

# THE RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT, JOB MOTIVATION, AND JOB SATISFACTION TOWARDS THE EMPLOYEE PERFORMANCE

Hotner Tampubolon\*

\* Lecturer, Faculty of Economics, Indonesian Christian University

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## Abstract

The performance of government officers determine the quality of public service which is delivered to the society as the customer. The study is aimed at finding out the relationship between employee engagement, job motivation, and job satisfaction toward the employee performances at Export and Import Department of Indonesia Ministry of Trade (Jakarta). Total respondent are 90 persons who work at the department by using probability sampling approach through simple random sampling for data collection.

**Keywords:** Employee Engagement, Job Motivation, Job Satisfaction, Employee Performance

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## 1. BACKGROUND

Nowadays the growing of cross national trade has been increased rapidly, this situation occurs because of the globalization of economics in all around the world. Today, not just the company or organization today use qualified employees as a tool for strategic partner in the business, the governments also engage the same strategy. Organizations know & realize that employees are the major assets and they have to be smart enough to manage this great assets. It is essential that the employees perform together as a collective unit and contribute equally towards the realization of a common goal. Highly effective as well as highly efficient of performances are required in the intense competition among the organization.

Theoretically, to achieve and maintain sustainability of economic growth of a country, it need sustainability of productivity. Export / import is considered as a factor that can support sustainability of productivity. Exports have been an engine of economic growth in Indonesia in the last 10 years. That's way the government priorities. Today, the macroeconomic shifts in Indonesia will affect some industries more than others and will generally help export and harm imports. Exporters will enjoy the weaker Rupiah, by gaining larger profit exporting their products. Based on the government of Jokowi's (indonesian president of 2014 - 2019) strategy, in his campaign, Jokowi said he would instruct Indonesian ambassadors to also serve as marketing men for Indonesian products abroad. If exports remaining weak, a wide current account deficit could persist in the coming years.

That's why boosting export will help the goal of president Jokowi to mobilize government revenues to meet the projected income. Export and import department at Ministry of Trade has the

responsibility in this area. Aim to provide and to support the needs of both local and international companies in terms of policy, regulation, guidance, and administration processes that facilitate export/import business activities.

The business player in export and import industry has experienced the quality of service delivered by the government officer at export and import department. This is the micromanagement section of the government to support export/import process by partnering with the businessmen as a supporting knowledge provider. Although the employees at the department have been tried to conduct a good performance, but feedback reveals that it still could not meet the businessman expectation. The gap between businessman expectation and the perception of employee service performances influenced not only the performances of export and import activities in Jakarta but also influenced in larger context which is the national export and import performances. Therefore it is important to identify the factors that influence the effectiveness of employee performances.

## 2. LITERATURE REVIEW

Employee engagement is today seen as a powerful source of competitive advantage in the turbulent times. A study on drivers of engagement by Mani (2011) predicted four drivers, namely employee welfare, empowerment, employee growth and interpersonal relationships. Bhatla (2011), in a study of employee engagement and its effects on employee performance with respect to Indian banks has identified organisational culture and organisational communication as prominent driver. Indian banks has identified organisational culture and organisational communication as prominent driver.

Significant attention has been given to linkage of employee engagement to financial results of organisations. Several studies observe that employee engagement initially results in greater employee performance, which further leads to enhanced organizational performance, in terms of (Tower Perrin, 2006; Gallup, 2006).

Bedarkar & Pandita (2014) states that employees are the key assets to any organization and if they are not given the right space and time to make a perfect blend of work and fun at workplace, then the sense of dis-engagement sets in the employees. Organization and employees are both dependent on each other to fulfil their goals and objectives. Therefore, employee engagement should not be a one-time exercise but it should be integrated in the culture of the company. Employee engagement should be a continuous process of learning, improvement and action. Thus, organizations today should actively look forward to fulfil employee's expectations and thus, create an impact on the performance of employee, which directly affects the organization's performance.

A study by Robertson-Smith and Markwick (2009) points out that engagement provides employees with an opportunity to invest themselves in their work and also creates a sense of self efficacy. Research on the consequences of employee engagement indicates that engagement may result in positive health and positive feelings towards work and organisation. Gallup (2006) reported improved health and well-being in engaged employees. Engagement may lead to mindfulness, intrinsic motivation, creativity, authenticity, non-defensive communication, ethical behavior. Employee engagement is the emotional commitment that the employee has to the organization and its goals. This emotional commitment means engaged employees actually care about their work and their company.

They don't work just for a salary, or just for promotion, but work for the organization's goals.

When employees care - when they are engaged - they use discretionary effort (Kevin Kruse, 2012).

There are increasing claims in management literature that engagement is needed for high-level organizational performance and productivity. For example the findings of many research works like (Harter *et al.*, 2002[4]; Schaufeli and Bakker, 2004[5]; Xanthopoulou *et al.*, 2007[6]; Fernandez., 2007[7]; Bakker *et al.*, 2007[8]; Hewitt Associates., 2004[9]; Hallberg *et al.*, 2007[10]; Lewicka, 2011[25] and Saks, 2006[11]) agrees that employee engagement could be a strong factor for organizational performance and success, as it seems to have a significant potential to affect employee retention, their loyalty and productivity, and also with some link to customer satisfaction, organizational reputation and the overall stakeholder value (Andrew & Sofian, 2012).

To succeed in any goals set, organisations need motivated employees, too; motivated employees are more productive and help organizations to survive and prosper (Smith, 1994). In this context, the notion of motivation can be described as a psychological process that gives behaviour purpose and direction (Kreitner, 1995). It is actually one of the management's key tasks to constantly motivate their employees, something difficult at times, as what

motivates one person may not motivate another and certainly such what motivates one do not necessarily remain static over time. For example, it has been argued that as income increases money becomes less of a motivator, or when employees get older, interesting work becomes more of a motivator (Kovach, 1987).

Job satisfaction is a multidimensional construct the conceptualization and measurement of which has long been of interest in the industrial and organisational psychology literatures (Bodur, 2002) where according to (Bowling and Hammond, 2008), it has been the most widely studied topic. Job satisfaction defined as an attitude reflecting a person's feelings toward his or her job or job setting at particular point in time (Schermerhorn *et al.*, 2012). Hoppock (1935) defined job satisfaction as combination of psychological, physiological and environmental circumstances; it could cause a person say "I am satisfied with my job". According to this definition, job satisfaction is influenced by many external factors such as: working environment, physiological, etc.

Daft and Marcic (2013) define job satisfaction as a positive attitude toward ones job.

Job satisfaction refers to one's feelings or condition of mind according to the nature of work.

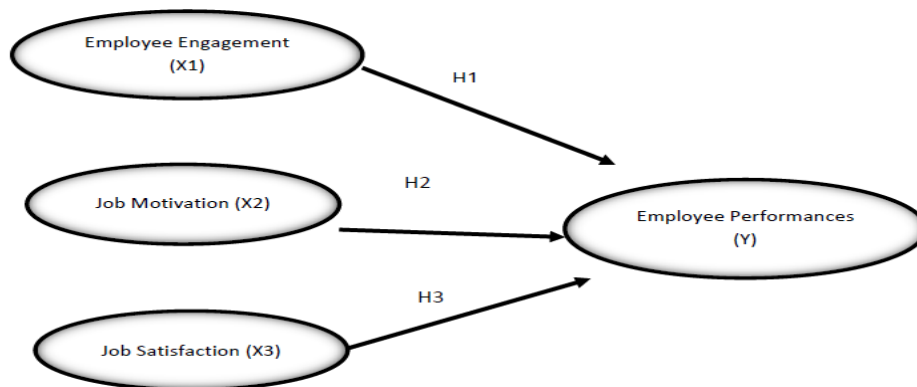
Job satisfaction could be inclined by various factors such as kind of organization Policies, Supervision, Administration, salary and quality of life. However it is concluded in research (Porter, 1962; Smith, Hulin, Kendall 1969) that job satisfaction illustrates it is the difference between what people expect from the job and what they get in actual. Job satisfaction is also visualized as an in general ranking or as the summation of numerous isolated dimensions of job distinctiveness (Stamps & Piedmont 1986; Mueller & McCloskey 1990; Traynor & Wade 1993).

Performance means the effectiveness of employees activities that make a payment to organizational goals (McCloy, Campbell, & Cudeck, 1994; cf. Motowidlo, 2003). The employee performance refers to the working productivity or working effectiveness. Robin (1998) evaluated effectiveness through two points of view; first is the quantity achievement and second is the quality achievement. Lussier (1997) proposed the methods to increase employee performances: first is involving the employees into the entire working process; second is identifying the success factors; third is establishing the working standard and regulation; fourth is setting working priority; and finally is supervising and motivating the employees. Employee performance can be effected by some conditions like job satisfaction, working environment, motivation and stresses (Kakkos *et al.*, 2010).

### 3. RESEARCH MODEL

Based on figure 1, the proposed research framework, can be seen that there are three independent variables; they are employee engagement (X1), job motivation (X2), and job satisfaction (X3). Those three variables are hypothesized in influencing the dependent variable which is the employee performance (Y)

Figure 1. Proposed research framework



#### 4. METHODOLOGY

This research is used quantitative research approach and correlational research type, according to Noor (2011), correlational study is the study to measure the relationship between two or more variables. In this research the variables are employee engagement, job motivation, job satisfaction, and employee performances. The population for this research is the employee at export and import department, the Indonesian ministry of trade in 2015, which was a total number of 145 people. In this study, a sample size of 145 people was selected using simple random sampling. Among which the questionnaires were distributed, 90 questionnaires were returned (response rate 62,06 %).

#### 5. FINDINGS

##### 5.1 Descriptive Analysis

A questionnaire survey was used to collect data on the variables. Part A of the questionnaire captured the respondents' demography such as age, gender, work experience, position and was analyzed using the descriptive. Part B consisted questions each of the variables (both independent variables and the dependent variable). The sample of the current study consisted of 75 % male employee and 25 % female employee. The majority of the employee were married (86 %) and the average age was more than 41 years (83%).

Employee engagement ( $X_1$ ) is measured by two indicators (Andrew and Sofian, 2012); they are job engagement ( $X_{1.1}$ ) and organization engagement ( $X_{1.2}$ ). The result of descriptive analysis showed that the total mean is (4,07); while the value of mean for ( $X_{1.1}$ ) is (4,11) and for ( $X_{1.2}$ ) is (4,03). This result revealed that the employee at Export and Import Department, the Indonesian Ministry of Trade has high employee engagement.

Job motivation ( $X_2$ ) is measured by three indicators (Kakos and Trivellas, 2010); they are existence ( $X_{2.1}$ ), relatedness ( $X_{2.2}$ ), and growth needs ( $X_{2.3}$ ). The result of descriptive analysis showed that the total mean is (4,09); while the value of mean for ( $X_{2.1}$ ) is (3,82), ( $X_{2.2}$ ) is (4,31), and ( $X_{2.3}$ ) is (4,13). This result revealed that the employee at Export and Import Department, the Indonesian Ministry of Trade

has high job motivation.

Job satisfaction ( $X_3$ ) is measured by three indicators (Donnelly et al, 1992); they are job description ( $X_{3.1}$ ), working condition ( $X_{3.2}$ ), and teamwork ( $X_{3.3}$ ). The result of descriptive analysis showed that the total mean is (3,91); while the value of mean for ( $X_{3.1}$ ) is (4,08), ( $X_{3.2}$ ) is (4,31), and ( $X_{3.3}$ ) is (3,92). This result revealed that the employee at Export and Import Department, the Indonesian Ministry of Trade has high job satisfaction.

Employee performance (Y) is measured by three indicators (Simamora, 2004); they are working quantity ( $Y_{1.1}$ ), working quality ( $Y_{1.2}$ ), and working time ( $Y_{1.3}$ ). The result of descriptive analysis showed that the total mean is (4,23); while the value of mean for ( $Y_{1.1}$ ) is (4,44), ( $Y_{1.2}$ ) is (4,33), and ( $Y_{1.3}$ ) is (3,92). This result revealed that the employee at Export and Import Department, the Indonesian Ministry of Trade has high employee performance.

##### 5.2 Analysis of Partial Linear Regression

The statement for hypothesis-1 is that The employee engagement influenced employee performance. The result from partial linear regression showed that the formula  $Y = 88,3 + 0,92X_1$ , The pearson product moment correlation is 0,504; the t-test significance is applied for hypothesis testing with the degree of freedom ( $n=2$ ). The result showed t-statistic is 5,47 and t-table is 1,67 ( $\alpha = 0.05$ ) which means that there is significant influence of employee engagement towards employee performances. Therefore the hypothesis 1 is accepted.

The statement for hypothesis-2 is that The job motivation influenced employee performance. The result from partial linear regression showed that the formula  $Y = 92,41 + 0,90X_2$ , The pearson product moment correlation is 0,576; the t-test significance is applied for hypothesis testing with the degree of freedom ( $n=2$ ). The result showed t-statistic is 6,65 and t-table is 1,67 ( $\alpha = 0.05$ ) which means that there is significant influence of job motivation towards employee performances. Therefore the hypothesis 2 is accepted.

The statement for hypothesis-3 is that The job satisfaction influenced employee performance. The result from partial linear regression showed that the formula  $Y = 56,91 + 0,50X_3$ , The pearson product moment correlation is 0,597; the t-test significance is applied for hypothesis testing with the degree of freedom ( $n=2$ ). The result showed t-statistic is 5,58

and t-table is 1,67 ( $\alpha = 0.05$ ) which means that there is significant influence of job satisfaction towards employee performances. Therefore the hypothesis 3 is accepted.

### 5.3 Analysis of Simultaneous Linear Regression

After conducting partial linear regression to identify the influence of each independent variables toward the dependent variable then the next step is to verify those three hypotheses by implementing simultaneous linear regression analysis. The result from this analysis showed the formula  $Y = 50,71 + 0,47X_1 + 0,60X_2 + 0,31X_3$ . In addition F-test significance is applied for hypotheses testing; the result showed f-statistic is 41,70 and f-table is 2,72 ( $\alpha = 0.05$ ) which means that the entire independent variables (employee engagement, job motivation, and job satisfaction) significantly influenced the dependent variable (employee performance). Therefore this analysis verified that all hypotheses are accepted.

Moreover to identify the correlation between the independent variables then the analysis of correlation coefficient (R) is applied; the result showed that the value of R is 0,78 which means that there were positive correlation between the independent variables. Next the analysis of coefficient of determination ( $R^2$ ) to measure how fit the regression line representing the data. The value of ( $R^2$ ) is 0,693 which means that the employee performances is 69,3% is influenced by employee engagement, job motivation, and job satisfaction while the rest 30,7% is influenced by other independent variables.

Return to regression formula;  $Y = 50,71 + 0,47X_1 + 0,60X_2 + 0,31X_3$ ; this formula revealed that the ranking of regression coefficient (b) from top to bottom is on  $X_2$  (job motivation),  $X_1$  (employee engagement), and finally  $X_3$  (job satisfaction). The ranking indicated that to increase the employee performances then it is important to increase employee job motivation first then it is followed by increasing the other independent variables.

### 6. CONCLUSION

The major purpose of this study is to investigate the effect of employee engagement, job motivation and job satisfaction to employee performance in Ministry of Export and Import Department, the Indonesian Ministry of Trade. Below are the conclusion of this research:

1. Employee engagement positively and significantly influenced employee performance.
2. Job motivation positively and significantly influenced employee performance.
3. Job satisfaction positively and significantly influenced employee performance.
4. Job motivation is the dominant variable that influenced employee performance.
5. The employee at export and import department, the Indonesia ministry of trade has shown high employee performance. This phenomenon is supported by high employee engagement, high job motivation, and as well as high job satisfaction.

### 7. RESEARCH LIMITATION

There are some limitations of this research; firstly, this research is conducted in public institution in which the employee behavior may be different compared to the behavior at private commercial institution. Therefore the conclusion of this research can be generalized in all kind of institutions. Secondly, the sample is taken from one specific working department / division; this may lead different employee behavior compare to other working department. Thirdly, the coefficient of determination showed that there were other independent variables which may influence the employee performances. For further research, the researchers need to add more independent variables instead of those three variables (employee engagement, job motivation, and job satisfaction). Next, the future research need to compare the employee behavior between the public and private institution in order to give more comprehensive understanding regarding the strategy to improve employee performance.

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