Engagement will have a positive and significant relationship with Innovative Work Behavior.***



**Figure 1: Theoretical model**

## **METHOD**

### **Sample and Procedure**

Three hundred full-time employees belonging to three banking organizations located in the state of Jammu and Kashmir were surveyed. The employees completed the survey of their own accord during their regular scheduled work hours at their respective work sites. To encourage employees to share free and frank opinion, we assured them of anonymity through both verbal and written means. We further guaranteed that only group data will be communicated to the organizations. Survey questionnaires were distributed and retrieved by the researchers in sealed envelopes. Eighty two percent (N=246) of the participants returned the questionnaires.

Based on the survey participants' responses, we found that their average age was 41.39 years. Of the 246 respondents, 59.10 percent were males and 40.90 percent were females. On an average, the employees had 6.88 years of work experience.

## Measures

**Work Engagement:** Utrecht work engagement scale (UWES) proposed by Schaufeli et al., (2002) was adopted to measure the work engagement of employees in the present study. Respondents indicated the extent of agreement with each statement on a 5-point scale (1 = Strongly disagree to 5 = Strongly Agree). Cronbach alpha coefficient of the scale was 0.81.

**Innovative Work Behavior:** IWB was measured through an adopted instrument from Zaman (2006). The scale consisted of 22 items rated on five point Likert scale. Respondents indicated the extent of agreement with each statement on a 5-point scale (1 = Strongly disagree to 5 = Strongly Agree). Cronbach alpha coefficient of the scale was 0.79.

## RESULTS

Descriptive statistics including mean and standard deviation of all scales and subscales were calculated. Table 1 shows the mean and standard deviations of all the variables in the study. The mean score of Work Engagement is reported to be 4.03 with a standard deviation of 0.63 whereas mean score of Innovative Work Behavior (IWB) is 3.59 with a standard deviation of 0.57. The mean scores depict that the perception of employees regarding the two variables under study i.e. Work Engagement and Innovative Work Behavior is fairly positive. The results depict that employees perceive a fair level of work engagement exists among them. This indicates that the employees possess a fair level of work engagement. Further, the mean score obtained with respect to IWB scale indicates that the employees perceive their work behavior as fairly innovative. The reliability of the results is supported by the lower values of standard deviations indicating that the responses do not show much variability and are reliable.

*Table 1: Descriptive Statistics of Work Engagement and Innovative Work Behavior (N=246)*

<i>Construct</i>	<i>Mean Score</i>	<i>Standard deviation</i>
<i>Work Engagement</i>	<i>4.03</i>	<i>0.63</i>
<i>Innovative Work Behaviour</i>	<i>4.23</i>	<i>0.57</i>

The correlation matrix in Table 2 reveals that Work Engagement has significant positive correlation with the Innovative Work behavior ( $r = 0.572$ ,  $p < 0.05$ ). The matrix shows that Work Engagement of employees has a positive and a significant relationship with the Innovative Work behavior of the employees surveyed. The results of regression analysis in Table 3 show that Work Engagement has a significant positive impact on Innovative Work behavior. The value of  $R^2 = 0.47$  shows that 47% variance is explained by independent variable (Work Engagement) in dependent variable (Innovative Work behavior).

**Table 2: Correlation analysis**  $N=246$

Construct		<i>Innovative Work Behavior</i>
<i>Work Engagement</i>	Pearson Correlation	.572*
	Sig. (2-tailed)	.012

\*  $p < .05$

**Table 3: Regression analysis** ( $N=246$ )

<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>
1	.572 <sup>a</sup>	.467	.393	.24441

a. Predictors: (Constant), VAR00002(*Work Engagement*)

## Discussion

The results of the present study provide ample support for the proposed theoretical model (Figure 1). The hypothesis of the present research study postulated a positive relationship between Work Engagement and employee Innovative Work Behavior. The results of the data analysis support such a postulation. Organizations need to go beyond the specified contractual relationships and provide individuals with resources and opportunities to enhance their work engagement. Organizations need to understand that not all employees are necessarily equal. They need to focus on key segments and critical talent so that they are able to engage or re-engage their employees. A positive evaluation of work engagement will lead to promotion of Innovative

Work behavior among employees. The findings indicate that the employees those with higher work engagement are more inclined to demonstrate positive and innovative work behavior that goes beyond expectations. Furthermore, engaged employees are fully physically, cognitively and emotionally connected with their work roles. Engaged employees depict positive emotions towards their work, have the ability to be involved and committed to their work, and understand and assist their co-worker's which in turn leads to collaboration and enhanced feedback at the work place and generates opportunities for innovations and Innovative Work Behavior.

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