



Mediating Role of Employee Engagement in the Relationship between Multiple Dimension of Organizational Justice and Psychological Health among Indian Banking Employees

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ABSTRACT

The present study was aimed to explore the mediating role of employee engagement in the relationship between multiple dimensions of organizational justice (distributive justice, procedural justice, relational justice and informational justice) and psychological health among Indian banking employees. Data were collected from (N=150) managerial and clerical employees of various public sector banks located in Varanasi (UP). The data of the present study were analyzed using Pearson's correlation and Hierarchical mediated regression analysis. The results of the correlational analysis indicated significant positive relationships between all the dimensions of organizational justice (distributive justice, procedural justice, relational justice and informational justice) and psychological health and employee engagement. The procedure developed by Baron and Kenny (1986) was used to test the proposed mediating effect of employee engagement. The results of mediated regression analysis revealed that employee engagement fully mediated the relationship between informational and relational justice and psychological health and partially mediated the relationships between distributive justice, procedural justice and psychological health. The findings of the study implicated that organizations should understand the importance of employee engagement and it should be viewed as a broad organizational and cultural strategy to enhance psychological health of Indian Banking employees.

KEYWORDS: Organizational justice, distributive justice, procedural justice, relational justice, informational justice, employee engagement, psychological health.

INTRODUCTION

The issue of justice at workplace is very important and received considerable research attention in industrial psychology, human resource management, and organizational behaviour over the past three decades (Adams, 1965; Crosby, 1976; Deutsch, 1975). The judgement of fairness in the workplace is known as organizational justice (Greenberg, 1990). If the perceptions of the employees are developed and they believe that justice is being kept at forefront, organizational commitment of the employees can boost up considerably (Folger & Konovsky, 1989; Crow et al., 2012; Suliman and Kathairi, 2012).

Despite a great deal of research, on various dimensions organizational justice the literature of organizational justice suffers from a number of limitations. Recently, contemporary research on organizational justice focused on the four-factor model of justice in comparison to this traditional three factor model of justice (Colquitt 2001; Colquitt, Conlon, Wesson,

Porter and Ng 2001; Greenberg 1993) but most of the studies have focused only on the later one. Second the relationship between organizational justice and its outcomes has been mediated by employee engagement but only a handful of studies have examined this relationship.

Therefore, the present study aimed at examining the mediating role of employee engagement in the relationship between organizational justice and psychological health with special reference to Indian banking sector employees.

ORGANIZATIONAL JUSTICE

Research on organizational justice has been derived from social justice, which examines principles of justice in general social interaction, and not organizations in particular (Greenberg, 1990). Organisational justice is a personal evaluation of the ethical behaviour of all organisational members. In other words, the construct organisational justice is referred to an employee's perception of their organisation's behaviours, decisions and actions and how



these influence the employees' own attitudes and behaviours at work (Greenberg, 1987).

Organizational justice is concerned with "the ways in which employees determine if they have been treated fairly in their jobs and the ways in which those determinations influence other work-related variables" (Moorman, 1991, p. 845).

According to Cropanzano et al. (2007), organisational justice is a positive perception of the ethical and moral standing of the organisation's leadership and managerial conduct or practices.

Organizational justice has many dimensions as explored by a number of researchers but most of the studies suggest three main dimensions i.e., distributive justice, procedural justice, relational or interactional justice. In recent study, Colquitt (2001) has explored two aspects of interactional justice (interpersonal and informational). This study has very well supported the four factor structures of organizational justice: distributive, procedural, interpersonal and informational justice as distinct dimensions.

Distributive Justice

The distributive justice is based on the Equity Theory put forward by Adams (1965) which gives the main idea that the social behavior is conditioned by the distribution of outcomes. It means that the individuals normally develop or change their behaviors on the basis of their perception that how the outcomes have been distributed. Distributive justice is the first fairness construct studied that focuses on the perceptions of fairness in the distribution and allocation of outcomes (Pilvinyte, 2013). It focuses on the organisational reality that not all employees are treated alike, and that the allocation of outcomes is differentiated in the organisation (Cropanzano et al., 2007; Chou, 2009).

Procedural Justice

Procedural justice refers to the means by which outcomes are allocated, but not specifically to the outcomes (Cropanzano et al., 2007). It relates to the fairness of the formal procedures required by the organisation and its policy on the method of decision-making (Moorman, 1991; Colquitt, 2001; Thibaut and Walker, 1975; Kressel and Pruitt, 1989; Suliman and Kathairi, 2012). Procedural justice is mainly characterized with the perception of the individuals regarding the fairness, just and equitable rules and regulations followed by the organization in deciding and determining the outcomes/benefits/rewards employees receive at the organizations.

Relational justice

Relational or Interactional justice refers to the perceived fairness of the interpersonal treatment used within the organisation to determine outcomes (Colquitt, 2001). It focuses on the sensitivity, politeness and respect employees receive from their superiors during procedures. This serves

primarily to alter reactions to outcomes, because sensitivity can make people feel better even if the outcome is unfavorable (Pilvinyte, 2013).

Informational justice

Lastly, informational justice is described as to whether one is truthful and provides adequate justifications for their actions and decisions in the organisation (Cropanzano et al., 2007). According to Pilvinyte (2013), it refers to the explanation, justification or information provided by decision-makers as to why outcomes were distributed in a certain way. This type of justice requires that the information should be comprehensive, reasonable, truthful, timely and candid in nature.

Employee Engagement

Employee engagement is very important subject to study in the field of human resource management and its concerned areas Kahn (1990, p. 694) defines personal engagement as "the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively and emotionally during role performances". Kahn (1990) suggests that there are two most meaningful and dominant dimensions of employee engagement namely work engagement (work role) and organizational engagement (role as a member of organization).

Employee engagement categorizes as instances wherein the employees feel positive emotions about their work, find personal meaningfulness towards their work, workload is taken as being manageable and they always attach hope to the future of their work (Nelson & Simmons, 2003). Employee engagement is depends on a psychological condition of the employee not only on a specific objective, event, personal or behavioural situation.

A more comprehensive and conceptualized definition of employee engagement has been given by Shuck and Wollard (2010) that individual engagement is the direct canalization of his/her cognitive, emotional and behavioural condition to organizational outcomes. On the basis of earlier studies Negwaya et al., (2013) have classified Employees' engagement into two as emotional engagement and rational engagement. Emotional engagement is noted as employees' sense of self-esteem, liking, getting inspired or attributing a higher value to an individual or object in the organization. Rational engagement is defined as employees' belief that certain individuals or things in the organization provides for financial and personal development or professional benefits exclusively for the concerned employees

According to Schaufeli, Salanova, Gonz lez-Roma and Bakker (2002) work engagement as a positive and fulfilling work-related state of mind that refers to vigour, dedication and absorption. In which Vigour relates to high level of

energy and mental resistance on the job, and it also refers to an employee's motivation to put extra effort to his/her profession and determination to achieve even in the face of mishaps. Dedication relates to one's utmost interest in the work and tasting the sense significance, enthusiasm and challenge. Absorption relates to a person's full concentration to the job and state of contentment which makes the time fly fast and one's reluctance to quit his/her job (Bakker & Demerouti, 2008; Gonzalez-Roma, Schaufeli, Bakker, & Lkoret, 2006; Schaufeli & Bakker, 2004a).

As per prominent definitions of the employee engagement; it, basically, is about how loyal and enthusiastic people are about their work and organization. Employee engagement, as the definitions suggests, have many dimensions but two aspects are especially notable and are subject of our study i.e., employee engagement in terms of how much zeal & vigor employees are showing toward their specific job role and the extent to which employees feel honor and privilege being part of the organization.

REVIEW AND HYPOTHESES FORMATION

The relationships between justice dimensions and work engagement are observable from the perspective of social exchange theory. However, little empirical knowledge is available on the linkages between organisational justice and employee engagement. Greenberg (2001) argued that organisational justice attempts to describe and explain the role of fairness in the workplace. Both organisational justice and work engagement have the potential to create positive implications for organisations and employees such as greater trust and commitment, improved job performance, more helpful citizenship behaviours, improved customer satisfaction, diminished conflict and extra-role behaviour (Kravina et al, 2014; Cropanzano et al, 2007; Colquitt et al., 2001; Hassan and Mohd Noor, 2008; Masterson et al., 2000; Sweeney and McFarlin, 1993). The above descriptions of the variables organisational justice and work engagement suggest that the organisational justice dimensions in particular could possibly be related to work engagement.

Studies have reported that when employees have high perceptions of justice in their organization, more often than less they feel honoured and engage in performing their work roles by inputting more energy which results in greater level of engagement (Cropanzano and Mitchell, 2005). On the other hand, when perceptions of justice are on the lower side, it is more likely that the employees do not put their full efforts, dedication in the work role and in turn they withdraw themselves psychologically from the work role (Aknin et al., 2013). Similarly, the attitudes of the supervisors are unbiased and fair which is part of interactional trust, the employees build up a perception that they are being socially supported by the supervisors which results in building up the employee engagement (Fujishiro and Heaney, 2007; Schaufeli and Bakker, 2004; Hakanen et al., 2006; Salanova et al., 2006).

H1: All the dimensions of organizational justice would be positively related to employee engagement.

Over the past years, the significance of insights of justice has been emphasized for employees' psycho-social well-being (Loi, Hang-yue, & Foley, 2006; Colquitt, et al., 2001). Perceived procedural and/or distributive unfairness at the workplace are associated with lower psychological well-being and other forms of psychological and social distress (van Der Doef, & Maes, (1999), and significantly impact employee wellbeing. Therefore, perceived injustices at the workplace adversely affect the psycho-social well-being of employees which in turn breeds higher absenteeism among employees.

The presence of justice in an organization positively affects the psychological well-being of workers. For instance, distributive justice means rewarding employees based on their contributions; it also breeds 'equality' referring to providing each employee roughly the same compensation, therefore, equal treatment which raises group spirit (Cropanzano, Bowen & Gilliland, 2007); it also breeds 'need' meaning providing a benefit based on one's personal requirements, which in turn makes the employee psychologically fit for duty assigned. Furthermore, Perceived procedural justice which is appropriateness of allocation process in an organization has a positive effect on the psycho-social well-being of employees (Folger, 2001). In the same vein, perceived interactional justice means appropriateness of the treatment one receives from authority figures in treating an employee with dignity, courtesy, and respect. Informational justice indicates sharing relevant information with employees, increases intrinsic motivation within employees, confidence, perceived growth, autonomy and competence thereby establishing healthy relationship in professional and personal life (Greenberg, 1993). In other words, perception of interactional justice promotes positive attitudes of job satisfaction, commitment and trust, which in turn breeds healthy and constructive professional and inter-personal behaviour ((Folger, 2001; Storey, 2000).

The investigation of justice's link to health-related outcomes at an individual level has grown (Elovainio et al., 2001; Judge & Colquitt, 2004; Tepper, 2001). There have been numerous linkages between justice and outcomes such as employee stress (Elovainio et al., 2001; Judge & Colquitt, 2004), mental health (Tepper, 2001), and insomnia (Greenberg, 2006). Greenberg (2006) found that when distributive injustice exists, negative effects on mental health (i.e., sleep loss associated with a stressful situation) are minimized by high levels of interactional justice. This primary logic is consistent with previous justice research where it has been demonstrated that situations of distributive injustice create salience for both process and interaction (Colquitt, Conlon, Wesson, Porter, & Ng, 2001).

H2: All the dimensions of organizational justice would be positively related to Psychological health.

In recent years the term “employee engagement” has taken a fundamental role on organizational effectiveness. Employee engagement was firstly introduced by the Kahn (1990) that “harnessing of organization members’ selves to their work roles in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances” (Kahn, 1990, p. 694). Work engagement is considered to be a construct within the field of positive organizational behavior (Bakker, 2009) that enhances both individual and organizational outcomes respectively (Harter, Schmidt, & Hayes, 2002).

According to Schaufeli and Bakker (2002) employee engagement is “a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption” (Schaufeli, Salanova, González-Romá, & Bakker, 2002, p. 74). Vigor, is the physical component of engagement and refers to high levels of energy, lack of fatigue, mental resilience during working and the willingness to vest in individual’s particular work and also the persistent optimistic attitude even in face of adversity and challenges (Schaufeli & Bakker, 2001; Salanova, Agut, & Peiro, 2005).

Hundreds of studies indicate that job autonomy, clear feedback, full use of skills, and pro-social work are drivers of employee satisfaction and motivation. Reasonable workload, role clarity, and lack of role conflicts have also been identified as consistent drivers of satisfaction, motivation, performance, low absence, and retention. We also know what workplace factors lead to stress related illnesses. Role overload, role ambiguity, and role conflict are classic job stressors. Other research points to low organizational support and job pressure as two ‘super’ dimensions of job stress. As much as one-third of Canadians cite the latter factor as the most common source of workplace stress. When job stress is left unaddressed, it can lead to burnout, which is sometimes defined as ‘tedium’ or a ‘lack of engagement’. If stress and burnout are not addressed, depression may result.

H3: Employee engagement would be positively related to Psychological health of employees.

In the context of the JD-R model, the motivational pathway that may impart impact considering the variable availability of job resources is expected to motivate employees through the fostering of the rudimentary need for growth and the implementation of future actions so that work engagement can be increased (Schaufeli, 2017; Schaufeli, Bakker & Van Rhenen, 2009). In the work of Maslach et al. (2001) work engagement refers to a “persistent, positive, affective motivational state of fulfilment” (p. 417), characterized by vigor, dedication and absorption (Schaufeli et al., 2002). The term vigor means working in a very energetic fashion while dedication means being very much immersed in

work and feeling a sense of pride, enthusiasm, significance, inspiration and challenge. As for the absorption, this term means being completely concentrated and happily indulging in work. Employees who are highly engaged view that work is interesting, energizing and meaningful and they also feel the positive effect such as enthusiasm, joy and happiness (Bakker & Demerouti, 2008). Therefore, work engagement is perceivable as an active state in which an employee feels the positive work-related affect and intensified intention to stay (Bal, De Cooman, & Mol, 2013; Ghosh et al., 2013; Memon, Salleh, & Baharom, 2016;).

Guidance is also provided by the JD-R model in terms of the mediating role of work engagement. Specifically, Schaufeli and Bakker (2004) reported that as job resources foster growth, learning and development, they increase work engagement of employee. In turn, Bakker and Demerouti (2008) added that employees will demonstrate positive job outcomes. Empirical evidence on work engagement as a mediator in this process is also available. Saks (2006) for instance, reported that work engagement shows partial mediation on the effects of job characteristics and perceived organizational support on numerous results including organizational citizenship behaviors and intention to quit. Past works have also reported negative relation between engagement and turnover intentions and that it can function as a mediator to the relationship between job resources and intention to leave (Schaufeli & Bakker, 2004). Therefore, by way of the motivational process, job resources (e.g. organizational justice) have the potential to increase work engagement. In turn, for the organization, this is linked with the positive consequences (e.g. Schaufeli et al., 2009). The hypotheses below are thus stated

H4: Employee engagement would mediate the relationships between organizational justice and Psychological health of employees.

METHODS

Participants

A total of 150 banking employees from 5 commercial banks located at Varanasi city were participated in the study. Of all the participants, 76 were males and 34 were females. Their age ranged from 23 to 56 years. The employees who will have working experience of at least 5 years were eligible to participate in the study.

Procedure

The researcher obtained permission from management of the five commercial banks before the administration of the questionnaires to study participants. The purpose of the study was explained to participants as they were also given assurance of confidentiality and anonymity of their identities and responses. The questionnaire included the measures of organizational justice, employee engagement, and psychological health and demographic information.

Measurement Tools

Employee Engagement

Employee engagement will be assessed by 17- item Utrecht Work Engagement Scale (UWES; Schaufeli et al., 2002). The items of the UWES are grouped into three subscales that reflect the underlying dimensions of engagement: Vigor (VI- 6 items), Dedication (DE- 5 items), and Absorption (AB- 6 items). All items are scored on a 7-point frequency rating scale ranging from 0 (never) to 6 (always). The UWES-17 has encouraging psychometric features for its scores. For instance, internal consistencies (Cronbach's alpha) typically range between .80 and .90 (Schaufeli & Bakker, 2004).

Measurement of Organizational Justice

Procedural and relational justice had been measured by 7 items and 6 items respectively as suggested by Elovainio, Kivimäki, and Vahtera (2002). The authors have adopted the items from Moorman, (1991) and reported the Cronbach's alpha coefficients of .90 and .81 for the scales of procedural and relational justice respectively. Distributive and informational justice had been measured by 4 items and 5 items respectively with the help of items taken from Bies and Moag, (1986); and Shapiro, Buttner and Barry (1994) as suggested by Colquitt (2001). The author has reported the Cronbach's alpha coefficients of .92 for the Distributive justice scale and .79 for informational justice scale. The scoring of all the justice items varied between 1 ("Strongly disagree") and 5 ("Strongly agree"). High scores on all the dimensions of organizational justice indicate higher perceptions of justice.

Psychological Health

Psychological health was measured by Warwick- Edinburgh Mental Well- Being Scale (WEMWBS) which is developed by Tennant, Fishwick, Platt, Joseph, & Stewart-Brown (2006). It covers only positive aspects of mental health and all 14 items are phrased positively. Cronbach's alpha score of 0.89 (student sample) and 0.91 (population sample) suggests some item redundancy in the scale.

Control Variables

In the present study, we controlled for (age, gender, marital status, salary, designation, educational qualifications, working hours and work experiences).

RESULTS

The data of the study were analyzed using, descriptive statistics, correlation and hierarchical mediation regression analyses. In the present study, organizational justice (procedural, relational, distributive and informational justice) was used as predictor variables. The criterion variable is psychological health. The mediator variable is employee engagement.

In correlations between socio demographic variables, study

variables are depicted in Table- 1. It is evident from the table that out of 40 correlation coefficients 28 (70%) were found to be significant. Hence, the effects of these socio-economic variables were controlled in later analysis.

Table 1. Correlation Coefficients between studied variables

Variables	Employees Engagement	Psychological Health
Procedural Justice	.516**	.409**
Relational Justice	.299**	.263**
Distributive Justice	.484**	.454**
Informational Justice	.364**	.257**
Employees Engagement	-	.575**

**p<0.01

The results concerning the relationships between organizational justice (procedural justice, relational justice, distributive justice and informational justice), employee engagement and psychological health are displayed in Table-1. Findings indicated significant positive correlation between organizational justice, employee engagement and psychological health. Similarly, employee engagement is also significantly positively related to the psychological health.

Results of mediation Analysis

A mediation analysis seeks to identify and explicate the mechanism that underlies an observed relationship between an independent variable and a dependent variable via the inclusion of a third explanatory variable, known as a mediator variable. Rather than hypothesizing a direct causal relationship between the independent variable and the dependent variable, a mediational model hypothesizes that the independent variable causes the mediator variable, which in turn causes the dependent variable. The mediator variable, then, serves to clarify the nature of the relationship between the independent and dependent variables (MacKinnon, 2008). According to Baron and Kenny (1986), mediation can be said to occur when

1. The independent variable (IV) significantly affects the mediator.
2. The independent variable (IV) significantly affects the dependent variable (DV) in the absence of the mediator.
3. The mediator has a significant unique effect on the dependent variable (DV).
4. The effect of the IV on the DV shrinks upon the addition of the mediator to the model.

Tables-2-5 illustrated the results of all the steps of mediating effect of employee engagement in the relationship between organizational justice and psychological health. The four conditions (Baron & Kenny 1986) in testing the mediating effect of psychological empowerment were fulfilled.

As stated above that mediation analysis is a four-step process and at first step independent variables should be significantly related to the mediator variable. We hypothesized that all the dimensions of organizational justice (procedural, relational, distributive and informational justice) should be positively related to the employee engagement. To test this hypothesis, we conducted hierarchical regression analysis. The result of hierarchical regression analysis has been reported in the table-2. According to the finding of the table-2 it has been found that procedural justice, relational justice, distributive justice and informational justice were explained 8.6%, 2.2%, 9.4% and 3.4% of variances respectively above the demographic variables which accounted for 34.4% of variance in employee engagement. Again, the findings reported that three dimensions of organizational justice i.e. procedural justice ($\beta = 0.340, p < 0.01$), relational justice ($\beta = 0.163, p < 0.05$),

Distributive justice ($\beta = 0.350, p < 0.01$) and informational justice ($\beta = 0.219, p < 0.01$) were significantly positively related to employee engagement. While, informational justice

was found to be unrelated to the employee engagement. Therefore, it was not included in the 4th step of mediation equation.

The second step of mediation equation dealt that the independent variable has a significant unique effect on the dependent variable (DV). To test the second equation, we hypothesized that all the dimensions of organizational justice would be positively related to the psychological health. Further a set of hierarchical regression analysis was performed. The result of this analysis was reported in the table-3. The findings of Table-4 indicated that all the dimensions of organizational justice i.e. procedural justice, relational justice, distributive justice and informational justice explained 9.1%, 3.3%, 13.2% and 2.7% of variances respectively above the demographic variables. The finding further revealed that procedural justice ($\beta = 0.349, p < 0.01$), relational justice ($\beta = 0.199, p < 0.05$), distributive justice ($\beta = 0.415, p < 0.01$) and informational justice ($\beta = 0.189, p < 0.05$) were significantly positively predicted the psychological health.

Table 2. Results of the hierarchical regression analysis predicting employee engagement from organizational justice

Predictor Variables	R ²	R ² Change	F change	β	Df
Step 1					
Age, Gender, Marital Status, Salary, Education Qualification, Size of the Team, Total Job Experience	.306	.306	8.33***	8,141
Step2					
Procedural Justice	.392	.086	21.17***	.340**	9,140
Relational Justice	.329	.022	5.00*	.163*	9,140
Distributive Justice	.400	.094	23.51***	.350**	9,140
Informational Justice	.342	.036	8.21**	.219**	9,140

**P<0.01 *p<0.05

Table 3. Results of the hierarchical regression analysis predicting psychological health from organizational justice

Predictor Variables	R ²	R ² Change	F change	β	Df
Step 1					
Age, Gender, Marital Status, Salary, Education Qualification, Size of the Team, Total Job Experience	.127	.127	2.76*	8,141
Step2					
Procedural Justice	.218	.091	17.36**	.349**	9,140
Relational Justice	.161	.033	5.91*	.199*	9,140
Distributive Justice	.259	.132	26.69***	.415**	9,140
Informational justice	.154	.027	4.74*	.189*	9,140

**P<0.01 *p<0.05

As stated in the third equation of mediation analysis that mediator has a significant unique effect on the dependent variable (DV). We hypothesised that employee engagement would be significantly positively related to psychological health. To test this hypothesis hierarchical regression analysis was done and finding of this analysis was reported in the table-4. As it can

be seen in the table-4 that demographic variables explained 12.7% of total variances in psychological health and employee engagement added 21.7% of variances above the demographic variables. The findings clearly stated that employee engagement ($\beta = .560, p < 0.001$) is significantly positively predicted the psychological health of employees.

Table 4. Results of the hierarchical regression analyses predicting psychological health from employee engagement

Predictor variables	R ²	R ² Change	F change	β	Df
Step-1					
Age, Gender, Marital Status, Salary, Educational Qualification, Size of the Team, Total Job Experience	.127	.127	2.76**	8,141
Step-2					
Employee engagement	.345	.217	49.72***	.560***	9,140

p<.01 *p<.001

Table-5 reveals results of mediating effect of employee engagement on the relationship between three dimensions organizational justice (procedural, relational, and distributive justice) through hierarchical regression analysis. The results indicate that the first three conditions of Baron and Kenny, (1986) were fulfilled. First, dimensions of organizational justice were significantly positively related to employee engagement. Second, organizational justice was significantly positively related with psychological health. Third, employee engagement was significantly positively related with psychological health. The fourth and final step in the test of mediation showed that employee engagement still had significantly positive relationship with psychological health (β=.494, p<.001), with procedural justice in the equation. In view of the fact that, the β weight for procedural justice was significant, but its magnitude reduced (β=.349 vs. β=.181, p<.001). Thus, the partial mediation of employee engagement is said to exist in the relationship between procedural justice and psychological health. The Sobel test confirmed that mediation effect was significant and test statistics (z= 8.18, P<.0001).

Similarly, the result indicated that employee engagement has significant positive relationship with psychological health when it entered with relational justice (β=.538, p<.001). In mediation analysis the beta value for relational justice was found to be insignificant (β=.199, p<.001 vs. β=.111, p>0.05). Thus, it can be said that employee engagement fully mediates the relationship between relational justice and psychological health. The Sobel test confirmed the mediation effect (z=8.10, p<0.0001).

Findings were similar for the mediating effect of employee engagement in the relationship between distributive justice and psychological health. Employee engagement was found

to be significantly positively related to the psychological health with distributive justice in the equation. Similar to the finding of procedural justice that the β weight for distributive justice was significant, but its magnitude reduced (β=.415 vs. β=.253, p<.001). Thus, employee engagement partially mediates the relationship between distributive justice and psychological health. Sobel test confirmed this mediation (z=9.14, p<0.0001).

Finally, results indicated that employee engagement has significant positive relationship with psychological health when it entered with informational justice (β=.543, p<.001). In mediation analysis the beta value for relational justice was found to be insignificant (β=.189, p<.001 vs. β=.070, p>0.05). Thus, it can be said that employee engagement fully mediates the relationship between informational justice and psychological health. The Sobel test confirmed the mediation effect (z=8.59, p<0.0001).

DISCUSSION

The present study aimed at examining the mediating role of employee engagement in the relationship between organizational justice and psychological health with special reference to Indian banking sector employees. A mediation analysis seeks to identify and explicate the mechanism that underlies an observed relationship between an independent variable and a dependent variable via the inclusion of a third explanatory variable, known as a mediator variable. Rather than hypothesizing a direct causal relationship between the independent variable and the dependent variable, a mediational model hypothesizes that the independent variable causes the mediator variable, which in turn causes the dependent variable. The four conditions (Baron & Kenny 1986) in testing the mediating effect of psychological empowerment were fulfilled.

Table 5. Hierarchical regression analyses of Employee Engagement mediating the relationship between all the dimensions of Organizational Justice (Distributive, Procedural, Relational, and Informational Justice) and Psychological health. (Equation-4 of Mediated Regression)

Equation	Predictor Variable	Beta Coefficient	R2 Change	Sobel Test
4	Procedural Justice	(.349**) .181**	.239	Z=8.18, p<.0001
	Employee engagement	.494**		
4	Relational Justice	(.199*) .111 (NS)	.277	Z= 8.10, p<.0001
	Employee Engagement	.538**		

4	Distributive Justice	(.415**).253**	.260	Z=9.14, p<.0001
	Employee Engagement	.466**		
4	Informational Justice	(.189*).070 (NS)	.221	Z=8.59, P<.0001
	Employee Engagement	.543**		

***p<0.001

**p<0.01

As stated above that mediation analysis is a four steps process and at first step independent variables should be significantly related to the mediator variable. We hypothesized that firstly all the dimensions of organizational justice (procedural, relational, distributive and informational justice) should be positively related to the employee engagement. Second all the dimensions of organizational justice would be positively related to Psychological health. Third Employee engagement would be positively related to Psychological health of employees. Finally, Employee engagement would mediate the relationships between all the dimensions of organizational justice and Psychological health of employees such that the direct impact of OJ and psychological health would become either non-significant or attenuate after Employee Engagement is considered.

Findings of this study suggest that organizational justice plays important role in promoting employee engagement in corporate sector particularly in banking. Lack of research studies in this field stimulated to determine how antecedents of organizational justice affect the antecedents of employee engagement. As our results are depicting that all the dimensions of organizational justice are positively related to employee engagement. It indicated that when employees have high perceptions of justice in their organization, more often than less they feel honoured and engage in performing their work roles by inputting more energy which results in greater level of engagement (Cropanzano and Mitchell, 2005). Thus we can say that distribution of outcomes; policies and procedures of the organization, interpersonal treatment of employees by supervisors and equal information received by the employees have influence on the employee engagement both individually and collectively. Feeling/perception of the employee regarding fair distribution of rewards is according to the effort he/she has put in, he/she in line with Social Exchange Theory puts in even more effort which results in increasing employee engagement. (Cropanzano and Mitchell, 2005; Akinin et al., 2013). The above descriptions of the variables organisational justice and work engagement suggest that the organisational justice dimensions in particular could possibly be related to work engagement. However, little empirical knowledge is available on the linkages between organisational justice and employee engagement (Kravina et al, 2014; Cropanzanno et al, 2007; Colquitt et al., 2001; Hassan and Mohd Noor, 2008; Masterson et al., 2000; Sweeney and McFarlin, 1993).

Saks (2006) uses social exchange theory (SET) as the basis of his theoretical rationale, that is, employees will choose to engage themselves to varying degrees and in response to the resources they receive from their organisation. Engaged employees are more likely to have a high-quality relationship with their employer leading them to also have more positive attitudes, intentions, and behaviours.

As we can found in the present investigation that employee engagement was found to be positively related with the psychological health. Several studies have supported the findings of the study (Schaufeli & Bakker, 2001; Salanova, Agut, & Peiro, 2005). Employee engagement is prescribed as “a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption” (Schaufeli et al., 2002, p. 74). Employee engagement has been defined by Schaufeli and Bakker (2010, p. 22) as “the psychological state that accompanies the behavioral investment of personal energy”. Employee engagement is associated with high energy levels towards work and strong linkage/identity towards the work (Bakker and Demerouti, 2008). According to Kahn (1990), work engagement is a vibrant and dynamic relationship between the person who employs his energies like physical energy, cognitive energy, emotional energy and mental energy with his work role. It is also a relationship that allows employees to express themselves. So to conclude, work engagement is mainly a behavioral thing, a state of mind of the employee that is associated with vigor, dedication and absorption. This is basically a relationship or bond between the employee and the work role he is performing.

There is a growing body of evidence that employees who feel demotivated with or disengaged from their work, or who find their work stressful are more likely to resign from their posts. This is because dimensions of psychological wellbeing are known to affect the ‘attachment’ of individuals to their employing organizations, which is linked to loyalty and ability to be resilient in measures of pressure and change (Bevan et al., 1997). There are multiple definitions and approaches to these subjects and no general consensus in academic and psychology field. The Engage for Success Nailing the Evidence report (henceforth The Evidence) noted that “Employee engagement has been variously defined, as employee attitude, employee behaviour and organisational programme”, but in all of these cases engagement is inextricably linked with wellbeing. If engagement is defined as an employee attitude then it has strong implications for

and potential overlaps with mental health (e.g., Schaufeli et al., 2008). If engagement is defined as a set of actions (or intensity of actions) then these actions may impact physical and mental health directly. If engagement is defined as an organisational programme (or a workplace approach, as it is on the Engage for Success website) then such programmes have implications for the mental and physical health of employees.

The results of mediation analyses indicated that employee engagement influences both organizational justice and psychological health is a mechanism that transmits this effect. Employee engagement fully mediated the relationship between perceived three dimension of justice (procedural, distributive and relational justice) and psychological health.

In the context of the JD-R model, the motivational pathway that may impart impact considering the variable availability of job resources is expected to motivate employees through the fostering of the rudimentary need for growth and the implementation of future actions so that work engagement can be increased (Schaufeli, 2017; Schaufeli, Bakker & Van Rhenen, 2009). In turn, Bakker and Demerouti (2008) added that employees will demonstrate positive job outcomes. Therefore, by way of the motivational process, job resources (e.g. organizational justice) have the potential to increase work engagement. In turn, for the organization, this is linked with the positive consequences (e.g. Schaufeli et al., 2009).

CONCLUSIONS AND IMPLICATIONS

This study aimed to provide insight into the mediating role of employee engagement in the relationship between organizational justice and psychological well-being. In this study all four dimensions of organizational justice have significantly predicted psychological health through mediating role of employee engagement. As our results are depicting that procedural, distributive and interactional justice are positively related to employee engagement which in turn is positively related to psychological health. Therefore, It can be concluded from the result of present study that when fairness is positively perceived in an organization it results in increasing work engagement. With the gradual increase of work engagement, the psychological well-being of employees will be greatly enhanced.

There are several important implications of the present study. As a start, the findings offer several insights into the significant role played by organizational justice in increasing work engagement and psychological health. It is important that managers and Industrial social workers should ensure that every individual employee receives fairness in the workplace, so as to make him/her experience adequate psychological well-being and develop a positive attitude towards the organization.

Second, for organizations, the topic of engagement is increasingly a topic of interest amongst researchers as it is

considered as a crucial determinant of psychological health. Hence, organizations need to promote their employees' engagement through organizational justice because it affects their daily lives in the workplace because employees are concerned about the fairness of resource distributions such as pay, promotions, and rewards, besides resource distributions, which in turn promote the psychological well-being.

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