

IMPACT OF PSYCHOLOGICAL CAPITAL ON EMPLOYEE ENGAGEMENT ON BANKING EMPLOYEES

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At present, research scholars in the field of organizational behavior endless call for research on a proactive, positive approach emphasizing strengths, rather than continuing in the downward spiral of negativity trying to fix weaknesses. This study aimed to identify the Impact of Psychological capital (Hope, Self-Efficacy, Resilience, optimism) on Employee Engagement. This study was conducted with 79 respondents from the bank of Ceylon in Jaffna District. Hypothesis has been developed to achieve research objectives, and collected data were analyzed with multiple regression. The six personal variables (age, gender, marital status, experience, educational qualification) have been controlled in this study. This study found that no control variable had a significant impact on the engagement. Also, this study found that self-efficacy and optimism had a positive and significant impact on employee engagement, and they explain 49 percent of the variance in employee engagement. This study extends the existing literature by investigating the impact of psychological capital on engagement in a new study context. The study suggested building an engaged workforce; organizations need to recruit employees with psychological capital or take necessary steps to enhance employee's psychological capital. This study presents the limitations and ideas for further studies at the end of this manuscript. Employee interventions aimed at retaining and promoting employee engagement can have consequences for future employee psychological capital, according to the results.

Keywords: *Banking employees; Employee engagement; Psychological capital*
