ASSESSING THE INFLUENCE OF SELF-LEADERSHIP STRATEGIES AND PSYCHOLOGICAL CAPITAL ON WORK ENGAGEMENT AMONG BANKING SECTOR EMPLOYEES

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Abstract

It has become vital to propose new forms of engaging employees in the banking industry in order to retain critical customers and increase profits. The banking industry operates in an exceedingly complicated and competitive atmosphere characterised by ever-changing conditions and an extremely unpredictable financial climate; it is also faced with economic recession and depleted employee confidence. With the reported challenges experienced by the banking industry, it has become imperative to find mechanisms to improve work engagement. The traditional methods of fostering engagement have proved ineffective, and managers are on the lookout for new ways of engaging employees. This research proposes that embracing and encouraging the self-leadership strategies and creating a positive psychological environment which facilitate employee thriving can be part of the new methods to boost work engagement. The main purpose of the inquiry was to determine the extent to which a combination of self-leadership strategies and psychological resources may influence work engagement. Using 303 banking sector employees a cross-sectional quantitative survey was applied. Results indicated that self-leadership strategies combined with psychological capital explain 69.4% variance in work engagement. Constructive thought patterns and hope are the main contributors to work engagement. Combining self-leadership strategies (constructive thoughts, self-efficacy, and hope) yields favourable levels of work engagement for banking sector employees. To enhance the energy levels and the quality of work among banking sector employees, managers can focus on encouraging the utilisation of self-leadership strategies and enhancing psychological resources to formulate practices that may improve work engagement. This study contributes to new knowledge pertaining to strategies that could be utilised by mangers to improve or enhance work engagement in the banking industry. The study also produced compelling implications for advancing theory through the identification of personal resources from self-leadership and psychological capital. These resources can be utilised to enhance individual work engagement based on the Job Demands Resource Model.

Keywords: Self-leadership strategies, psychological capital, psychological resources, work engagement, banking sector.

1. INTRODUCTION

Work engagement is important for organisational survival in the ever-changing business world, which is currently also havocked by the Covid-19 pandemic (Govender & Bussin, 2020). Studies (Ndoro & Martins, 2019; Shibiti, 2020; Ter Hoeven, Van Zoonen & Fonner, 2016) show that work engagement is associated with increased organisational productivity, innovation, customer satisfaction and loyalty, profitability, turnover, business growth, employee retention, and commitment. Irrespective of its importance in business, organisations globally are faced with an employee engagement crisis (Zondo, 2020). In their study of employee engagement, Moletsane, Tefera and Migiro (2019) found that merely a quarter of employees worldwide reported to be engaged. The United States of America showed a 32% employee engagement, the United Kingdom 11%, East Asia 6 % and Sub-Saharan Africa 17% (Zondo, 2020).

In the South African context, work engagement is recognised as one of the top critical factors for organisational success and performance (Kotzé, 2018). Nonetheless, a broader picture of the levels of work engagement across the country are relatively low. It has been reported that only 9% of the South African workforce is engaged and almost half (45%) of the work force is argued to be actively disengaged (Zondo, 2020). The low levels of employee engagement in the country can be detrimental to business and ranges from poor individual performance, low organisation productivity and poor customer service to the lack of innovation. Moletsane *et al.* (2019) pointed out that a large number of employees in South Africa perceived having little or no autonomy nor get a chance to be involved in issues that affect their work. The latter scholars also observed that 20% of the participants felt no connection to their work. Harunavamwe, Nel and Van Zyl (2020) observe that, of all the industries in

South Africa, the finance and banking industry seemed to experience more work engagement challenges compared to other industries.

Due to massive technological change and the 4th Industrial Revolution, the banks are functioning in complicated and uncertain circumstances characterised by ambiguous and complex conditions which are highly unpredictable (Sembiring, Fatihudin, Mochklas, & Holisin, 2020). In a South African study, it is noted that banking sector employees are faced with strict rules, measures and regulations, unrealistic client expectations, the depreciating currency and economic recession (Harunavamwe *et al.,* 2020). In addition, Sembiring *et al.* (2020) assert that banking employees also experience strain from having to cope with technological changes and increased demands of customers. These unique challenges faced by banking employees threaten their engagement in the organisation. The lack of engagement might result in absenteeism, stress, and mistakes by employees. In light of this, huge numbers of bank clients were switching or considering switching banks and insurance companies as a result of poor customer services. Similarly, Mabiza, Conduah and Mbohwa (2017) argued that poor performance amongst banking employees was likely to have adverse effects on the banks' operations. Employees spent extensive time glued to their computers performing repetitive tasks which gave less meaning to their work. Van Wingerden and Poell (2019) argued that employees who lacked meaning became demotivated, impassive and detached from their work. Consequently, it becomes difficult for them to stay engaged at work.

Based on the fact that there exists an engagement crisis amongst bank employees, it is clear that the strategies used to engage employees are ineffective. Costantini *et al.* (2017) argued that to engage employees in the modern knowledge economy, practitioners have to do away with monetary incentives and motivational methods and move towards positive strengths in the form of personal resources. These personal resources play a central role in improving work engagement. A national study by Kotzé (2018) supported this notion by indicating that personal resources in the form of psychological resources and self-leadership strategies had a positive impact on the levels of work engagement. Recent research also indicated that, to promote work engagement amongst employees in the banking industry, both individual employees and their supervisors are required to utilise self-leadership strategies to guide themselves and to be in possession of internal psychological resources (Harunavamwe *et al.*, 2020).

Van Wingerden and Poell (2019) suggest that to foster engagement in the modern business world characterised by complexity and instability, individuals are required to be responsible for their own decisions. These sentiments are in line with Kotzé (2018), who commented that, engaged employees should show initiative, be able to take responsibility of their professional development, and commit themselves to high-quality performance standards. Self-leadership is recognised as one of the new methods that empower employees to take greater responsibility for their work-related behaviours that would lead to more positive outcomes. Breevaart, Bakker and Demerouti (2014) noted that self-managing individuals possess the ability to manage and successfully manipulate the available resources to suit their own needs; thus, individuals who utilise self-leadership strategies are capable of positively influencing the resourcefulness of their workspaces and, consequently, contribute to high levels of work engagement. Moreover, self-leading individuals feel empowered and therefore they easily discover and acquire meaning in the work they do, they experience autonomy and feel they are in control of their daily activities. Self-leading employees are also confident with the fact that they have all the required competencies to fulfil their duties successfully. They furthermore possess determination to execute their job roles with joy and believe that they have the power to influence job outcomes. Therefore, they are likely to be engaged in their work as compared to individuals who do not utilise self-leadership strategies (Amundsen & Martinsen, 2015; Joo, Lim & Kim, 2016; Kotzé, 2018).

Alessandri *et al.* (2018) suggest that to be successful, companies should encourage employees to utilise their internal psychological resources as a way to encourage high levels of engagement. Studies by Bonner (2016); Harms and Luthans (2012) and Joo *et al.* (2016) have shown that psychological resources, such as hope, self-efficacy, resilience and optimism, may prepare employees to have positive perceptions of their job demands which eventually assist them to execute their duties with positive energy and make them more likely to flourish. Harms and Luthans (2012) argued that these personal resources or assets might help individuals to regulate and influence their work environment even more, leading to improved work engagement. Harunavamwe *et al.* (2020) proposed that Psychological Capital (PsyCap) may be regarded as a key component in developing work engagement, since personal assets of PsyCap such as hope, self-efficacy, optimism and resilience fosters intrinsic motivation. Work engagement is then recognised in the motivational process of the job demands

resources (JD-R) model. In respect of this, the current study focuses on self-leadership strategies and PsyCap as antecedents to work engagement amongst bank employees in South Africa.

2. RESEARCH PURPOSE AND OBJECTIVES

The study aimed to determine whether self-leadership strategies and PsyCap affect work engagement amongst banking sector employees. The objectives of the study were to:

- Determine how the combination of self-leadership strategies and PsyCap influenced work engagement.
- Establish the influence of self-leadership on work engagement.
- Determine the mediating effect of PsyCap on the relationship between self-leadership and work engagement.

3. LITERATURE REVIEW

According to Shibiti (2020), the conceptualisation of the construct work engagement differs in scope and depth. This is attributed to the fact that consultants, academics, scholars and practitioners have different perspectives of the definition of this construct. For the sake of the current study, work engagement is defined as "a positive, fulfilling, affective-motivational state of mind, suggesting that engaged employees experience higher energy levels while being enthusiastically focused on their tasks" (Schaufeli, Salanova, Gonzalez-Roma & Bakker, 2002, cited in Van der Walt, 2018). The definition suggests that the construct is characterised by vigour, absorption and dedication. Vigour connotes high levels of individual energy coupled with high mental resilience, investing effort during the process of performing work and being persistent when faced with difficult challenges (Van der Walt, 2018). Dedication is described as the committed involvement with individual work and experiencing fulfilment, pride and a sense of enthusiasm and challenge whilst working (Xanthopoulou *et al.,* 2007). Absorption is characterised by being fully immersed in one's work (Van der Walt, 2018).

It is reported that work engagement is propelled by having a combination of both job and personal resources (Van der Walt, 2018). Xanthopoulou *et al.* (2007) reported that personal resources enabled individuals to have greater mastery of their environment, thereby helping individual employees to handle their job demands more effectively even in difficult work environments. Several personal resources, from the PsyCap construct namely resilience, optimism, self-efficacy and hope are noted as antecedents of work engagement (Kotzé, 2018). Nurturing the development of such resources among employees facilitates high levels of work engagement. This study mainly focused on two major antecedents of work engagement namely self-leadership strategies and PsyCap. The aim is to examine whether expanding the personal resources of self-leadership and PsyCap could be the mechanisms through which work engagement levels could be improved.

3.1. Self-leadership and work engagement

The theoretical foundations of self-leadership are grounded on self-regulation, social cognitive and self-motivation theories (Sesen, Tabak & Arli, 2017). Self-leadership is thus highly associated with the concept of influencing oneself, before influencing others. Manz (1986, cited in Sesen *et al.,* 2017: 947) viewed self-leadership as "the process by which a person controls his/her own behaviors, creates influence and leads oneself using specific behavioral and cognitive strategies". Manz and Neck (2008) describe three strategies to self-leadership, which include behaviour-focused approaches, natural reward approaches, and constructive thought pattern approaches, indicating that self-leadership encompasses a set of three complementary cognitive and behavioural strategies, which impact subsequent outcomes. Behaviour-focused strategies help facilitate behaviour management. Natural reward strategies help individuals shape perceptions and build enjoyable aspects into activities, while constructive thought strategies create positive ways of thinking (Neck & Houghton, 2006). These self-leadership strategies are designed in such a way that they support effective individual self-regulation through increased self-focus, accurate feedback perceptions, appropriate goals as well as higher levels of self-efficacy (Neck & Houghton, 2006). Precisely the strategies referred to are; constructive thought patterns, natural reward strategies and behaviour-focused strategies. Sesen *et al.* (2017) argued that, due to advances in technology, where work had become more flexible and organisations were moving towards decentralised management, it had become indispensable for employees to take responsibility and manage their own work. Kotzé (2018) asserted that individuals who self-lead are not externally

controlled by anyone; they take control of their own behaviour. They monitor their own performance, taking corrective measures, when necessary, seeking resources. This contributes to the resourcefulness of the work environment and ultimately improves work engagement (Gomes, Curral & Caetano 2015; Sesen *et al.,* 2017). In line with this, Knotts (2018) indicated that the strategies of self-leadership facilitate or assist individuals to encourage themselves to achieve the required standards, and optimise their work environment, thereby increasing their levels of engagement.

Hypothesis 1: Self-leadership strategies has a positive influence on work engagement.

3.2. Psychological capital and work engagement

Luthans, Youssef, Avolio and Norman (2007) described PsyCap as "an individual's positive psychological state of development which is characterised by having confidence in taking on and putting in the necessary effort to be successful in a task that is challenging. It also involves making a positive attribution (optimism) about succeeding in the present and in the future. PsyCap considers perseverance towards achieving specific goals and being able to redirect paths to goals where necessary to facilitate success (hope). Finally, PsyCap involves being able to sustain and bounce back when faced with problems and adversity to attain success (resilience). Adil and Kamal (2016) argued that PsyCap contribute a great deal in diminishing the influence of challenges encountered by employees based on the demands of their jobs. Joo *et al.* (2016) pointed out that PsyCap has the potential to facilitate the reduction of stress levels and diminish turnover intention among individuals, thereby contributing to increasing positive energy which results in high levels of work engagement. Bonner (2016) confirmed that PsyCap especially hope and resilience contribute to the way employees control and impact their work environment effectively through utilising their personal resources, leading to higher levels of work engagement. There is enough empirical evidence to support the link and impact of PsyCap on work engagement in different industries (Simons & Buitendach, 2013.)

Hypothesis 2: Psychological capital directly influences work engagement.

3.3. The link between self-leadership strategies, PsyCap and work engagement

Kotzé (2018) claimed that the personal resources of PsyCap and self-leadership strategies interacted to produce work engagement. Other studies (DiLiello & Houghton 2006; Luthans *et al.,* 2007) suggested that these two dynamic state-like phenomena have a sequential effect on work engagement. Kotzé (2018) indicated that self-leadership facilitated the mobilisation of internal resources and formed part of an iterative process of self-regulation in the positive behaviour change process leading to high levels of engagement. PsyCap is viewed as an internal resource and is rooted in the self-regulation theory. The sentiments of Nigah, Davis & Hurrell (2012), were shared by Kotzé (2018) as she claimed that PsyCap has the power to mediate the relationship between resources (job and personal) and work outcomes. Supporting these views Harunavamwe *et al.* (2020) reported that PsyCap has the capacity to mediate the relationship between self-leadership strategies and work engagement.

From the above discussion, PsyCap may act as a mediator in the hypothesised relationship between self-leadership and work engagement. Self-leadership provides employees with a number of strategies including, cognitive strategies, behavioural and natural reward strategies which, when combined assist individuals to be more effective in a wide range of environments, thus giving them personal resources that enable them to regulate and influence their work environment more effectively, leading to higher levels of work engagement (Costantini *et al.*, 2017; Gomes *et al.,* 2015; Kotzé 2018).

Hypothesis 3: PsyCap mediates the relationship between self-leadership strategies and work engagement.

4.   Research design and method

4.1. Research approach

The study used a quantitative approach, which is rooted in the positivist paradigm. Since the study involved validation, hypothesis testing, and describing the link between the two independent variables (self-leadership strategies and PsyCap) and the dependent variable (work engagement), the

quantitative approach was identified as the most appropriate. Specifically, the study employed a cross-sectional survey design as the research pursued an overall picture of a phenomenon at a given time.

4.2. Research participants

The participants in this study were employees from selected bank branches in the Free State Province. Using the convenience sampling procedure, 422 self-report questionnaires were distributed to 11 selected retail bank branches in the Free State Province. Out of the 422 questionnaires, distributed only 313 questionnaires were returned and 303 were fully completed. Thus, only 303 questionnaires were usable, obtaining a response rate of 71.8 per cent calculated according to the formula provided by Bryman and Bell (2011). The Demographic composition of participants showed a larger proportion of women (58.7%) compared to men (39.3%). The majority of the participants (30.7%) fell within the 26 to 30 age categories, followed by 28.8 % in the category 31 to 40. Employees from various ethnic groups constituted the sample: the majority of participants were from the African group (57.1%) and the minority were from the Indian group (9.9%). The distribution can be explained based on the employment equity laws that advocates for the employment of previously disadvantaged groups.

5. MEASURING INSTRUMENT

5.1. The Utrecht Work Engagement Scale (UWES-17)

Work engagement was measured using the 17-item version of the Utrecht Work Engagement Scale (UWES). This scale was developed by Schaufeli, Salanova, González-Romá, and Bakker (2002) and it has been validated in a number of studies in South Africa. It is a three-dimensional scale including vigour, and absorption which are assessed by six, items each and dedication which is assessed by five items. The current study reported good reliability estimates for the sub-scales: vigour ($\alpha = 0.855$), dedication ($\alpha = 0.865$), and absorption ($\alpha = 0.861$). These findings corroborate other studies done in South Africa using the same scale, which reported good construct validity and consistently acceptable reliability, with vigour $\alpha = 0.91$, dedication $\alpha = 0.86$ and absorption $\alpha = 0.85$ (Simons & Buitendach 2013). Similarly, Van der Walt (2018) corroborated that the scale showed high internal consistency.

5.2. Psychological Capital Questionnaire (PCQ-24)

PsyCap was measured through the 24-item PsyCap scale (PCQ-24) developed and validated by Luthans *et al.* (2007). The scale is made up of four subscales, self-efficacy, hope, resilience, and optimism, each subscale is made up of six questions. The present study reported good reliability estimates for all the four sub-scales: hope ($\alpha = 0.889$), efficacy ($\alpha = 0.910$), resilience ($\alpha = 0.810$), and optimism ($\alpha = 0.772$). The current results were consistent with other studies done in the South African context with alpha reliability coefficients ranging from 0.70 to 0.80 (Kotzé 2018).

5.3. Self-leadership

To measure self-leadership, an instrument made up of questions from the abbreviated self-leadership questionnaire (ASLQ) developed and validated by (Houghton, Dawley & DiLiello 2012) was used. The instrument was combined with the revised self-leadership questionnaire developed and validated by (Houghton & Neck 2002). This was done to accommodate the natural reward strategy which is not part of the abbreviated self-leadership questionnaire. The instrument comprised 16 items with three subscales: namely natural reward strategies (three items), behaviour-focused strategies (seven items) and cognitive thought-pattern strategies (six items) (Houghton et al. 2012; Houghton & Neck 2002). The three-dimensional structure used in the study was supported, by the following goodness-of-fit statistics: $\chi^2 = 37.83$, df = 23, RMSEA = 0.02, and CFI = 0.99 as noted by (Houghton et al. 2012). The current study observed good internal consistency for the three subscales: cognitive strategies ($\alpha = 0.887$), behavioural strategies ($\alpha = 0.897$), and natural reward strategies ($\alpha = 0.739$). The scales applied a five-point Likert scale. In a national study Nel & Van Zyl (2015) yielded almost similar reliability estimate ($\alpha = 0.89$).

6.   RESEARCH PROCEDURE

The participants were recruited through the convenience sampling procedure from selected retail banks in the Free State Province of South Africa. Of the 422 questionnaires that were distributed to banking employees, 313 were returned. Of the returned 313 questionnaire, 10 were not fully completed and were excluded. Thus 303 questionnaires were eligible to be captured for data analysis, giving a response rate of 71.8%.

7.   ETHICAL CONSIDERATIONS

Ethical clearance was obtained from the Ethics Committee of the Economic and Management Sciences Faculty of the University of Free State (UFSHSD2015/0579). Consent for participation in the study was obtained from the participants and the confidentiality of their responses was guaranteed. The publication of aggregate data only was noted.

8.   DATA ANALYSIS

The study used SmartPLS 3 version 3.2.7 which is a variance-based structural equation modelling to analyse data and to test the proposed hypotheses. A two-stage analysis was performed. The outer model was evaluated first in terms of relevant quality criteria before investigating the inner model. The study used the quality criteria, to determine whether the constructs were reliable and valid. This involved following the cut off criteria as advised by Ringle, Wende & Becker (2020) who noted that, the average variance extracted (AVE) should be 0.5 and higher, the composite reliability should be 0.7 or higher and the indicators (i.e dimensions of constructs) should have significant loadings on their respective constructs.

Once the outer model was finalized, then the inner model was evaluated. This included the structural model which was evaluated using a three-step process including determining the size of the path coefficients (beta values), determining the significance of the path coefficients, and the amount of variance explained in the dependent variable by the proposed model.

9.   RESULTS

Based on the findings indicated in the Table 1 it is clear that all the constructs pertaining to the study met the quality criteria associated with reliability and validity (Table 1). The composite reliability estimates for all three scales were above the recommended value of 0.7. In terms of the convergent validity of all the scales assessed through the AVE, scores were above the cut off value of 0.5.

Table 1: Quality criteria

	Cronbach's alpha	rho_A	Composite reliability	Average variance extracted (AVE)
PsyCap	.903	.906	.932	.775
SL	.870	.880	.920	.794
WE	.949	.950	.967	.907

PsyCap: Psychological capital, SL: Self-leadership, WE: Work engagement

Table 2 outer loadings for the indicators of variables.

Table 2: Outer loadings

	Factor loadings	Sample mean (M)	Standard deviation (STDEV)	t statistic (|O/STDEV|)	p value
Absorption → **WE**	0.948	0.947	0.007	128.641	**0.000**
Behavioural strategies → **SL**	0.916	0.916	0.008	111.687	**0.000**
Cognitive strategies → **SL**	0.910	0.910	0.012	76.868	**0.000**
Dedication → **WE**	0.954	0.954	0.006	166.432	**0.000**
Hope → **PsyCap**	0.901	0.901	0.011	83.139	**0.000**
Natural rewards → **SL**	0.846	0.845	0.020	42.704	**0.000**
Optimism → **PsyCap**	0.896	0.896	0.012	73.415	**0.000**
Resilience → **PsyCap**	0.851	0.850	0.017	49.062	**0.000**
Self-efficacy → **PsyCap**	0.872	0.872	0.015	56.519	**0.000**
Vigour → **WE**	0.955	0.955	0.006	167.823	**0.000**

PsyCap: Psychological capital, SL: Self-leadership, WE: Work engagement

Table 2 indicates that all the indicators met the required quality criteria, thus they significantly loaded on their respective latent constructs (indicator outer loadings ≥ 0.70, p value ≤ 0.05, t statistic < 1.96). Table 3(a) presents the synopsis of the paths proposed in the study (i.e., quality criteria associated with the inner model). It is evident that the paths proposed are statistically significant, with $p < 0.05$. The pathway from self-leadership to work engagement is significant (β = 0.198, t value = 3.646, mean = 0.054, p value = 0.000). Thus, the first hypothesis, *Self-leadership strategies has a positive influence on work engagement,* is supported. Additionally, a highly significant relationship was noted between PsyCap and work engagement (β = 0.663, t value = 13.161, mean = 0.666, p value = 0.000), providing support for hypothesis 2*, Psychological capital directly influences work engagement.*

Table 3(a): Path coefficients (inner model)

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	t statistic (|O/STDEV|)	p value
PsyCap → WE	.663	.666	.050	13.161	0.000
SL→ PsyCap	.815	.816	.021	39.257	0.000
SL→ WE	.198	.195	.054	3.646	0.000

PsyCap: Psychological capital, SL: Self-leadership, WE: Work engagement

Table 3(b): R squared (R^2)

	R square	R square adjusted
PsyCap	.665	.664
WE	.694	.692

PsyCap: Psychological capital, WE: Work engagement

Table 3(b), showing R^2, provides the model exploratory ability. The results confirmed that the two independent variables (self-leadership strategies and PsyCap) explained 69.4% variance in work engagement, which can be explained as moderate. The findings clearly support both hypothesis 1 and hypothesis 2.

To determine whether PsyCap mediate the relationship between self-leadership strategies and work engagement, the specific indirect effects (Table 4) should be consulted. Table 4 depicts the indirect effect of self-leadership on work engagement.

Table 4: Specific Indirect effects

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	*t* statistic (|O/STDEV|)	*p* value
SL → PsyCap → WE	0.541	0.544	0.047	11.621	0.000

PsyCap: Psychological capital, SL: Self-leadership, WE: Work engagement

The results provide that PsyCap has a significant mediating effect (0.541, p = 0.000) on the relationship between self-leadership and work engagement. Nonetheless, the results provide evidence of partial mediation, considering that the path coefficient between self-leadership strategies and work engagement, although small, is statistically significant (β = 0.198, p = 0.000).

10. DISCUSSION

The main objective of the research was to determine the extent to which a combination of self-leadership strategies and PsyCap influence work engagement. Theory posited that the two constructs directly and indirectly influence work engagement positively and that self-leadership lays the foundation of the proposed relationship (self-leadership to psychological resources then to work engagement). This was based on the premise that self-leadership strengthens individuals' belief that they are capable of success (self-efficacy) and provide them with confidence and positivity to remain optimistic, hopeful and resilient despite the challenges they encounter. Consequently, employees display higher levels of work engagement, positive attitudes and better performance (Kotzé, 2018). By incorporating one of the presumptions of the conversation of resources (COR) theory (large reserves of resources tend to generate more resources which may result in positive outcomes) in the motivational process of the JD–R model, the study suggests that the availability of resources leads to an accumulation of other resources. This means that the more an individual accumulate personal and psychological resources the more they alter their workspace for the better and improve positive outcomes such as work engagement and performance.

Based on the background and discussion presented, the findings of the study are presented below.

The study observed that the independent variables, self-leadership strategies and PsyCap, had significant positive relations with work engagement. Gomes *et al.* (2015) argued that self-leading individuals possess high levels of control over how and when they perform their work. Similarly, Breevaart et al. (2014) indicate that employees become more engaged when they have autonomy and control over the how and when to perform certain activities. In support of this Zeijen, Peeters and Hakanen (2018) showed that with self-control and self-management, individuals have the flexibility to craft their jobs and consequently become more engaged. Furthermore, self-leading individuals tend to concentrate more on the positive aspects of their work, rewarding themselves for a job well done and pay more attention to the intrinsically rewarding characteristics or features of the job, which in turn gives meaning to the job (Sesen *et al.*, 2017). Seeing the evidence that self-leading individuals' work is purposeful and is adding value, employees would be more actively involved in work and consequently become more absorbed, more immersed and exert more energy in work (Van Wingerden & Poell 2019). Results from this study confirm the findings of a national study in private and public organisations by Kotzé (2018), who attested to the connection between self-leadership and work engagement. She argued that self-leading individuals, through their cognitive strategies, would be more at ease and their mental processes would be linked with parts of the tasks. This would lead to increased commitment enhancing their dedication, absorption and vigour. The results support hypothesis 1, and therefore it is not rejected.

Joo *et al.* (2016) contended that PsyCap fuels individual positive self-concept, which ultimately influences work engagement. Similarly, Alessandri *et al.* (2018) argued that individuals with higher PsyCap through their positive outlook, view the level of demands and resources available to them

positively no matter how challenging it might be. From the JD–R model perspective, it is clear that the positive evaluation of both job resources and demands yields more positive outcomes, including high performance and improved engagement levels. Costantini *et al.* (2017) maintained that with a positive outlook, individuals perceive that, they have adequate personal and job resources to complete their duties successfully, thus they enjoy the motivational process that keeps them engaged in their work compared to individuals with a negative outlook. Tabaziba (2015) argued that engaged employees used psychological resources, including hope, resilience, optimism and self-efficacy to help them manage and influence their workspaces more successfully. The current results are consistent with the findings of Bonner (2016); Harunavamwe *et al.* (2020); Kotzé (2018) which confirm that improving both personal and psychological resources create a better environment for employees to thrive.

The study observed that PsyCap significantly mediated the relationship between self-leadership and work engagement. However, there was only evidence of a partial mediation, given that the relationship between the predictor (self-leadership) and the outcome (work engagement) was significant but weak. Self-leadership strategies may assist individuals to build more confidence when they are taking on difficult and challenging tasks. It also assists them to take initiative in creating alternative pathways and even persevere in achieving their goals (Amundsen & Martinsen 2015; Sesen *et al.,* 2017). Suffice to maintain that, self-leadership enhances individuals' belief that they have what it takes to succeed (self-efficacy). This helps employees to sustain their hope, build their resilience and create a more optimistic outlook despite adversity. Consequently, individuals exhibit improved levels of engagement and perform better (Kotzé, 2018).

In light of this, Breevaart *et al.* (2014) and Knotts (2018) express that, self-leading individuals, through their constructive thought processes, are able to overcome dysfunctional beliefs and pessimistic tendencies, consequently creating more positive thinking and higher psychological functioning (thus boosting individual psychological resources). This increase in psychological resources motivates individuals to invest more energy in the work they do and enhance their efforts to succeed and become more engaged (Bonner, 2016). Similarly, Adil and Kamal (2016) contended that the increase in PsyCap signals an increase in the pool of resources from which employees can extract from and invest in their work. In other words, the increase in PsyCap determined by self-leadership provides individuals with an abundance of resources to invest, triggering a spiral of positive gain. According to Salanova et al. (2010), from the Conservation of Resource Theory perspective, gain spirals stimulate positive outcomes such as work engagement. The result of the significant mediating effect of PsyCap is consistent with the findings of some South African studies (Harunavamwe *et al.,* 2020; Kotzé, 2018).

From the above discussion the foundation for engagement and overall functioning of an organisation is encouraged by increasing self-leadership strategies (Gomes *et al.,* 2015). The construct self-leadership and its associated strategies contribute to the resourcefulness of the work environment, thus self-leadership strategies create the foundation for expanding other resources such as psychological resources (Breevaart *et al.,* 2014; Knotts, 2018). Bakker (2017) noted that self-leadership strategies, including behavioural strategies and constructive thought patterns are applied as a way of expanding the psychological resources of an individual and they contribute through increasing personal resources such as self-efficacy, self-esteem, hope and optimism, which eventually transform to work engagement aspects such as dedication and absorption. Self-leading individuals perceive that they are in control of their work, and consequently they experience greater confidence in their abilities (self-efficacy) (Lovelace, Manz & Alves, 2007; Sesen *et al.,* 2017). With self-efficacy, individuals envision and are certain of future success, motivating their persistence to succeed at work (Costantini *et al.,* 2017). In addition, employees with high levels of efficacy tend to believe that they can effectively control their work environment. Job demands are perceived as challenging and resources as adequate to neutralise the demands. As a result, such employees are more likely to be engaged in their tasks since they have perceived balance between the job demands and the job resources (Adil & Kamal, 2016; Salanova *et al.,* 2010). Similarly, through mastery, individuals become more mentally absorbed in reaching work goals without being distracted (Priyatama, Zainuddin & Handoyo, 2018). Moreover, self-observation; one of the self-leadership components, enables employees to take initiative in the creation of alternative pathways in order to achieve their goals.

In essence, the findings of the study indicate that self-leadership strategies and PsyCap have a sequential effect on the construct work engagement. Thus, combining the two variables together with their components expands both job and personal resources, which eventually improve work engagement. Practically the COR theory, indicates that the accumulation of several personal,

psychological and job resources benefit both employees and their organisation through sustaining the engagement levels in the organisation (Salanova *et al.,* 2010). Consistent with that, some studies (Kotzé, 2018; Harunavamwe *et al.,* 2020), indicated that personal resources such as PsyCap and self-leadership strategies can promote engagement even in challenging and ambiguous environments. However, it was observed that the indirect influence of self-leadership on engagement (via PsyCap) was stronger than the direct effect. This suggests that, to boost work engagement levels of bank employees, intervention should be focused more on promoting self-leadership. Since the literature indicated that work engagement has various individual and organisational benefits, focusing on self-leadership may promote sustainable work engagement in banks.

Despite the significant findings of the study, there are limitations. Firstly, the sample was made up of banking sector employees, which implies that generalisations should be made only to that group of employees. Secondly, literature indicates that there are a number of positive factors that influence work engagement; however, the current study only focused on PsyCap and self-leadership strategies. Future studies may consider including other positive constructs like emotional well-being, as personal resources antecedent to work engagement. Thirdly, the study applied self-reporting, cross-sectional questionnaires to gather data at one point in time on all the measures. Although the hypothesised relationship imply causality, it cannot rule out the idea that in longitudinal settings, gain cycles may appear through the existence of relationships between self-leadership, PsyCap and work engagement of individuals across time. Thus, future studies might consider longitudinal designs to examine the extent to which PsyCap and self-leadership influence work engagement.

11. CONCLUSION

The study established support for the proposition that self-leadership influences PsyCap and work engagement as well as that PsyCap acts as a mediator in this relationship. The empirical statistical effect of self-leadership and PsyCap on work engagement discovered valuable insights to explain the processes that employees go through to optimise and sustain their levels of engagement and their positive working life. It also contributed to the development of a model for the facilitation of work engagement. The study concludes that both self-leadership strategies and PsyCap play important roles in explaining employees' dedication, vigour, absorption, and overall work engagement in the workplace. Moreover, the strong indirect link (self-leadership to work engagement via PsyCap) strongly suggests that self-leadership strategies are building blocks for improving the work engagement of employees and should be the main focus in the promotion of work engagement in the workplace.

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