

**UNIVERSITI TEKNOLOGI MARA**

**ORGANIZATIONAL JUSTICE,  
ORGANIZATIONAL LEARNING AND  
ORGANIZATIONAL IMAGE ON  
ENGAGEMENT OF YOUNG EMPLOYEES IN  
COMMERCIAL BANKS**

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Thesis submitted in fulfillment  
of the requirements for the degree of  
**Doctor of Philosophy**

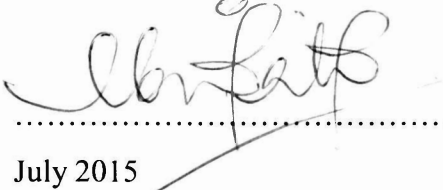
**Faculty of Business Management**

July 2015

## AUTHOR'S DECLARATION

I declare that the work in this thesis/dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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## ABSTRACT

Young employees in organizations are becoming more demanding concerning justice and career development. The working culture of young employees is different compared to previous generations. Being different, this cohort brings in the “job hop” phenomena into the workforce and the attitude has observed reduction in level of engagement towards organizations. Engaged employees are important in organizations to enable them to acquire more knowledge and become multi skilled human capital through in-depth experience, with the assistance and support from mentor, coach and supervisor from the organizations. Scholars globally have been studied job satisfaction, job commitment, organizational citizenship behavior and the like among employees. However, there is still a dearth in studies to examine the relationship between employee engagement with organizational justice and organizational learning. This study examined the relationship between employee engagement with organizational justice and organizational learning, and the role of organizational image as mediator. The dependent variable was employee engagement, independent variables were organizational justice and organizational learning and organizational image was the mediating variable. For organizational justice, 3 dimensions were used in this study (1) distributive justice (2) procedural justice (3) interactional justice. Three dimensions were also used for organizational learning, (1) training (2) mentoring and (3) coaching. The underpinning theory used to support this study is the social exchange theory and socialization theory. The social exchange theory stated that organizations are forums for transactions where activities voluntarily exchange from individuals towards the organizations, while socialization theory stated that a protégé who has a good relationship with his or her mentor tend t produce better work quality compare to protégé who does not mentor. Results are in the form of positive outcome or otherwise and it depends on the perception of fairness felt by employees towards the organizations and good mentoring and training system that organization provide to employees. Sample used in this study are 413 young bankers from five commercial banks in Kuala Lumpur, Malaysia. Primary data were collected using survey questionnaire that was personally distributed to the participants at the participating banks. Data obtained were analyzed using SPSS. The type of study is a correlation study and the aim was to examine the variables that are associated with the problem instead of trying to establish the definitive cause and effect relationship. In examining the variables, a few types of analysis were conducted, (1) descriptive analysis (2) factor analysis (3) reliability test (4) response bias analysis (5) one-way ANOVA (6) correlation analysis and (7) multiple regression analysis. The results found indicated that employee engagement, the dependent variable, was conceptualized into two dimensions, i.e., engagement feelings and engagement loyalty. It also shows that (1) distributive justice, interactional justice, mentoring and training predict engagement feelings (2) only distributive justice predicts engagement loyalty; (3) organizational image partially mediates the relationship between distributive justice, interactional justice, mentoring and training with engagement feelings, and (3) organizational image partially mediates the relationship between distributive justice with engagement loyalty. The findings are useful in assisting Human Resource management team and Human Resource consulting firms in Malaysia to provide useful suggestions and recommendations in promoting the increase in level of engagement among young employees and ultimately contribute towards long term organizational success.

## ACKNOWLEDGEMENT

Praised to Allah the Al-Mighty for giving me the strength and health to complete this study and able to contribute new knowledge into the academic world. I would not be able to do this without the constant coaching, guidance and endless support from my main supervisor, Professor Dr. Hajjah Noormala Dato' Amir Ishak. She is indeed the best supervisor, mentor and coach that anyone can have through the endless supports and meaningful consultation hours. Meetings with her had always been fruitful with more ideas triggered and that, have motivated me to do more. My thanks also to my co-supervisor Assoc. Prof. Dr. Normala Daud for believing and supporting me in whichever way possible. Appreciation to Dr. Noorlaila, Assoc. Prof. Dr. Noryati, Professor Dr. Ismail, YM Professor Dato' Dr. Raja Abdullah, Professor Dr. Norazam, Assoc. Prof. Dr. Norlida, Dr. Tan Peck Leong and Prof T. Ramayah (USM), for all constructive feedbacks, and to the non-academic staff, in making sure the smooth running of my study –Yanti and Fairuz.

My gratitude also to the Ministry of Education (MOE) for awarding the Fundamental Research Grant Scheme: 600-RMI/FRGS5/3 (84/2012) to finance the study. Thank you to Research Management Institute (RMI) team for managing the grant, personally to Siti Rafidah, Siti Hanum and Hanifah.

This is not complete without thanking my friends who assisted me in the data collection process and listened to my problems – Marina, Hajar, Intan, Zack, Pah, Mas, Zainol, Kiah, Rash, Mas, Liza, Mai, Chu Siang, Tasha, Arzima, Fadhil, Farizah, Mazlime, Dilla, Mirol, Sofia, Marisma, Na, Mcna, Anis, Atiq, Eda, Jun and Diba. Thank you also to the previous bosses Wan Dallila, Shamshul Badriyah and Saidi. Friends who are together in the PhD journey- Shidah, Syera, Nadiyah, Raja Nazim, Muhammad, Reen, Yarn, Ummi, Hartini and Dr. Irfah Jihah.

Unquestionably, this success is also dedicated to my parents who are responsible in molding my life and making me into who I am. They are the strongest supporters - my father, Haji Hussain and my mother, Hajjah Siti Rahmah and the cheerleaders in my journey – my siblings Mohd Fozi, Ibiwati, Syuhada Fazna and Syahida Fazna and their spouses - Aida, Zain Azrin, Nadia and Shikin. Last but not least, my heartiest thanks and gratitude to my husband Assoc. Prof. Dr. Mohd Rozi and my angels, Adri Arif and Alisa Nadhira for putting up with a cranky and emotionally unstable wife and mother for the last 3 years. They were indeed the greatest supporters who managed to survive with me throughout my pain and sorrow in completing the study.

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 INTRODUCTION**

This chapter provides an overview on the background of the study and defines the problem statement that motivates the study. Objectives of the study and the research questions are also described. This chapter also explains the significant, justification and scope of the study.

### **1.2 BACKGROUND OF THE STUDY**

One of the agenda listed by the Malaysian government in the New Key Result Area (NKRA) is to have a multi-skilled human capital. NKRA was developed by the Malaysian government in 2010. This is the strategy planned to materialize the whole Economic Transformation Plan (ETP). One way of achieving the mission would be through enhancing the work attitude and developing the knowledge of fresh graduates who just left the university, i.e., becoming young employees and new to the workforce. The agenda is seen feasible if young employees are engaged and devoted towards their work in contributing and delivering success to the organizations (Gruman & Saks, 2011). This is important in view that human capital or the employees are the most critical organizational asset, because they are the core element in ensuring sustainability of competitive advantage (Barney, 2001). Therefore, organizations must give their fullest emphasis in ensuring that the employees are engaged.

Employee engagement is a new construct and the scope is vast as its definition is different from the earlier concepts discovered by scholars (Saks, 2006; Rafferty, Maben, West & Robinson, 2005), for example job commitment, organizational citizenship behavior and job satisfaction. The concept of employee engagement involves the concept of relationship between the employees and employer while previous concepts were more on the employee alone (Rafferty, Maben, West & Robinson, 2005). Employee engagement is defined by Harter, Schmidt and Hayes, (2002) as individual involvement and satisfaction as well as enthusiasm for work.