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The Effect of Implementation of Management Support Work Environment, Team Work, and Employee Development to Employee Engagement with Employee Motivation as Mediating Variable

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ABSTRACT

Employee engagement is essential for the company's long-term growth and increased profits in an increasingly competitive industry. This study aims to analyze the effect of implementing a management support, work environment, team work, employee development to employee engagement. The research conducted in manufacturing companies in Batam with 396 respondents. The data test using SPSS and Smart PLS. The results of the study explained the direct effect variable has significant effect and variable teamwork has very significant effect compare to other independent variables. Indirect influence explains that team work have a significant effect to employee engagement through employee motivation but management support does not significantly influence employee engagement through employee motivation.

Keywords: Management support, Team Work, Motivation, Employee Engagement

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INTRODUCTION

Gallup conducted survey on 2017 (pg.146) and shown only 19% of employees in Southeast Asia are engaged, It is mean 81% of employees are non-engaged or actively disengaged in their jobs. The aim of the research conducted by Gallup to understand why low productivity and the lack of engagement in the workplace and how organizations can improve these factors. Low percentage of engaged employees is a barrier to creating high-performing cultures. Marciano (2010) states that employees are not involved in their work will raise an attitude do not caring about work, only doing work according to orders, not focusing on work, relaxing at work, not taking advantage of work time to maximize work so that it leads to a decrease in employee productivity and a decrease in company income. The Gallup survey shown the engaged employee in Indonesia is low compare to Malaysia, Philippines, Singapore, and Thailand. The data below bring to the consideration to improve the employee engagement to increase productivity and profitability in the organization in Indonesia.

	Engaged %	Not engaged %	Actively disengaged %
Indonesia	15 ⁴	76 ⁵	10 ³
Malaysia	17 ³	70 ⁴	13 ³
Philippines	36 ⁵	55 ⁵	9 ³
Singapore	23 ⁴	69 ⁴	8 ²
Thailand	23 ⁵	73 ⁶	4 ²
_Vietnam	9 ³	68 ⁶	23 ⁵

Source: Gallup Survey 2017 (pg.196-199)

The Organizations who realize that employees are as company assets then the asset shall be well maintain and manage. It will impact to the contribution and engagement in the organization. Products can be imitated, but when talking about employees, the employees will not be able to be imitated by anyone, even can not be imitated by competitors as stated (Baumruk, 2004). Therefore it can be interpreted as the strength of the company which relies on how the engaged employees in the organization and the organization will gain the competitive advantage.

Increasing of employee engagement is usually carried out by leaders in the expectation to increase the organizational performance and this goal will have an impact on increasing superior performance, reducing employees leaving the company and increasing employee welfare (Macey & Schneider, 2008). This opinion gives meaning on how importance of employee engagement in the organization to ensure the organization can survive and develop especially in the conditions of the Covid 19 pandemic.

The successful organizations are engaged employees where they respect, enjoy and have pride in their work on what they doing and certainly the employees will be more willing to help each other in order the organization will successfully. Lepine, Erez, & Johnson (2002) have a view that employees who are involved mean they have additional responsibility, being asked or not asked to participate and even tend to innovate and invest more in work. They share information with other employees within an organization rather than employees who are less involved.

Previous researchers studies have found that employee engagement is influenced by the workplace environment, teamwork, employee development (Anita, 2014), organizational support and teamwork (Kumar & Mehrzi, 2016), employee development and the work environment (Mokaya and Kipyegon, 2012). Gillet et al. (2013) found that employees who feel that they are supported by their organization, through recognition and authority, display higher levels of self-determined motivation and work engagement. Employee motivation is another important factor that affects the engagement of employees as mediating. Employees who perceive that organizations support them in terms of their wellbeing, welfare and development are likely to be motivated at their work place hence engage at their work. However, there has been deterioration in employees' dedication and absorption at their work place which could

be as a result of decline in employees' motivation. The conceptual frame work shows that employees who perceive the organization as supportive to their needs, are more motivated to do organizational work and this influences their engagement in the work they do.

Based on the empirical observation by the HR practitioners in manufacturing industry shown the conditions faced by the company which employees are not engaged through project improvement due to employees do not to focus on doing their jobs. In the previous research mentioned that the variable of work environment and employee development were not discussed and the research focused in public sector but current research are focus in manufacturing industry. Based on the explanation above, it is still an interesting challenge to do research related to employee engagement with different variable and type of industry. This research aim to investigate the effect of implementation of management support, work environment, team work and employee development to employee engagement.

THEORETICAL REVIEW

Work environment

When entering the workforce, employees need a safe, conducive and comfortable work environment. In addition, employees also need a safety in the workplace environment and this is a priority for an employees. A workplace environment which is not conducive will have a negative impact to the employees so the positive, safe, and beneficial work environment or workplace climate for employees shall be created and will contribute to employee engagement and otherwise when the workplace environment not conducive then the employees will not be involved (Zhu et al., 2016). Research examines the relationship between workplace the environment and employee engagement has been studied, among others, by Mokaya & Kipyegon (2014), Choo et al. (2013), Anita (2014), Chaurasia & Shukla (2013).

Teamwork

A strong and successful organization will occur when there is a team work in the organization. Organizations will be destroyed and unable to growth when the organization relies on the strength of each of its members so that leaders in the organization shall always emphasize the importance of this collaboration. The research that examines teamwork and employee engagement has been studied, among others, by Anita (2014), Murrer & Fandale (2015), Kumar & Mehrzi (2016). There are several factors that can lead to the failure of a team according to Larry Lozette: (1) members do not understand the goals and mission of the team, (2) members do not understand the roles and responsibilities they carry, (3) members do not understand how to do tasks or how to work as part of a team, and (4) members declined roles and responsibility. Therefore, organizations need to explain how important teamwork, including: 1. Members in an organization will be more responsible because they are involved in making decisions in the organization 2. Sharing ideas which are more creative and

innovative so that each member can share with one another. 3. Diverse resources and skills of team so that it has better information. 4. Errors that occur as soon as possible can be recognized and corrected quickly by a team 5. Strength together from the group so that you have the courage to take risks.

Management support

Gillet et al. (2013) explained when employees get full support from the organization because they feel recognized and given authority, they tend to show high contributions, motivation comes from themselves and the employees are really involved. Management support is absolutely needed by employees so the employees are able and easier to do their jobs. Another opinion about support from management by Rousseau and Aube (2010) states that support from supervisors provides employees with an emotionally satisfying work experience, which in turn helps employees develop engagement and maintain their function in the organization, without management support, employees will certainly have difficulty contributing so that employees are not so involved in the organization.

Employee development

Training is a tangible form of employee development, it is very important when correlated with employee engagement so it can help employees to complete their work. Training gives an illustration that employees who previously did not know about their work, after being trained, it impact to the employee understood on their job. After the employee completes the training, a strong motivation will emerge from the employee in carrying out their engagement. Gupta (2015) conducted a study where the main objective was to analyze the effect of training on employee commitment to the employee's performance. Employee development shows the organization's concern for its employees and of course, because employees have been considered, there will be a reciprocal relationship between employees and their organizations. Research that examines employee development has been researched, among others, by Choo, Mat and Omari (2013), Anita (2014), Korzynski (2015), Dajani (2015). Choo, Mat and Omari (2013) argue that employee development is one of the right tools when analyzing how involved employees are in work.

Employee Motivation

Motivation is a desire from within a person that provides the support to take action so as to achieve the expected goals (Park & Ugaddan, 2017). Someone will be more involved in an activity or organization tith motivation,. When one's motivation is lost, it is difficult to expect the employee to be involved. Research that examines motivation and employee engagement has been investigated, among others, by Kumar & Mehrzi (2016), Park & Ugaddan (2017). The researchers revealed that there was a significant (positive) effect between motivation and employee engagement. In other words, the better (stronger) employee motivation in an organization, the higher the involvement of employees in an organization.

Employee Engagement

Employee engagement is recognized as an important element of organizational effectiveness (Mann and Harter, 2016). The main thing is the fact that employees involved are workers who are more productive, profitable, safer, and healthier (Shuck and Wollard, 2010) so that this role contributes to the company. Aon Hewitt (2017) has a view on employee engagement from 3 aspects, namely: 1. Say where employees will directly convey good / positive things to the organization. 2. Stay where the employee has no desire to leave / leave the organization 3. Strive where employees are asked or not asked to give their best efforts to the organization.

The model propose for in this study as follows in Figure 1.

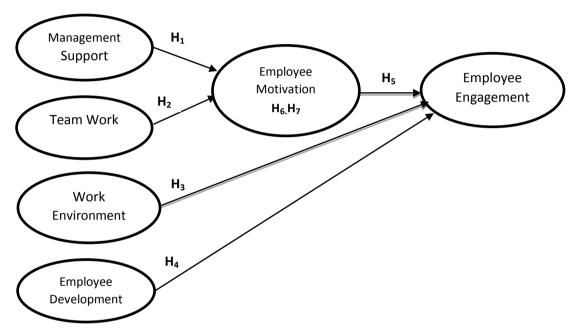


Figure 1. Model Hypothesis

Hypothesis

H1: Management support has a positive effect to employee engagement.

H2: Teamwork has a positive effect to employee engagement.

H3: Employee motivation has a positive effect to employee engagement.

H4: The work environment has a positive effect to employee engagement.

H5: Employee development has a positive effect to employee engagement.

H6: Employee motivation mediates management support to employee engagement.

H7: Employee motivation mediates teamwork to employee engagement.

METHODOLOGY

Type of this research used is a correlational research using hypotheses to test the relationship between variables based on previous research (Sekaran & Bougie, 2016). This study aims to understand the effect of exogenous latent variables on endogenous latent variables and how the relationship occurs. Quantitative research is selected by the researcher to obtain the sample and population of the study and the sample taken is done randomly. The data collected will be used as a research instrument that will be used.

The population in this research conducted on manufacturing companies in three areas in Batam at Cammo Industrial Park, Executive Industrial Park and Tunas Industri Estate. The research is specifically with a sample for employees with positions from Supervisor level above who have subordinates so it can helps to know the extent of their work team involvement and can help in research to get maximum results. The method used in sample selection is a non-probability method with a purposive sampling technique. The sample in the study according to Hair et al., (2017) states that the sample size n x 10 observed variable (indicator). The number of indicator is 39 and the sample taken are 396 respondents. Research subjects will be conducted randomly or by direct interview so that they can directly participate in the research.

RESULTS AND DISCUSSION

Table 1. Respondent profile

Description	Frequency	%
Male	253	63,9%
Female	143	36,1%
20-30 years	81	20,5%
31-40 years	141	35,6%
41-50 years	132	33,3%
above 50 years	42	10,6%
Senior High School	36	9,1%
Diploma	104	26,3%
Bachelor Degree	226	57 , 1%
Master degree/Doctor	30	7,6%
Supervisor/ Senior Supervisor	117	29,5%
Engineer/ Senior Engineer	105	26,5%
Asst Manager/Manager	137	34,6%
Senior Manager/Director	37	9,3%

Evaluation Measurement Model (Outer Model)

Table 2 . Result convergent validity

 Variable	Indicator	Loading Factors	Validities
	MS1	0.774	Valid
Management	MS2	0.819	Valid
	MS3	0.843	Valid
Support (MS)	MS4	0.877	Valid
	MS5	0.887	Valid
	TW1	0.736	Valid
	TW2	0.770	Valid
	TW3	0.825	Valid
	TW4	0.838	Valid
T 147 1	TW5	0.832	Valid
Team Work (TW)	TW6	0.817	Valid
(100)	TW7	o.826	Valid
	TW8	0.777	Valid
	TW9	0.770	Valid
	TW10	0.661	Valid
	TW11	-0.355	Not Valid
	WE1	0.792	Valid
	WE2	0.836	Valid
Work	WE3	0.838	Valid
Environment (WE)	WE4	0.660	Valid
(**L)	WE5	0.810	Valid
	WE6	0.763	Valid
	ED1	0.809	Valid
Employee	ED2	0.741	Valid
Development	ED3	0.793	Valid
(ED)	ED4	0.813	Valid
	ED5	0.825	Valid
Motivation	M1	o.888	Valid
(M)	M2	0.891	Valid
(141)	М3	0.892	Valid
	EE1	0.823	Valid
	EE2	o.887	Valid
	EE3	0.814	Valid
Employee	EE4	0.887	Valid
Engagement	EE5	0.848	Valid
(EE)	EE6	0.806	Valid
	EE7	0.232	Not Valid
	EE8	-0.047	Not Valid
	EE9	0.656	Valid

Validity testing aims to show the validity of the indicator variables and the validity of each latent variable. The indicator will sufficient when a value loading 0,5 to 0,6 (Ghozali, 2014) at Table 2, Based on the result test, found 3 indicator not valid from 39 indicators. The validity test results of each variable in the model conducted using the Average Variance Extracted (AVE) with a minimum value limit of 0.5 (Ghozali, 2014) at table 3 and found all variable are valid. It is means that all data are valid and meet the convergent validity requirements (Hair et al., 2017).

To test the reliability of each variable, Composite Reliability is used which the limit for composite reliability is more than 0.7 and the value Cronbach's alpha suggested >0,6 (Ghozali, 2014) as stated at Table 3 and found all the variable are reliable.

Variable	Composite Reliability	Cronbach's Alpha	Reability
Management Support (MS)	0.923	0,896	Reliable
Team Work (TW)	0.923	0,892	Reliable
Work Environment (WE)	0.906	0,875	Reliable
Employee Development (ED)	0.897	0,856	Reliable
Motivation (M)	0.920	0,870	Reliable
Employee Engagement (EE)	0.892	0,857	Reliable

Table 3. Result Composite Reliability and Cronbach's Alpha

Structural Model (Inner Model)

The inner model is used to predict the relationship between latent variables, both a direct effect and an indirect relationship through the mediating variable (Indirect effect). The significance of this relationship can also be seen in the path coefficients table, namely the T-Statistics column (Ghozali and Latan, 2015). A relationship is said to be significant with a significance level of 5% if it has a T-statistics value of more than 1.96 or P-values <0.05 (Hair et al. 2017). The data will be shown in Table 4.

Variable	T Statistics	P Values	Result
MS -> M	2.949	0.003	H1:Significantly affect
TW -> M	6.645	0.000	H2:Significantly affect
WE -> EE	2.004	0.046	H3:Significantly affect
ED -> EE	2.377	0.018	H4:Significantly affect
M -> EE	2.443	0.015	H5:Significantly affect
MS -> M -> EE	1.833	0.067	H6:Not Significantly affect
WT -> M -> EE	2.385	0.017	H7:Significantly affect

Table 4. Result of Direct and Indirect effect

Hypothesis 1

Based on Table 5, it shows that the T-Statistics and P-Values values of management support to employee motivation have values of 2.949 and 0.003. The results of these data mean that the management support has a significant effect to employee motivation. The results of this test are in accordance with the results of previous research conducted by Kumar & Mehrzi (2016).

Hypothesis 2

Based on Table 5, it shows that the T-Statistics and P-Values values of teamwork to employee motivation have a value of 6,645 and 0,000. The results of these data mean that the teamwork variable has a significant effect to employee motivation. The results of this test are in accordance with the results of previous research conducted by Kumar & Mehrzi (2016).

Hypothesis 3

Based on Table 5, it shows that the T-Statistics and P-Values values from the work environment to employee engagement have values of 2.004 and 0.046. The results of these data mean that the work environment have a significant effect to employee engagement. The results of this test are in accordance with the results of previous studies conducted by Mokaya and Kipyegon (2012), Kumar & Vishal (2012) and Anita (2014).

Hypothesis 4

Based on Table 5, it shows that the T-Statistics and P-Values values of employee development to employee engagement have a value of 2,377 and 0.018. From the results of these data it means that the employee development has a significant effect on employee involvement. The results of this test are in accordance with the results of previous research conducted by Mokaya and Kipyegon (2012), Choo, Mat and Omari (2013), Johari et al. (2013), Anita (2014), Rana et al. (2014), Song et al. (2014), and Korzynski (2015) but the results of this study are different from the results of research conducted by Johari et al. (2013).

Hypothesis 5

Based on Table 5, it shows that the value of T-Statistics and P-Values of employee motivation to employee engagement has a value of 2.443 and 0.015. The results of these data mean that the employee motivation has a significant effect to employee engagement. The results of this test are in accordance with the results of previous studies conducted by Kumar & Mehrzi (2016), Ugaddan and Park (2017) and Tsourvakas and Yfantidou (2018).

Hypothesis 6

Based on Table 5, it shows that the value of T-Statistics and P-Values of management support to employee engagement through employee motivation has a value of 1.833 and 0.067. From the results of these data it means that management support does not have a significant effect to employee engagement mediated by employee motivation.

The results of this test are not in accordance with the results of previous research conducted by Kumar & Mehrzi (2016).

Hypothesis 7

Based on Table 5, it shows that the value of T-Statistics and P-Values from teamwork on employee engagement through employee motivation has a value of 2,385 and 0.017. From the results of these data it means that teamwork has a significant effect to employee engagement mediated by employee motivation. The results of this test are in accordance with the results of previous research conducted by Kumar & Mehrzi (2016).

Table 5. Goodness of Fit

Variable	R-Square
Motivation (M)	0.661
Employee Engagement (EE)	0.646

Based on Table 6 shown the value of R square for the variable motivation is 0,661 or 66,1%, it is mean there are 33,9% influenced by other variable not stated in this research and the variable employee engagement is 0,646 or 64,6%, it is mean there are 35,4% influenced by other variable not stated in this research.

The quality index test is used to assess the model as a whole. Quality Index is measured by the GoF Index with the following calculation:

$$\overline{R^2} = \frac{0,646 + 0,661}{2} = 0,653$$

$$GoF = \sqrt{\overline{Com} \times \overline{R^2}} = \sqrt{0,643 \times 0,653} = 0,65$$

With the above equation, the GoF Index value is 0.65. These results, according to Fornel & Larcker (1981), Cohen (1988), Ghozali & Latan (2015), are good Goodness of Fit values because they are greater than 0.36. In other words, the model used in research is good to use.

CONCLUSION

The result of this study concluded that management support, team work significantly affect to motivation and work environment, employee development and employee motivation significantly affect to employee engagement. The mediation function of employee motivation is not significant affect between management support and employee engagement but the mediation of employee motivation is significant affect between work team and employee engagement. The practical implementation of this research as a guidance for all decision makers at manufacturing industry to manage the management support, team work, work environment, employee development and motivation on their organization as well to improve employee engagement. Suggestions for future research uses other variables that theoretically influence to the employee

engagement and to conduct the research in other sector of industries such as shipyard, hospitality, mining and oil and gas.

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