ABSTRACT

Many organizations around the world have been dealing with issues related to employee altruism, fatigue, and burnout in the twenty-first century. In order to address the issues, all organizations strive to increase the cognitive, physical, and emotional engagement of their workforce. So, this study aims to investigate the Employee Engagement in Nepali Commercial Banks: A Focused Group Discussion Analysis in order to address this issue.

This research is descriptive and based on the previous research findings applying the Focused Group Discussion technique of sampling under qualitative research assumption.

The employees' engagement domains vigor, dedication and absorption have been found positive. Similarly, the availability, safety and meaningfulness all had positive impact on employees' engagement in the Nepali commercial banks.

This study is primarily based on qualitative analysis by taking the views of employees using FGD of the participants of commercial banks in the three districts of Kathmandu Valley.

Researchers and company executives looking to learn more about the types and level of engagement activities going on in Nepali commercial banks find this study
Employees' engagement has long been a challenging issue in Nepali business sectors; despite enormous efforts on the part of the organizations, they were unable to get the employees engaged in their workplaces and for the betterment of the businesses. Banking sectors are taken to be a lucrative sector for employment in Nepal (Nepal Rastra Bank, 2020). It is stated that an organization's performance depends on how engaged its people are with their jobs and workplace (Nepal Rastra Bank, 2020). The banking industry has major impact in Nepali economic development. At present, there are 20 commercial banks (Nepal Rastra Bank, 2023) operating across the country that comprises 83.21% of the assets employed in the banking and financial sectors that are larger and more complex than other types of financial institutions (Nepal Rastra Bank, 2023). Engagement's common meanings include involvement, passion, excitement, and energy (Eldor & Vigoda-Gadot, 2016). A desirable condition with an organizational purpose, connoting involvement, commitment, passion, enthusiasm, focused effort and energy, employee engagement consists of both behavioral and attitudinal elements (Macey & Schneider, 2008). Nepali commercial banks have provided employment to 46408 (Nepal Rastra Bank, 2023) individuals of the country. However, skilled manpower is lacking in this sector. So, the employee engagement in this sector is essential to boost the country's economy and financial sectors as well (Nepal Rastra Bank, 2021).

An organization's financial performance, return on investment, and employee performance are all highly impacted by employees' engagement (Katou, 2017; Hansen, 2014; Demerouti, 2010; Macey, 2011; Bakker, 2010). When it comes to achievement and productivity, high-performing individuals routinely beat their disengaged employees (Kazimoto, 2016). Organizational performance indicators benefit from employee engagement because motivated employees are more productive and enthusiastic about their work (Kahn, 1990a). When employees are content and motivated at work, they are more inventive and creative, and their contributions to fresh ideas help firms as the market develops through time (Obino & Jerotic, 2014). A culture of learning and growth, recognition for a job well done, and a connection to the organization's strategy and goals all contribute to
high levels of engagement (Ram & Prabhakar, 2015). Engagement is a state of mind relating to work that is pleasant, gratifying, and marked by vigor, dedication, and absorption. Engagement describes a more pervasive and lasting affective cognitive state that is not focused on any one item, event, person, or behavior, as opposed to a momentary and specific state (Schaufeli, Salanova, Gonzalez-Roma & Bakker, 2002). Supervisory support was not associated with engagement, while supervisory feedback was. Positive service staff performance was correlated with greater employee engagement (Menguc et al., 2013).

Nepal is a least developed country with important environmental, social, political, and economic problems that must be properly resolved for the country to advance as a whole. Since the majority of Nepal's youth have been employed in the Gulf and send money home, remittances have become the main source of funding for the GDP of this country (Gaudel, 2006). Positive socioeconomic growth seemed to occur after democracy was restored in 1990, but the real achievements have been hidden by the political-economic fragility of the ruling parties (Devkota, 2007). Employees in Nepal, particularly those working for government-owned banks, frequently prioritize attendance over commitment to work, which results in a lack of seriousness in their roles (Pandey, 2008). In current day of fierce competition, particularly in the banking sectors, Nepali BFIs won't be able to satisfy their customers and stakeholders if the issue of performances persists (Jha & Hui, 2012). Costs associated with employee turnover greatly damaged organizational performance and the growth of Nepal's commercial banks (Khadka, 2013). Employee engagement is essential for maintaining top talent and assuring satisfaction because disengaged employees are more likely to leave their jobs. A single commercial bank failing can also have a negative effect on Nepal's whole financial system (Nepal Rastra Bank, 2020).

Two significant issues have emerged as corporations, professional societies, and consulting groups adopt the employee engagement concept, attracted to its capacity to resolve unsolvable issues. The first issue concerns the definition and appropriate terminology of employee engagement (Macey & Schneider, 2008). The dearth of empirical evidence on employee engagement is the second obstacle facing those who want to embrace. The academic literature still surprisingly lacks research on employee engagement (Saks, 2022). In the present market, competitors may quickly reproduce new technologies and inventive goods and services, but highly
engaged human resources are hard to replicate and give a business a distinct competitive advantage. What are the challenges facing Nepali firms nowadays in terms of creating a motivated workforce? What results might one anticipate from a motivated workforce?

Therefore, this study has tried to investigate the following issues of employees' engagement in Nepali commercial banks.

- The status of Vigor, Dedication and Absorption in commercial banks of Nepal.
- The current state of the three engagement factors: meaningfulness, safety, and availability.

**LITERATURE REVIEW**

The idea of employee engagement attracted a lot of attention because it suggests that, for the vast majority of people who are committed to their jobs, uplifting environments are feasible, desirable, and within reach (Shuck & Wollard, 2010). Providing employees week-levels of autonomy, interchange with the supervisor, and possibilities for growth (but not social support) were positively associated with weekly engagement (Bakker & Bal, 2010). There are three psychological states at play: availability, safety, and meaningfulness, along with their specific and contextual origins. The level of engagement or disengagement among employees was governed by these psychological characteristics (Kahn, 1990b). There are important differences between job and organizational engagement, and one important individual factor that influences productivity and engagement metrics is peer support (Andrew & Sofian, 2012). Employee engagement has been decreasing globally due to negligence made by employers while making policies and plan to develop human resources (Jose, 2012). The reverse view was furnished by Makera, (2018) employee engagement was inversely correlated with the relationships between coworkers between groups and teams within the organizations. In the words of Macey & Schneider (2008) an increasing number of organizations are concentrating their attention on the issue of employee engagement at work. However, academic curiosity in it is still very new and modest. A happy, contented attitude at work that is typified by vigor—a high degree of energy and mental fortitude—dedication—a passion for one's work—and absorption—a complete focus on one's tasks—is an employee engagement (Schaufeli, *et al.*, 2002; Lawler & Hall, 1970; Kanungo, 1982). Moreover, arguments have been made that
engaged staff members produce more income and typically have higher customer satisfaction ratings (Wagner & Harter, 2006; Vance, 2006).

Employee engagement has been theorized in academic literature using the widely accepted job-design resource model (JD-R) framework, which was proposed by (Bakker & Damrouzi, 2007). Employee engagement was explained by this model using resources connected to the job and personal related resources. Bakker & Damrouzi (2007) integrated organizational, social, and physical aspects of a job that could aid in achieving work objectives, provide opportunities for learning and personal growth, and lessen physiological and psychological expenses associated with the job (De Lange, et al., 2008). One highly effective approach for determining the causes and effects of employee engagement is the JD-R model. Nevertheless, the JD-R model is unable to account for the differences in employee engagement, indicating that further research is still needed. Saks (2006) suggested that the more powerful theoretical basis of social exchange theory (SET), which characterizes the reciprocal connection between two parties, has been discovered to explain employee engagement (Presbitero, 2017; Karatepe, 2011). According to the social exchange theory (SET), employees behave in a reciprocal manner depending on their perceptions of the organizational ideals, management practices, and possibilities for progress. SET offers crucial knowledge that employees behave (commitment, collaboration, and intention to leave the firm) based on their realization of value from the conduct of others, whether their bosses, supervisors, or coworkers (especially in the workplace settings) (Cropanzano & Mitchell, 2005). Exchange of ideologies affects how sensitive employees are to organizational politics (such as service atmosphere), which ultimately encourages employees' desire to stay employed by the company (Andrews, et al., 2003). Positive experience leads to positive behavior when reciprocity is present, but negative experience leads to negative behavior (Cropanzano & Mitchell, 2005). Strong interdependence is created through exchange relationships, which lowers employee stress levels because perceived organizational support increases job satisfaction and emotional organizational commitment (Sungu, et al., 2019). Similar to how socio-emotional value imparts a sense of high worth in the organization, economic exchange value moderates the relationship between social exchange and turnover intention (Shore, et al., 2009). Strong relationships exist between task interdependence, leader-member exchange, and employee turnover intention (Jabutay & Rungruang, 2020).
Adhikari (2012) found that the majority of both governmental and commercial businesses are managed in a family manner in Nepal. These companies are run by entrepreneurs in their own unique ways, primarily for financial gain and to preserve the family brand. The lack of corporate culture and motivational tactics used by Nepali organizations to attract employees and increase productivity results in demotivation and dissatisfaction among them (Adhikari & Gautam, 2006). However, a study conducted by (S. Chhetri, 2017) in the employee engagement in Nepali commercial banks revealed the following:

- Employee engagement and person-organization fit are positively correlated, demonstrating that workers' perceptions of their fit with the business have a favorable impact on their engagement within it.

- Both individual and organizational values, which are demonstrated by a comprehension of the objectives of the organization. Employees also demonstrate a clear understanding of their roles, which raises their level of engagement at work.

- Organizations tend to recognize employees who understand their roles and take the appropriate action to support them. Thus, P-O Fit serves as a predictor of employee engagement.

- Engaged workers are those who are committed to making a difference and expanding their horizons in their roles.

- One of the best indicators of OCB is employee engagement that motivated workers go above and beyond what is required of them since they are effective at reaching their objectives and may utilize that extra time to concentrate on organizational duties that are specifically not required of them.

Another study conducted by Adhikari (2022) in sources and outcomes of employee engagement found the following:

- Job characteristics and perceived organizational support are predictors for employee engagement.

- Engagement predicts job satisfaction, organizational commitment and organizational citizenship behavior.
• Personal skills, good working condition and good human resource management enhances employee engagement.

• Causes and consequences are also barriers to employee engagement.

• Employees can be engaged at their workplaces if their needs are met.

• Employee engagement and happiness are a result of learning how to adapt and communicate effectively in a safe working environment.

Based on the aforementioned observations, it seems that the various interests of the commercial banks are dominating the concept of employee engagement as it emerges in Nepal. With a few exceptions, these studies and observations do not, however, clearly indicate what activities are taking place in a given domain. Thus, the researcher tries to study the level of each employee engagement components and ranks them in this paper.

METHOD

Sample and Sampling Procedure

This is cross sectional study and a focused group discussion (FGD) was scheduled with eighteen employees of the commercial banks in the human resource management department of the Kathmandu Valley. The judgmental sampling was used. The participants were five executives, five human resource department heads, five branch managers and three senior assistant level employees who were the part of policy formulation and implementation regarding human resources having experience more than five years in their field. There are a total of 20 commercial banks in Nepal: 12 are private sector banks, 5 are joint venture banks, and 3 are public sector banks (Nepal Rastra Bank, 2023). The sample consisted of 18 employees, two from each of the 9 commercial banks—two joint venture banks, two public sector banks, and five private sector banks. The sample size for a qualitative research should range from 10 – 50 for inclusive and fair consideration (Creswell, Frost, Josselson, Suárez-Orozco, Levitt & Bamberg, 2018) to achieve saturation. This discussion program's primary goal was to acquire first-hand information from the participants.

Measures

This research adapted three items on vigor, dedication and absorption each from (Schaufeli, et al., 2002) to measure employee engagement includes vigor (3 items, e.g. Are you enthusiastic about your
job?), dedication (3 items, e.g. are you interested in your work?) and absorption (3 items, e.g. How long can you work for your organization?). Self-developed items for safety, availability and meaningfulness on the basis of finding by Kahn (1990b) to measure employee engagement includes safety (3 items, e.g. Do you feel secure working for your organization?), availability (3 items, e.g. Do your organization prioritize ability, practice and knowledge?) and meaningfulness (3 items, e.g. Do you believe that your role within the organization contribute to its success?) According to the participants' view, the information derived from the focus group discussion was well-processed following verbatim, transcription, coding and thematizing keeping true to the participants' initial opinions by using Atlas-ti software. Here are all 18 of the statements.

**Employee Engagement Variables**

Participant 1 (Vigor): *I always arrive at work on time, and when I see my supervisors, they constantly encourage me, which gives me a positive attitude and gives me the energy to do any task that is assigned to me. I appreciate what I do, and my team is very collaborative. We can work on any kind of project together, and when an employee is absent, our team can handle it to have a positive synergistic impact.*

Participant 2 (Vigor): *Despite the challenges I encounter at work, I consistently deliver quality work. I always give the work I'm allotted my all. I work really hard to fulfill my assigned obligations. What other people do is irrelevant to me. Despite the negative circumstances that my peer has brought about, do not take it personally and carry on working for the growth of the organization. The banking industry in Nepal is becoming increasingly competitive, with firms in this sector facing off head-to-head.*

Employee loyalty to the company and their allocated tasks is observed in the banking sector in Nepal. Although there may be a problem with unemployment in the Nepali business environment, every individual in the company is extremely passionate about what they do. This might have occurred as a result of the nation's resource shortage and unemployment.

Participant 3 (Vigor): *In our bank, each and every customer is handled with extreme caution and care. The customer care department appears to be constantly prepared to offer clients high-quality support. We treat all of our customers equally, regardless of their length of time with us, and we make every effort to meet their needs through both verbal and*
in-person interactions so that we can add value to our organization and support the long-term development and expansion of the business.

Participant 4 (Dedication): My primary responsibility is to meet the objective that the bank has set for us. I always strive to meet targets in the correct method so that I can favorably impact the organization's goal accomplishment. I always give any task I'm given my utmost to complete in order to increase the organization's overall productivity.

Participant 5 (Dedication): I have always believed that high-quality work should be demonstrated by my actions, regardless of my pay or the facilities and perks that are offered. The quality that can make me a committed and committed employee for the organization should be my loyalty to it. I constantly approach my work with a zeal to uphold organizational standards, and I always dedicate myself to completing the tasks at hand in accordance with the guidelines established by the company.

Participant 6 (Dedication): I’ve always believed in teamwork and fostering a positive work atmosphere. New ideas and innovation are only brought to the company by committed and encouraging teammates who foster a sense of camaraderie among staff members. In my role as my team's supervisor, I always work to raise my teammates' spirits so that we can offer our clients high-quality service and raise employee's retention.

Participant 7 (Absorption): I constantly dedicate myself to learning new things about the profession that pertains to me in order to improve my skills and abilities. Each person in a company has unique demands for self-actualization, which must be met by engaging in several work-related activities. One cannot advance in their career or receive other benefits if they lack discipline in their work. My goal is not just personal growth; I also firmly feel that sharing my knowledge with fellow team members is essential.

Participant 8 (Absorption): I’ve always thought that taking on difficulties and picking up new skills will help me in my career. Therefore, whenever I have the opportunity to attend conferences, workshops, and webinars, I try to gather knowledge from them and apply it to my work so that my organization can use cutting-edge technology to gain a competitive edge over rivals. This also helps me to be flexible in response to changes in the business environment and helps the organization become more adaptable.
Participant 9 (Absorption): I always speak up when I have the opportunity to offer my perspective on how to solve a situation. Every employee in our organization is requested to voice their opinions throughout decision-making processes, especially when a major issue develops and draws management's attention. Our organization places a strong emphasis on participatory decision-making. I constantly strive to express my opinions both in my department and in my personal capacity so that we may collectively consider the company's well-being and strategies to increase the organization's general efficiency.

Participant 10 (Availability): Our organizations consistently prioritize ability, practice, knowledge, and competency for managerial jobs and ability, practice and knowledge for operational jobs. These factors ultimately lead to the completion of tasks perfectly; knowledgeable and skilled employees naturally compel all employees to complete tasks perfectly and positively in order to make a significant and worthy contribution.

Participant 11 (Availability): Our organization highly values its employees; supervisors and subordinates communicate in both directions; there is a trusting environment; each person is accountable for their work and prioritizes team dynamics; no one has an excessive workload that removes misunderstandings; and management listens to employee concerns. Every member of the team collaborates in order for the teams to be effective.

Participant 12 (Availability): Our supervisors follow an open door policy by regularly checking in with us and are always willing to offer helpful advice, criticism, and support for our day-to-day operations. They always prioritize employees' good work-life balance, and the organization values our participation. Errors are promptly handled and fixed with the appropriate feedback mechanism, which greatly motivates us to meet the organization's objectives.

Participant 13 (Safety): Because of the management's full cooperation and job guarantee, we feel comfortable both psychologically and mentally working for our organization. Unless we do a significant crime, we do not worry any negative outcomes from our work. We always feel secure making judgments based on our individual capacities at work. We are free and secure as an organizational unit to assume our designated tasks and responsibilities.
Participant 14 (Safety): *We are free to voice our opinions during seminars and conferences on the strengths and weaknesses of the organization; nobody will interrupt us or use our opinions against us. In addition, our organization is always open to hearing about our frustrations with the projects and development policies that we have put forth. The belief that everyone has a voice is seen as essential to the long-term success of the business. When we speak, we don't worry about the opinions we present to management taking a bad turn.*

Participant 15 (Safety): *We feel both physically and psychologically comfortable in our business thanks to the infrastructure, which includes the arrangement of tools and equipment. Modern technology is used by commercial banks in Nepal to deliver high-quality services to their clientele. As a result, they lay a strong emphasis on using current technology in the workplace to prevent workplace disruptions and guarantee high-quality services for the entire business community. We don't worry about any unfortunate mishaps while working because of the deteriorated infrastructure and structures.*

Participant 16 (Meaningfulness): *We believe that our position inside the organization is essential to the success of the business, society, and the organization itself. While our contributions as employees benefit the company, we also think that they have a significant impact on the government of Nepal's nation-building the venture and on society at large. Over 83% of the capital used in Nepal's economy is utilized by banks and financial institutions. The government places a great deal of importance on our function as commercial bank employees.*

Participant 17 (Meaningfulness): *We are happy with the work we do for the prestigious Nepali institution. We always consider our company to be among the top corporate houses in Nepal. We constantly consider its advantages and make connections between our work and the organization. Despite personal challenges, we dedicate ourselves to the organization and operate from home during times of natural disasters like pandemics and other worldwide crises. Owing to the numerous perks and management's collaborative style, we are committed to our work as a crucial division within the company.*

Participant 18 (Meaningfulness): *Our organization adheres to best practices to reward hardworking employees with generous benefits and compensation. Leadership and supervisors remain inspired and motivated*
even in the face of unfavorable work outcomes. Instead of giving praise in public, leaders display their behavior by demonstrating favorable outcomes, which eventually motivate employees to make affective commitments to the company. Our managers and superiors appreciate our commitment to the company's advancement, which inspires us to improve our work even more for the organization's benefit.

FINDINGS AND CONCLUSIONS

Given the discussion surrounding the three elements of employee engagement—vigor, dedication, and absorption—it becomes apparent that employees of Nepali commercial banks exhibit high levels of commitment to their assigned task and are highly motivated. The argument also demonstrates how the management of Nepali commercial banks has made the best use of their human resources to fully contribute to the nation's development and to make their business profitable in this period of intense rivalry among the nation's commercial bank industry.

Their remarkable feeling of camaraderie and devotion to goal attainment in accordance with organizational standards demonstrate the employees' unwavering passion to their work and the organization they work for. Employee initiative in applying information, management's participative approach, and employees' positive, goal-directed efforts were all highly valuable, as they reported in their opinions. Employees that exhibit strong levels of energy and tenacity at work give their employers and the industry as a whole a competitive advantage. Vigor, dedication and absorption were found in the employees of Nepali commercial banks. The studies by Schaufeli, Salanova, Gonzalez-Roma & Bakker (2002), Lawler & Hall (1970), Kanungo (1982), Wagner & Harter (2006) and Vance (2006) supported the idea on employee engagement. Whereas the studies by Chhetri (2017) and Adhikari (2022) rejected the idea.

By highlighting the fair distribution of skills across the workforce, an effective employee is crucial in motivating other workers to do their jobs on time. Goal-oriented people and strong team dynamics are fostered in a trustworthy work environment. Employees who have a good work-life balance are more motivated to meet company goals. Employees who feel free to participate completely to their work are guaranteed a safe workplace. In order to ensure organizational success, management's response to employee issues is crucial, with an emphasis on high-quality work and accomplishment. Despite personal hardships, loyal and just workers,
backed by a supportive management team, are essential to a nation's development. Information provided during a focused group discussion by Nepali commercial bank employees indicates that there is availability, safety, and meaningfulness among them. This idea is supported by Kahn, (1990), Bakker & Bal (2010) and Shuck & Wollard (2010). However, authors like Andrew & Sofian (2012), Jose (2012) and Makera (2018) have other views on employee engagement. As suggested by Saks (2006) in the social exchange theory, there should be a reciprocal relationship between employees and employers to get employee engagement. As suggested by Sungu, Weng & Kitule (2019) strong interdependence is created between employers and employees through exchange relationships, which lowers employee stress levels.

The main objective of this research is to investigate the employee engagement that might have associated with the banking sectors employees in Nepali commercial banks. This study makes contributions by extending the knowledge of the existing literature based on the different dimensions of employee engagement. Although, very few studies have examined the status of employee engagement in Nepal. Conclusively, despite having positive results, however, the study manages to provide support for the application of social exchange theory, wherein all the employee engagement domains have direct significant relationship with employee engagement and also able to generate positive employee attitudes of the employees in Nepali commercial banks.

Limitations and Future Research

Though, this research has several theoretical and managerial contribution in the field of employee engagement in banking sectors. There are some limitations that need to be addressed, which may be the ground for future researchers, still, findings of this study need to be interpreted by taking into considerations of these flaws. First, this study applies a cross-sectional method in which data were collected at once during the research period (Zikmund, et al., 2013). Such type of practice may not be appropriate for qualitative research. Another drawback in this study, it only focuses on six variables of employee engagement. However, other factors of employee engagement are not taken for the analysis. Future researchers may include other potential factors such as physical, cognitive and emotional attachment of employees at the workplaces.
REFERENCES


