Influence Between Organizational Resources, Organizational Engagement Climate, Job Resources, and Employee Engagement in Greater Jakarta Areas

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Employee engagement can be a strategy to achieve, develop, and maintain a competitive advantage. This study aims to analyze the influence between organizational resources, organizational engagement climate, job resources, and employee engagement. The research method used is the survey method, which is asking for responses from respondents using a questionnaire distributed to employees who work in Greater Jakarta area. Responses from 200 respondents were analyzed using the Structural Equation Modeling method. The results of the study show that organizational engagement climate and job resources directly influence employee engagement. And organizational resources indirectly influence employee engagement through organizational engagement climate and job resources. These results indicate that organizational resources as a source of supply and support from organizations will directly influence employees' collective perceptions of engagement climate in the organization, and also directly influence the physical, psychological, social, or organizational aspects of work, which in turn will influence employee engagement.

Key words: Employee Engagement, Job Resources, Organizational Engagement Climate, Organizational Resources

Introduction

In recent years change has been happening very quickly in various sectors of the organization's environment. This has an impact on the increasingly high challenges and complexity of problems faced by most companies in the world. Global megatrends such as

rapid technological development, industrial revolution 4.0, and economic warfare between major countries are felt globally by almost all companies, including companies in Indonesia. In an effort to overcome new and increasingly complex challenges, every company needs to undertake various initiatives that can make their company able to survive, and even excel in overcoming economic pressures and increasingly fierce business competition. One initiative that is important to do is related to the process of managing and developing human resources. According to Armstrong & Taylor (2014), the fundamental aim of strategic HRM is to generate organizational capability by ensuring that the organization has the skilled, engaged, committed, and well-motivated employees it needs to achieve sustained competitive advantage. Albrecht et al. (2015) in his research entitled "Employee engagement, human resource management practices and competitive advantage: An integrated approach" reveals research evidence that shows that employee engagement can provide strategies to achieve, develop, and maintain competitive advantage.

Gallup, in one part of its website, defines engaged employees as those who are involved in, enthusiastic about and committed to their work and workplace (Gallup, 2018). Furthermore, Gallup divides employees into 3 types, namely employees who are not engaged, actively disengaged, and engaged. Gallup's 2013 study of engagement in Southeast Asia showed that only 8% of employees in Indonesia were involved in their work, while 15% of employees in Indonesia were actively disengaged (Gallup, 2016). This means that most employees in Indonesia lack engagement with work and workplaces. Most employees feel reluctant to go to work, lacking enthusiasm and passion to do their work. Thus, doing something for a group of employees who are not or less engaged to become more engaged employees is the most effective strategy that can be implemented by every company to improve performance and long-term sustainable growth (Crabtree, 2013; Ratanjee & Emond, 2013 and Reilly, 2014)

Based on the explanation and data that has been submitted, it can be concluded that each company needs to have more employees who are engaged in their work and workplace. However, the engagement conditions for these employees do not arise and grow by themselves. Companies need to take initiatives that can increase and maintain the level of employee engagement in the company. Albrecht et al. (2018) in his research model revealed that there are several variables that are directly or indirectly related to employee engagement, namely: organizational resources, organizational engagement climate, and job resources. This research is conducted to test the research model of employee engagement carried out by Albrecht et al. (2018) with research locations in the Greater Jakarta area, and to find out which variables actually have a significant influence both directly and indirectly on employee engagement.

Literature Review

Kahn (1990) defined employee 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". Maslach and Leiter (1997) defined engagement as "a persistent, positive affective-motivational state of fulfillment in employee that is characterized by high levels of activation and pleasure". According to them engagement is characterized by a component of vigor, involvement and efficacy which is the opposite of the 3 dimensions of burnout, namely: exhaustion, cynicism and ineffectiveness. Schaufeli et al. (2002)   generally agree on the view of engagement as the antithesis of burnout, however they define engagement as a different concept, and which is not related to the concept of burnout. They defined employee engagement as "a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption" (Schaufeli, Salanova, González-Romá, & Bakker, 2002). Saks (2006) defined engagement as "a distinct and unique construct that consists of cognitive, emotional, and behavioral components that are associated with individual role performance". According to Saks (2006), stronger theoretical reasons for explaining engagement can be found in social exchange theory. Saks (2006) argues that one way for individuals to repay their organization is through their level of engagement. That is, employees will choose to engage themselves to varying degrees and in response to the resources they receive from their organization. More comprehensively, Macey and Schneider (2008) defined employee engagement as "a desirable condition, has an organizational purpose, and connotes involvement, commitment, passion, enthusiasm, focused effort, and energy, so it has both attitudinal and behavioral components". According to Albrecht et al. (2018)   although there is some disagreement between academics and practitioners regarding how best to define and measure employee engagement, the definition of engagement from Schaufeli et al. is widely used in academic literature, and can be measured using a valid and reliable self-report questionnaire (Utrecht Work Engagement Scale); and can be explained by the job demands-resources model.

The job demands-resources (JD-R) model emerged as the dominant model for explaining antecedents and outcomes related to employee engagement. The main reason for the JD-R theory is widely used one of them is because of its flexibility. The first proposition of this theory is that all job characteristics can be modeled using 2 different categories, namely job demands and job resources (Bakker & Demerouti, 2014). Thus, the theory can be applied to all work environments and can be adapted to the specific work to be studied. The second proposition of JD-R theory is that job demands and job resources are triggers of two fairly independent processes, namely the health impairment process and the motivational process (Bakker & Demerouti, 2014). Job demands are generally the main predictors of conditions such as fatigue, and psychosomatic health complaints, while job resources are generally the main predictors of work enjoyment, motivation, and work engagement. The background to these conditions is that job demands require effort and energy resources, while job resources

meet basic psychological needs, such as the needs for autonomy, interrelation, and competence (Bakker, Demerouti, & Sanz-Vergel, 2014). JD-R research consistently shows that employees achieve the best performance in a challenging and resourceful work environment to overcome problems, because such an environment facilitates work engagement (Bakker & Demerouti, 2014). Bakker and Demerouti (2007) defined job resources as "physical, psychological, social, or organizational aspects of a job that facilitate achieving work goals, reduce job demands, and stimulate personal development".

Research on organizational climate implicitly or explicitly adheres to the idea that organizational climate is a summary of perceptions derived from a collection of experiences that are interrelated with organizational policies, practices, and procedures (eg leadership, human resource management practices, etc.), and observations about what is valued, supported and expected in the organization with a summary of these perceptions so that it becomes meaningful and shared based on the natural interaction of people with other people in the organization (Schneider, González-Romá, Ostroff, & West, 2017). Schneider (1975) argues that climate research must study climate about something, for example climate regarding services or climate about safety. Based on these thoughts, Albrecht (2015) defined organizational engagement climate as "shared perceptions about the energy and involvement willingly focused by employees toward the achievement of organizational goals".

Organizational resources refer to organizational aspects of work that are functional in achieving work goals, can reduce work demands and associated physiological and psychological losses, which ultimately, can stimulate personal growth, learning, and development (Demerouti, Bakker, Nachreiner, & Schaufeli, 2001). Albrecht et al. (2018) defined organizational resources as "the physical and psychological system-level aspects of the organizational environment, that are not role specific, and that directly or indirectly influence organizational engagement climate, job resources, and engagement". More generally, organizational resources are system sponsored sources of supply and support that can be drawn upon by individuals and groups to help achieve psychological, attitudinal, motivational, behavioral, team, and organizational outcomes. (van den Heuvel, Demerouti, & Bakker, 2014; Barrick et al., 2015).

Based on the formulation of the problem, the theory that has been described and the results of previous studies, the following hypotheses will be proposed:

H1: Organizational resources have a significant direct influence on organizational engagement climate.
H2: Organizational resources have a significant direct influence on job resources.
H3: Organizational resources have a significant direct influence on employee engagement.
H4: Organizational engagement climate has a significant direct influence on job resources.

H5: Organizational engagement climate has a significant direct influence on employee engagement.

H6: Job resources have a significant direct influence on employee engagement.

H7: Organizational resources have a significant indirect influence on employee engagement through organizational engagement climate.

H8: Organizational resources have a significant indirect influence on employee engagement through job resources.

H9: Organizational resources have a significant indirect influence on job resources through organizational engagement climate.

H10: Organizational engagement climate has a significant indirect influence on employee engagement through job resources.
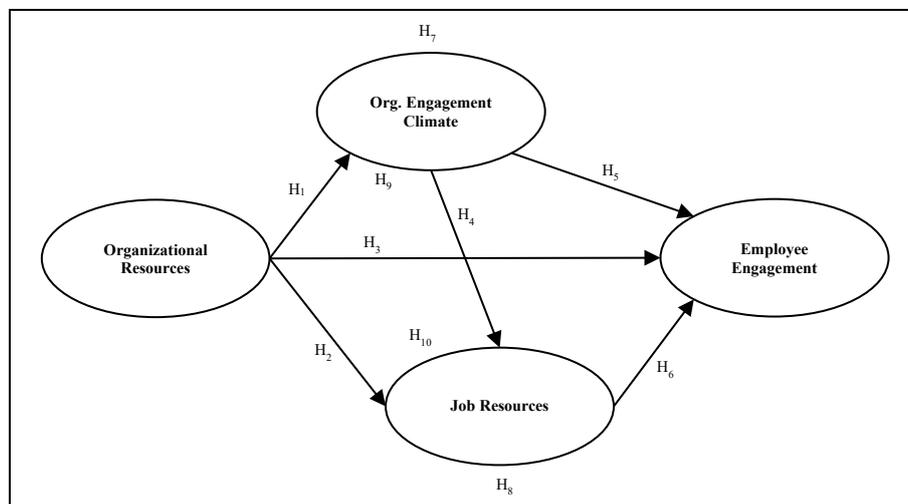

Figure. 1. Conceptual model and proposed hypothesis.

Methods

Respondents in this study are employees in Greater Jakarta area who are aged 18 years or older, have working hours of 20 hours or more a week, and have worked more than 3 months in the current company. The research method used is a survey method that is asking respondents' responses. In conducting survey research, a questionnaire was distributed which contained a list of questions aimed at gaining employee perceptions about organizational resources, organizational engagement climate, job resources, and employee engagement in their workplaces in Greater Jakarta area. The sample is taken by the convenient sampling technique (Sekaran & Bougie, 2016). The results of the answers from respondents were analyzed by the Structural Equation Modeling (SEM) method using the SmartPLS application version 3.2.7.

The research questionnaire consisted of 2 parts. The first part of the questionnaire includes an initial question about respondent's profile such as: gender, age, education, occupation, job

level, length of service in the current company, hours of work per week, and company location. Part two of the questionnaire consists of questions regarding conceptual factors such as organizational resources with 23 questions, organizational engagement climate with 5 questions, job resources with 16 questions, and employee engagement with 9 questions. Organizational engagement, organizational engagement climate, and job resources variables are measured using a questionnaire that uses an itemized rating scale of 7 points (1 = Strongly Disagree, up to 7 = Strongly Agree). Employee engagement variable is measured using a questionnaire that uses an itemized rating scale of 7 points (0 = Never, up to 6 = Always / Every day).

Outer model measurement was performed where outer loading produced for each variable indicator which confirmed all of outer loadings greater than 0.7, while AVE for all variables found above 0.5. All the values of Cronbach's Alpha were larger than the threshold 0.70 providing a great reliability (Hair et al., 2010). The application of the cross loading criterion was used for discriminant validity purpose, where the correlation value of items in the same variable must be greater than the correlation value of these items with other variables.

Result and Discussion

The below table shown the result of hypothesis test, more over the bootstrap of PLS-SEM provided results for indirect effects of a more detailed analysis of mediating effect in the model with multiple mediators as below, which shown the prominent route from organizational resources to employee engagement.

Table 1. Testing of Hypotesis.

Construct	Original Sample	t-Statistic	P Values	Hypothesis
Organizational resources → Organizational engagement climate	0.593	9.225	0.000	Supported
Organizational resources → Job resources	0.607	7.046	0.000	Supported
Organizational resources → Employee engagement	0.158	1.860	0.063	Not supported
Organizational engagement climate → Job resources	-0.024	0.258	0.796	Not supported
Organizational engagement climate → Employee engagement	0.265	3.478	0.001	Supported
Job resources → Employee engagement	0.422	5.436	0.000	Supported

Table 2. Indirect Effect.

Construct	Original Sample	t-Statistic	P Values	Hypothesis
Organizational resources → Organizational engagement climate → Employee engagement	0.157	3.212	0.001	Supported
Organizational resources → Job resources → Employee engagement	0.256	3.963	0.000	Supported
Organizational resources → Organizational engagement climate → Job resources	-0.014	0.248	0.804	Not supported
Organizational engagement climate → Job resources → Employee engagement	-0.010	0.259	0.796	Not supported

The results of the study show that organizational engagement climate and job resources directly influence employee engagement. And organizational resources indirectly influence employee engagement through organizational engagement climate and job resources. The result model are drawn below.
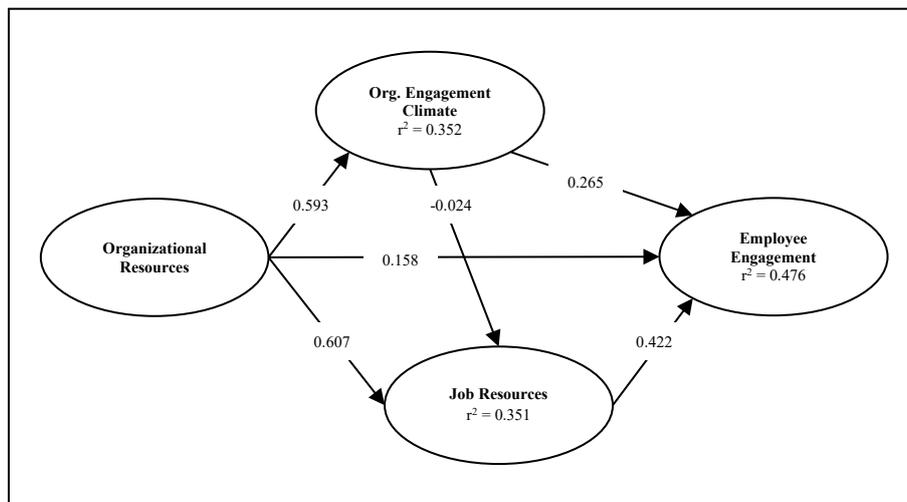

Figure. 2. Research Result.

Based on the research that has been done, the following results are obtained: Organizational resources have a significant direct influence on organizational engagement climate and job resources. This shows that the level of initiative undertaken by the company to provide support at the organizational level is proven to influence the level of perception of all employees in the company regarding the engagement climate in the company, and is proven to influence the level of employee perception about aspects of support from work that facilitate the achievement of work goals. Organizational resources do not have a significant

direct influence on employee engagement. The results of this study are different from the results of previous studies. The differences in the results of this study are partly due to differences in the sample and demographics between previous research and actual research, where things that are generally understood as organizational resources in the previous research environment, are perceived differently in the actual research environment. Although in this study organizational resources were not proven to have a direct influence on the level of employee engagement, however, the results of this study revealed that organizational resources had a significant indirect influence on employee engagement through organizational engagement climate, and through job resources. This shows that the level of initiative undertaken by the company to provide support at the organizational level is proven to indirectly influence the level of employee engagement through the perception of all employees in the company regarding the engagement climate, and through employee perceptions about aspects of support from work that facilitate the achievement of work goals.

Conclusions

This research is conducted to test the research model of employee engagement carried out by Albrecht et al. (2018). Consistent with the results of previous studies, organizational resources have a significant direct influence on organizational engagement climate and job resources. This shows that the level of initiative undertaken by the company to provide support at the organizational level is proven to influence the level of perception of all employees in the company regarding the engagement climate in the company, and is proven to influence the level of employee perception about aspects of support from work that facilitate the achievement of work goals. Organizational resources do not have a significant direct influence on employee engagement. The results of this study are different from the results of previous studies. Thus, the sample used in this study is less able to represent the population under study. Based on the limitations in this study, the following are suggestions that can be given for further research. Future studies can use other dimensions of organizational resources that might make organizational resource variables have a greater influence both directly and indirectly with employee engagement variables, so that this concept can be further expanded. Future research can also develop or use other variables that are more varied to broaden the theory. In addition, further research is expected to use samples or populations from a specific company, or several companies from similar industries. This is to get the results of research that specifically addresses the issue of employee engagement in the company, or in a particular industry.

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