

THE EFFECT OF WORK SATISFACTION ON EMPLOYEE ENGAGEMENT

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Abstract: The study aims at examining the effect of work satisfaction on employee engagement. The study was conducted using the quantitative method. The population consists of the employees of telecommunication network providers in the industry. The numbers of employees eligible to be included in the population were 14,000 people (2015), which came from various managerial levels. Upon restricting the population three managerial levels, including senior leaders, line managers, and supervisors, the number went down to 8,064 people. For the study, samples of 100 respondents were chosen using multistage-random sampling. The data were processed using the Structural Equation Modeling (SEM) method. The results of the study showed that in telecommunication network providers, work satisfaction could increase employee engagement. Work condition was the dominant driver in increasing employee engagement, followed by work relationship and promotion. Work conditions include work security, work comfort, stress levels, working hours, and management policies. These aspects could provide the highest support in shaping employee engagement. The results of this study provide an implication for telecommunication network providers in Indonesia, which is that employee engagement was mainly driven by employee satisfaction with their work condition, work relationship, and promotion.

Keywords: Employee engagement, work satisfaction, telecommunication

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Introduction

Telecommunication network providers in Indonesia generally have service coverage throughout the territory of Indonesia, and some have even expanded overseas. The telecommunication industry is run by tens of thousands of employees who are geographically dispersed. With the large number of employees, operational areas, and number of business units and subsidiaries, a certain media is needed to communicate information from the headquarter to all parts of the organization. Here, ICT is ought to be used for various communications ranging from socialization of vision, mission, strategy, and organizational programs, to automation of business processes and operations of production equipment.

Human resources are a source of competitive advantage, and one of the human resources management processes, according to Ram and Prabhakar (2011), is

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employee engagement. Ram and Prabhakar (2011) state that employee engagement is a strategic approach to encourage organizational improvement and change. Additionally, Markos and Sridevi (2010) explain that employee engagement has a strong influence on organizational performance that shows reciprocal relationships between employers and employees.

There are three levels of employee engagement. The first one, 'Disengaged', explains a condition where employees are not satisfied in their work and actively show their dissatisfaction. The second one, 'Somewhat Engaged', explains a condition where employees only work according to their duties without any effort to innovate or do work renewal. The third one, 'Engaged', explains a condition where employees work with enthusiasm and feel a very close relationship with the company and are inspired to innovate to advance the company.

PT Infomedia Nusantara measured the Engagement Index of telecommunication network providers in 2013, 2014, and 2015. Based on the Employee Engagement Survey (EES) conducted in 2015, the engagement index results were 89.25%, which means that 89.25% of the respondents were 'Engaged'. In addition, 10.73% of the respondents were 'Somewhat Engaged', and 0.02% of them were 'Disengaged'. Furthermore, in terms of the dimensions, the percentages were 87.41% for the Say dimension, 91.27% for the Stay dimension, and 92.93% for the Strive dimension. Most of the employees were in the Strive (92.23%) dimension, which means that they were encouraged to work their best for the company. They also always tried their best to achieve the targets set by the company and perform quality work for the company. Some of them belong to the Stay (91.27%) and Say (87.41%) categories.

From the survey results, it can be seen that there was a room for improvement to minimize the number of employees that were 'Somewhat Engaged' and 'Disengaged'. It is important to make them 'Engaged' to improve employee performance and company performance Setiyawati et al., (2018).

Furthermore, the unevenness of employee engagement in the 'Engaged' category is thought to be related to work satisfaction problems. According to the research conducted by PT Infomedia Nusantara in 2015, it was found that the level of job satisfaction of employees in the Indonesian telecommunication industry was in the 'Satisfied' category, with an average value of 71.08%. To increase work satisfaction, companies in the telecommunication industry make various efforts. For example, improving the work culture and character, systems and processes, communication, environment, performance management, compensation and benefit, training and development, and careers and promotions.

In addition, previous research have shown the effect of work satisfaction on employee engagement. Shmailan (2015) found that job satisfaction has a direct effect on employee engagement. Saradha and Patrick (2011), Seddighi and Yoon (2018), also found that current career intentions, job satisfaction, wages and benefits, management, equal opportunities, and organizational citizenship behavior have a significant effect on employee engagement. Similar findings are identified

by Pološki Vokić and Hernaus (2015) who revealed that work satisfaction is a significant predictor of work engagement. On the other hand, in his research, Carnahan (2013) found a condition where employees are not satisfied in their current position, but they remain involved in work and still intend to remain in their workplace. This shows that it is not job satisfaction that makes them involved. The results of these studies indicate the inconsistency of the results of hypothesis testing where there is a significant effect and there is no significant effect of job satisfaction on employee involvement, so that gain an important and interesting gap to be further investigated becomes a new finding.

Based on this background, this study aims at examining the effect of work satisfaction on employee engagement.

Literature Review

Work satisfaction

The concept of work satisfaction was first developed by the Hawthorne's research from the late 1920s and early 1930s by Elton Mayo at the Western Electric Company Hawthorne factory in Chicago, where the result was that employee emotions could influence their work behavior. The concept and definition of work satisfaction continue to develop. According to Rast and Tourani (2012), most definitions state that work satisfaction is a positive affective reaction related to work. The definition of job satisfaction, according to Kreitner and Kinicki (2001), is "an emotional effectiveness or response to various aspects of work".

Aziri (2011) argues that work satisfaction represents feelings as a perception of a job that meets material and psychological needs. Tella et al., (2007), Samaila et al., (2018) states that work satisfaction is a result of employee perceptions about the extent to which their work provides things that are considered important.

The measure of work satisfaction is also conveyed in the research conducted by Eslami and Gharakhani (2012) that measured work satisfaction based on factors such as Promotions, Personal relationships, and Favorable conditions of work. Measured work satisfaction with the dimensions of workplace conditions, salary and promotion, feasibility, job security, co-worker relations, and relationship with mid-level supervisors. Meanwhile, measured work satisfaction with the dimensions of Pay, Promotion, Job Safety and Security, and Nature of the Work. Based on the aforementioned discussion, work satisfaction in this research was measured by the dimensions of Promotion, Work Relationship, and Work Condition.

Employee engagement

Truss et al. (2013) state that engagement began to be introduced in the academic realm writing on social psychological work. Truss et al. (2013) also explain employee engagement as a behavior that is determined by the degree to which people use physical, cognitive, and emotional degrees of themselves in showing their roles. Additionally, Kular et al. (2008) define engagement as a psychological and physical presence when occupying and performing organizational roles. Meanwhile, Bakker and Demerouti (2008, p.209) opine that "Work engagement is

defined as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption.”

Employee enjoyment has positive effect on employee satisfaction which is proved by various studies (Abraham, 2012; Avery et al., 2007; Biswas and Bhatnagar, 2013; Harter et al., 2002; Leary et al., 2013). Therefore, employee engagement has significant positive relationship with employee satisfaction. Thus, employee engagement increases the employee satisfaction level.

Baumruk (2006), Sabir and Khan (2018), describes employee engagement in general through the three dimensions that can be used to measure the engagement index, as used in Hewitt Associates researches, which are:

1. Say: employees talk positively about the organization and coworkers, potential employees, and customers.
2. Stay: employees have a strong desire to become members of the organization.
3. Strive: employees provide more effort and engagement that contributes to business success.

Based on the aforementioned definitions, this research measured employee engagement by the dimensions of Stay, Say, and Strive.

Hypothesis

Based on the research that work satisfaction had a direct effect on employee engagement; Saradha and Patrick (2011) who state that current career intentions, job satisfaction, wages and benefits, management, equal opportunities, and organizational citizenship behavior had a significant effect on employee engagement; and Pološki Vokić and Hernaus (2015) who state that work satisfaction was a significant predictor of work engagement, a conceptual framework was developed for this research as shown in the following figure.

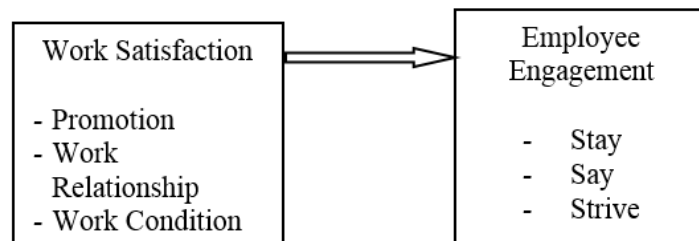


Figure 1. Conceptual Model

Based on the conceptual model, the following hypothesis was proposed:

H: Work satisfaction affects employee engagement.

Methodology

The research was conducted using the quantitative method. The unit of analysis for this research is the telecommunication industry. The population was the employees of telecommunication network providers in the industry. The numbers of employees eligible to be included in the population were 14,000 people (2015),

which came from various managerial levels. Upon restricting the population three managerial levels, including senior leaders, line managers, and supervisors, the number went down to 8,064 people. By using the Slovin sample size formula with margin error 10% then obtained a sample of at least 81, and the research samples of 100 respondents were chosen using multistage-random sampling. The data were processed using the Structural Equation Modeling (SEM) method.

Findings and Discussion

Measurement Model Assessment

Analysis of inner model shows the relationships between latent variables. It is evaluated by using the Goodness of Fit Model (GoF) that shows the difference between the values of the observations and predicted by the model. The value of R square on endogenous constructs. Q square value must be above zero. Effect size (f^2) shows the effect of each variable on endogenous latent variable. The values of Q square are 0.02 (minor), 0.15 (medium), and 0.35 (large), and only used for the endogenous construct with the reflective indicator. Referring to Chin (1998), the value of R square is 0.67 (strong), 0.33 (medium) and 0.19 (weak).

Validity and reliability test (Table 1) are used to measure the latent variables and the indicators in measuring the dimension that is constructed. The value of Cronbach's Alpha is used to measure the reliability of dimension in measuring the variables. The value of Cronbach's Alpha that is bigger than 0.70 indicates that the dimensions and indicators were reliable in measuring variables. The value of Composite Reliability and Cronbach's Alpha > 0.70 shows that all of the variables in the model estimated fulfilled the criteria of discriminant validity. Then, it can be concluded that all of the variables had good reliability. Table 1 shows the values of Cronbach's Alpha > 0.7 and Composite Reliability > 0.7, so it can be concluded that all variables had reliable dimensions and indicators.

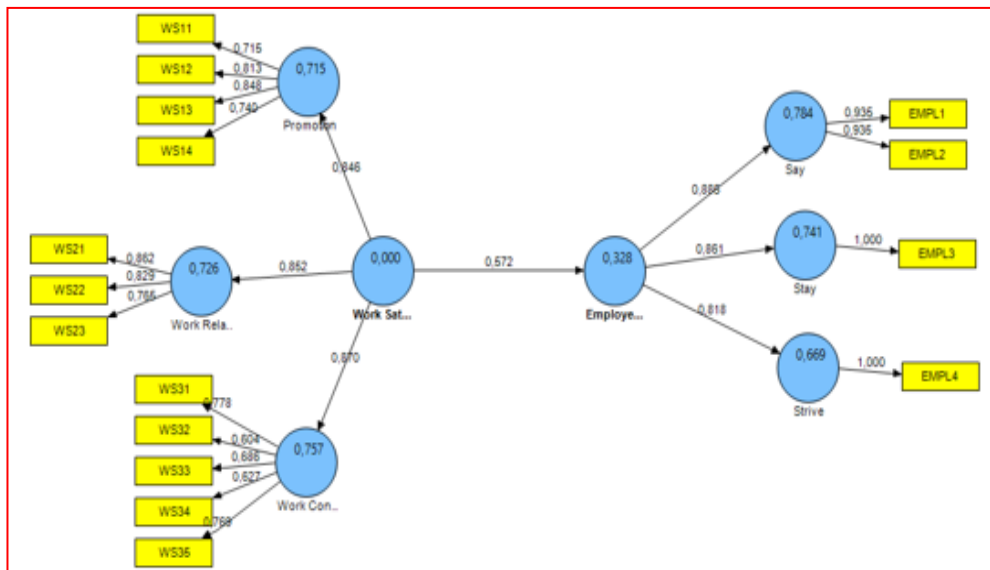


Figure 2. Measurement Model Assessment

Table 1. Measurement Model Assessment-Results

Variable	R Square	Cronbach's Alpha	Composite Reliability	Q square
Work Satisfaction		0.872	0.896	0.408
Employee Engagement	0.328	0.854	0.901	0.704

Table 1 shows that the R square value of Employee Engagement as an endogenous variable was in the strong enough criteria ($> 0.3 = \text{medium}$) and the Q square values were in the large criteria. Therefore, it can be concluded that the research model is supported by the empirical condition or the model is fit.

Structural Model Assessment

Analysis of outer model shows the relationship between manifest variables (indicators) and each latent variable. Table 2 shows the result of outer model for each dimension on indicators. For second order, this research model caused the loading factor obtained to be able to explain the relationship between latent variables-dimensions and dimensions-indicators.

Table 2. Loading Factor of Latent Variable-Dimension-Indicator

Variable-Dimension	Indicator-Dimension	λ	SE(I)	t-value	Conclusion
Work Satisfaction	Work Satisfaction \rightarrow Promotion	0.846	0.046	18.499	valid
	WS11 \leftarrow Promotion	0.715	0.077	9.344	valid
	WS12 \leftarrow Promotion	0.813	0.052	15.745	valid
	WS13 \leftarrow Promotion	0.848	0.041	20.504	valid
	WS14 \leftarrow Promotion	0.740	0.066	11.285	valid
	Work Satisfaction \rightarrow Work Relationship	0.852	0.042	20.086	valid
	WS21 \leftarrow Work Relationship	0.862	0.037	23.272	valid
	WS22 \leftarrow Work Relationship	0.829	0.050	16.700	valid
	WS23 \leftarrow Work Relationship	0.765	0.055	13.799	valid
	Work Satisfaction \rightarrow Work Condition	0.870	0.034	25.233	valid
	WS31 \leftarrow Work Condition	0.778	0.038	20.620	valid
	WS32 \leftarrow Work Condition	0.604	0.114	5.308	valid
	WS33 \leftarrow Work Condition	0.686	0.085	8.090	valid
	WS34 \leftarrow Work Condition	0.627	0.090	6.938	valid
	WS35 \leftarrow Work Condition	0.769	0.087	8.864	valid
Employee Engagement	Employee Engagement \rightarrow Say	0.885	0.044	20.131	valid
	EMPL1 \leftarrow Say	0.935	0.019	48.993	valid
	EMPL2 \leftarrow Say	0.935	0.016	58.196	valid
	Employee Engagement \rightarrow Stay	0.861	0.035	24.539	valid
	EMPL3 \leftarrow Stay	1.000			valid
	Employee Engagement \rightarrow Strive	0.818	0.039	21.036	valid

	EMPL4 ← Strive	1.000			valid
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The results of the outer model of dimensions by its indicators show that the indicators were valid which t-value > 1.98 (t-table at $\alpha = 0.05$). The results of the measurement model of latent variables on their dimensions show to what extent the validity of dimensions in measuring latent variables.

Based on the research framework, the following structural model was obtained:

$$Y = 0.572X_1 + \zeta_1 \quad (1)$$

Where: X1= Work Satisfaction; Y= Employee Engagement; ζ_1 =Residual

Below is the result of the partial hypothesis testing.

Table 3. Partial Hypothesis Testing

Hypothesis	γ	t	R ²	Conclusion
Work Satisfaction → Employee Engagement	0.572	4.725	0.328	Hypothesis Accepted

Note: significant at $\alpha=0.05$ (t table =1.98)

Table 3 shows that, partially, Work Satisfaction had a significant effect on Employee Engagement (R²=32.8%). Based on the results of hypothesis testing, the findings of the research can be described as follow:

Result Discussion

The findings of the research showed that work satisfaction affected employee engagement, which supported the hypothesis. Work condition gave the most dominant contribution compared to work relationship and promotion in increasing employee engagement. The results of this research are in line with Saradha and Patrick (2011), and Pološki Vokić and Hernaus (2015) who revealed that job satisfaction significantly affected employee engagement. The results of this research illustrated that work condition was the dominant driver in increasing employee engagement. Work conditions include work security, work comfort, stress levels, working hours, and management policies. The results of hypothesis testing illustrated that these aspects could provide the highest support in shaping employee engagement.

The second aspect that affects employee engagement was work relationship, which was the employees' satisfaction with personal relationships with the employer, fellow employees, and work coordination. Then, the third aspect was promotion, which concerns the salary received, career opportunities in the company, opportunities for self-development in the company, and talent development opportunities within the company Sun and Wang (2018).

Meanwhile, employee engagement was more dominantly reflected by the dimension Say, Stay, and then Strive. Say means the employees have pride in the company and agree to recommend the company to others; Stay means the

employees do not think of moving from the company and will still choose to be in the company where they work today even though there are other companies offering jobs; and Strive means the employees intend to give the best and is motivated to give the best to the company (Bin, 2015; Abdul Hadi et al., 2019). The results of this research provide an implication for telecommunication network providers in Indonesia, which is that employee engagement was mainly driven by employee satisfaction with their work relationships, and promotion.

Conclusions and Recommendations

The results of the research show that work satisfaction affected employee engagement, which support the hypothesis. Work condition gave the most dominant contribution compared to work relationship and promotion in increasing employee engagement. The results of this research provide an implication for telecommunication network providers in Indonesia, which is that employee engagement was mainly driven by employee satisfaction with their work condition, work relationship, and promotion.

The study was conducted at the observation unit, namely employees at the middle management level and above, which is up to 3 levels under the Board of Directors. So in this study, the limitations lie in the measurement of the research variables based on conditional and situational perceptions faced by each individual who does not represent the unit of work so that there is a tendency for answers given to not describe the situation in the workplace in general. For further development, it is necessary to study similar research with the object of research for level officers or non managerial employees. In addition, the scope of this research variable includes an independent variable that influences employee engagement, but there are still other variables that influence employee involvement that need to be studied to get a more complete construction in explaining employee engagement.

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WPLYW SATYSFAKCJI Z PRACY NA ZAANGAŻOWANIE PRACOWNIKÓW

Streszczenie: Badanie ma na celu analizę wpływu satysfakcji z pracy na zaangażowanie pracowników. Badanie przeprowadzono metodą ilościową. Próbka składa się z pracowników dostawców sieci telekomunikacyjnych. Liczba pracowników kwalifikujących się do włączenia do populacji wynosiła 14 000 osób (2015 r.), które pochodziły z różnych poziomów kierowniczych. Po ograniczeniu populacji do trzech poziomów kierowniczych, w tym wyższych rangą liderów, menedżerów liniowych i nadzorców, liczba ta spadła do 8 064 osób. Do badania wybrano próbki 100 respondentów przy użyciu wielostopniowego losowego pobierania próbek. Dane zostały przetworzone przy użyciu metody Modelowania Równań Strukturalnych (SEM). Wyniki badania wykazały, że w przypadku dostawców telekomunikacyjnych zadowolenie z pracy może zwiększyć zaangażowanie pracowników. Stan pracy był dominującym czynnikiem zwiększającym zaangażowanie pracowników, a następnie stosunki pracy i awans. Warunki pracy obejmują bezpieczeństwo pracy, komfort pracy, poziom stresu, godziny pracy i zasady zarządzania. Te aspekty mogą zapewnić najwyższe wsparcie w kształtowaniu zaangażowania pracowników. Wyniki tego badania dostarczają implikacji dla dostawców sieci telekomunikacyjnych w Indonezji, a mianowicie, że zaangażowanie pracowników było głównie spowodowane satysfakcją pracowników z ich warunków pracy, stosunków pracy i promocji.

Słowa kluczowe: zaangażowanie pracowników, zadowolenie z pracy, telekomunikacja.

工作满意度对员工参与的影响

摘要: 该研究旨在研究工作满意度对员工敬业度的影响。该研究使用定量方法进行。人口由业内电信网络提供商的雇员组成。符合条件的员工人数14,000人（2015年），来自各个管理层。在限制人口三个管理层面，包括高级领导，直线经理和主管，这个数字下降到8,064人。在该研究中，使用多阶段随机抽样选择了100名受访者的样本。使用结构方程模型（SEM）方法处理数据。研究结果表明，在电信网络提供商中，工作满意度可以提高员工敬业度。工作条件是提高员工敬业度的主要驱动力，其次是工作关系和晋升。工作条件包括工作安全，工作舒适度，压力水平，工作时间和管理政策。这些方面可以为塑造员工敬业度提供最高支持。这项研究的结果为印度尼西亚的电信网络提供商提供了一个含义，即员工敬业度主要取决于员工对工作条件，工作关系和晋升的满意度。

关键词: 员工敬业度，工作满意度，电信。