

Organizational Support and Employee Innovation: The Mediating Role of Employee Engagement

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Abstract

Employee innovation is an important source of organizational competitiveness, and its relationship with organizational support involves both direct and engagement-mediated pathways. This study examines the association between organizational support and employee innovation, with employee engagement positioned as a mediating variable. Data were collected from 105 employees and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS. The measurement model demonstrated adequate reliability and convergent validity for all constructs. Discriminant validity between employee engagement and employee innovation was not fully established because the heterotrait-monotrait ratio exceeded the conservative threshold. The structural model shows that organizational support is positively associated with employee engagement and employee innovation, and employee engagement is positively associated with employee innovation. The indirect effect through employee engagement was significant while the direct effect remained significant and positive, indicating complementary mediation. The findings identify employee engagement as a central pathway linking organizational support with employee innovation. The study contributes to the human resource management literature by demonstrating simultaneous direct and engagement-mediated associations and provides practical implications for support practices that strengthen engagement and innovative behavior.

Keywords: organizational support, employee engagement, employee innovation, innovative work behavior, social exchange theory

Introduction

In an increasingly competitive and fast-changing business environment, employee innovation, the generation, promotion, and implementation of new ideas by employees within their work role, has become an important source of organizational competitiveness and long-term sustainability (Scott & Bruce, 1994; De Jong & Den Hartog, 2010). Because organizational innovation is enacted by individuals, understanding the conditions associated with employees' innovative behavior remains a central concern for human resource management. In the organizational setting represented by this sample, employee innovation is directly relevant because respondents were selected from work processes that permit idea generation or process improvement.

Organizational support theory defines organizational support as employees' general belief that the organization values their contributions and cares about their well-being (Eisenberger et al., 1986). Social exchange theory explains that employees reciprocate favorable organizational treatment with positive work attitudes and behaviors (Rhoades &

Eisenberger, 2002; Kurtessis et al., 2017). In this study, organizational support is operationalized as organizational support, keeping the theoretical construct, measurement, and interpretation at the employee-perception level. Prior research links organizational support with employee innovation directly and through employee engagement.

Employee engagement, defined as the degree to which employees are cognitively, emotionally, and physically invested in their work role (Kahn, 1990; Schaufeli et al., 2002), represents an important psychological mechanism connecting organizational conditions with innovative outcomes. Doğru (2021) found that work engagement partially mediates the relationship between organizational support and innovative behavior among employees in Turkish technology parks, while Jo and Hong (2022) found that employee engagement mediates the effect of learning agility on innovative behavior among South Korean corporate employees, with organizational support strengthening the model. Lin et al. (2024) also found that organizational support facilitates employee innovation through work engagement. Together, these studies document direct and engagement-mediated associations between organizational support and innovative behavior.

Despite this evidence, the relative contribution of the direct organizational support-innovation pathway and the indirect pathway through employee engagement remains unresolved across organizational contexts. Prior findings were produced in different national and organizational settings and do not provide a single conclusion about the strength of both pathways when they are estimated simultaneously. This study addresses that issue in an Indonesian employee sample by testing the direct association between organizational support and employee innovation together with the indirect association transmitted through employee engagement.

Based on this background, the present study examines the association between organizational support and employee innovation, with employee engagement positioned as a mediating variable. Its central contribution is the simultaneous assessment of the direct organizational support-innovation pathway and the engagement-mediated pathway in one structural model. This design provides a more precise account of how organizational support is associated with innovative behavior and provides practical input for organizations seeking to strengthen employee engagement and innovation.

Organizational Support and Employee Engagement

Organizational support reflects employees' belief that the organization values their contribution and cares about their well-being (Eisenberger et al., 1986). Employee engagement refers to the extent to which employees invest themselves cognitively, emotionally, and physically in their work role (Kahn, 1990; Schaufeli et al., 2002). Social exchange theory links favorable organizational treatment with reciprocal psychological investment in work (Rhoades & Eisenberger, 2002). Jo and Hong (2022) and Lin et al. (2024) both found a positive association between organizational support and employee engagement. Based on this theoretical and empirical foundation, the following hypothesis is proposed:
H1: Organizational support has a significant positive effect on employee engagement.

Organizational Support and Employee Innovation

Employee innovation refers to the generation, promotion, and implementation of new and useful ideas by employees within their work role (Scott & Bruce, 1994; De Jong & Den Hartog, 2010; Janssen, 2000). Social exchange theory positions constructive discretionary

behavior as a reciprocal response to favorable organizational treatment. Employees who perceive that the organization values their contribution and well-being reciprocate through work behaviors that support organizational functioning, including the generation, promotion, and implementation of new ideas. Doğru (2021) found a significant association between organizational support and innovative behavior. Based on this evidence, the following hypothesis is proposed:

H2: Organizational support has a significant positive effect on employee innovation.

Employee Engagement and Employee Innovation

Employees who are more engaged in their work display greater initiative, proactivity, and willingness to go beyond formal role requirements, qualities directly relevant to generating and implementing new ideas (Kahn, 1990; Kwon & Kim, 2020). Kwon and Kim's (2020) integrative review of the job-demands-resources model identified employee engagement as a consistent predictor of innovative behavior across organizational contexts. In the present framework, this evidence complements social exchange theory: organizational support is associated with stronger engagement, and stronger engagement is associated with innovative behavior. Based on this reasoning, the following hypothesis is proposed:

H3: Employee engagement has a significant positive effect on employee innovation.

The Mediating Role of Employee Engagement

The mediation proposition follows from two linked relationships. Organizational support is associated with employee engagement through the reciprocal logic of social exchange theory, and employee engagement is associated with employee innovation through greater cognitive, emotional, and physical investment in work. This sequence positions employee engagement as the intervening construct between organizational support and employee innovation. Doğru (2021) provides empirical evidence for an engagement-mediated association between organizational support and innovative behavior. The mediation type is determined from the direct and indirect effects reported in the results. This reasoning leads to the following hypothesis:

H4: Employee engagement mediates the effect of organizational support on employee innovation.

Method

This study employs a quantitative associative approach designed to examine the structural relationships among organizational support, employee engagement, and employee innovation. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM), which is appropriate for models involving multiple latent constructs, mediation relationships, and moderate sample sizes (Hair et al., 2019). The analysis was performed using SmartPLS (Ringle et al., 2015). The cross-sectional design supports interpretation in terms of statistical association and does not establish temporal causality.

The population of this study consists of employees working in organizations in Indonesia. A total of 105 respondents were selected using purposive sampling. Eligibility required permanent employment, at least one year of tenure in the current organization, and direct involvement in work processes that permit idea generation or process improvement. Data were collected through a structured, self-administered questionnaire. Sector-specific distribution, regional distribution, recruitment period, and a detailed respondent profile are

not reported in the study documentation used for this manuscript. The reported sample size represents the valid cases included in the PLS-SEM analysis; a separate a priori power calculation is not reported.

The questionnaire measured three latent constructs using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Organizational Support (OS) was measured with six indicators adapted from Eisenberger et al. (1986), reflecting employees' belief that the organization values their contribution and cares about their well-being. Employee Engagement (EE) was measured with six indicators adapted from Kahn (1990) and Schaufeli et al. (2002), reflecting employees' cognitive, emotional, and physical investment in their work. Employee Innovation (IP) was measured with four indicators adapted from Scott and Bruce (1994), Janssen (2000), and De Jong and Den Hartog (2010), reflecting employees' generation, promotion, and implementation of new ideas in their work role. The reported study documentation does not describe a separate pilot test, expert review, or language adaptation procedure before field administration. Measurement quality is therefore evaluated through the reliability and validity assessment conducted with the final sample.

Consistent with the two-stage approach commonly applied in PLS-SEM (Hair et al., 2019), the measurement model (outer model) was first evaluated based on indicator loadings, Cronbach's alpha, composite reliability, and average variance extracted (AVE) for internal consistency and convergent validity, followed by the Fornell-Larcker criterion and the heterotrait-monotrait ratio (HTMT) for discriminant validity (Fornell & Larcker, 1981; Henseler et al., 2015). The structural model (inner model) was then assessed based on the coefficient of determination (R^2), effect size (f^2), collinearity statistics (VIF), and path coefficients. Hypotheses were tested using a bootstrapping procedure with 5,000 resamples to obtain t-statistics and p-values for both the direct and indirect mediation paths. Following Zhao et al. (2010), mediation was classified from the significance and direction of the direct and indirect effects. All constructs were obtained from the same respondents in one survey, and the available analytical record does not report a dedicated common method bias diagnostic; this limitation is acknowledged in the concluding section.

Results and Discussion

This section presents the results of the measurement model and the structural model, followed by hypothesis testing and a discussion of each finding in relation to the theoretical framework and prior research presented above.

Measurement Model (Outer Model)

The measurement model was evaluated before assessment of the structural relationships. Table 1 reports the number of indicators, loading ranges, Cronbach's alpha, composite reliability, and AVE for each construct. Item-level loading values are not included in the reported analytical output, so indicator performance is presented as the observed loading range for each construct.

Table 1. Construct Reliability and Validity

Construct	Indicators	Loading Range	Cronbach's Alpha	Composite Reliability	AVE
Organizational Support (OS)	6	0.745–0.821	0.874	0.905	0.614
Employee Engagement (EE)	6	0.743–0.834	0.881	0.910	0.628
Employee Innovation (IP)	4	0.757–0.874	0.827	0.886	0.661

Source: SmartPLS output, processed data (2026).

All reported indicator loadings exceeded the recommended minimum threshold of 0.70 (Hair et al., 2019), and each construct achieved a Cronbach's alpha and composite reliability above 0.82, exceeding the conventional cut-off of 0.70. The average variance extracted for all constructs exceeded 0.50, ranging from 0.614 to 0.661. These results establish adequate internal consistency reliability and convergent validity for the three constructs at the reported aggregate level. Discriminant validity was examined using the Fornell-Larcker criterion, as presented in Table 2.

Table 2. Discriminant Validity (Fornell–Larcker Criterion)

	OS	EE	IP
OS	0.783		
EE	0.614	0.792	
IP	0.605	0.807	0.813

Source: SmartPLS output, processed data (2026).

Table 2 shows adequate discriminant separation between organizational support and the other constructs. The square root of AVE for organizational support (0.783) exceeded its correlations with employee engagement (0.614) and employee innovation (0.605). In contrast, the employee engagement-employee innovation correlation (0.807) exceeded the square root of AVE for employee engagement (0.792), and the HTMT value for employee engagement-employee innovation reached 0.935, above the conservative 0.90 threshold recommended by Henseler et al. (2015). Discriminant validity between employee engagement and employee innovation is therefore not fully established in this sample. This overlap reduces confidence in the empirical separation of these constructs and requires cautious interpretation of the employee engagement-innovation path and the mediation result. All reported inner and outer VIF values ranged from 1.00 to 2.72, below the threshold of 5, so structural collinearity was not indicated by the reported VIF statistics.

Structural Model (Inner Model)

The structural model was assessed based on the coefficient of determination (R^2) and effect size (f^2), followed by hypothesis testing for the direct and indirect paths. Table 3 presents the R^2 values for the endogenous constructs.

Table 3. Coefficient of Determination (R^2)

Endogenous Variable	R^2	R^2 Adjusted	Category
Employee Engagement (EE)	0.377	0.371	Moderate
Employee Innovation (IP)	0.670	0.664	Substantial

Source: SmartPLS output, processed data (2026).

Table 3 shows that organizational support explained 37.7 percent of the variance in employee engagement. The model comprising organizational support and employee engagement explained 67.0 percent of the variance in employee innovation, which is classified as a substantial level of explanatory power (Hair et al., 2019). In terms of effect size, organizational support had a large effect on employee engagement ($f^2 = 0.606$), employee engagement had a very large effect on employee innovation ($f^2 = 0.920$), and the direct effect of organizational support on employee innovation was small ($f^2 = 0.059$). The strong employee engagement-innovation estimate is interpreted together with the discriminant validity limitation reported above. The direct associations among constructs were tested using a bootstrapping procedure with 5,000 resamples. The results are presented in Table 4.

Table 4. Direct Effects and Hypothesis Testing

Hyp.	Path	Original Sample (O)	T Statistics	P Values	Decision
H1	OS $\rightarrow$ EE	0.614	8.135	0.000	Supported
H2	OS $\rightarrow$ IP	0.177	2.663	0.008	Supported
H3	EE $\rightarrow$ IP	0.698	11.294	0.000	Supported

Source: SmartPLS bootstrapping output (5,000 resamples), processed data (2026).

The indirect association between organizational support and employee innovation through employee engagement was also tested using bootstrapping, as presented in Table 5.

Table 5. Indirect Effect and Mediation Testing

Hyp.	Path	Original Sample (O)	T Statistics	P Values	Decision
H4	OS $\rightarrow$ EE $\rightarrow$ IP	0.429	8.032	0.000	Supported (Complementary Mediation)

Source: SmartPLS bootstrapping output (5,000 resamples), processed data (2026).

Both the direct association between organizational support and employee innovation (H2, $\beta = 0.177$, $p = 0.008$) and the specific indirect association through employee engagement (H4, $\beta = 0.429$, $p < 0.001$) were statistically significant and positive. Following Zhao et al. (2010), this pattern constitutes complementary mediation. The total effect of organizational support on employee innovation was reported as 0.605 and marked significant in Table 5. Bootstrapped confidence intervals for the direct, indirect, and total effects are not included in the available output, so inference is limited to the reported coefficients, t-statistics, and p-values.

The estimated model produced a Standardized Root Mean Square Residual (SRMR) of 0.077, below the conventional 0.08 threshold (Henseler et al., 2014). The saturated and estimated model SRMR values were identical in the reported output. This statistic indicates acceptable residual model fit under the threshold applied in this study; it does not offset the discriminant validity limitation between employee engagement and employee innovation.

Organizational Support and Employee Engagement

The results support H1, showing a significant positive association between organizational support and employee engagement ($\beta = 0.614$, $t = 8.135$, $p < 0.001$), consistent with the large effect size reported earlier ($f^2 = 0.606$). Employees reporting stronger organizational support also reported higher cognitive, emotional, and physical investment in their work. This result is consistent with Jo and Hong (2022) and Lin et al. (2024), both of whom found a positive association between organizational support and employee engagement, reinforcing the relevance of social exchange theory in this organizational context.

Organizational Support and Employee Innovation

H2 was supported, with organizational support showing a significant positive direct association with employee innovation ($\beta = 0.177$, $t = 2.663$, $p = 0.008$), although the associated effect size was small ($f^2 = 0.059$) relative to the employee engagement path. This result shows that organizational support retains a significant direct association with employee innovation after employee engagement is included in the model. This finding is consistent with Dođru (2021), who reported a significant relationship between organizational support and innovative behavior.

Employee Engagement and Employee Innovation

H3 was supported, with employee engagement showing a significant positive association with employee innovation ($\beta = 0.698$, $t = 11.294$, $p < 0.001$), the strongest structural path in the model and consistent with the very large effect size reported earlier ($f^2 = 0.920$). Employees reporting stronger cognitive, emotional, and physical investment in their work also reported higher levels of idea generation, promotion, and implementation. This finding corroborates Kwon and Kim's (2020) integrative review, which identified employee engagement as a consistent predictor of innovative behavior, and is consistent with the relationship reported by Jo and Hong (2022). The magnitude of this path is interpreted cautiously because the discriminant validity assessment showed substantial empirical overlap between employee engagement and employee innovation.

The Mediating Role of Employee Engagement

The mediation results support H4: employee engagement significantly mediates the association between organizational support and employee innovation. Because the direct and indirect paths were both significant and positive, the mediation pattern is classified as complementary mediation following Zhao et al. (2010). The direct path represents the portion of the organizational support-innovation association not transmitted through employee engagement, while the indirect path represents the portion transmitted through employee engagement. This pattern is consistent with Doğru (2021), who also reported an engagement-mediated relationship between organizational support and innovative behavior. Interpretation of the mediation estimate remains subject to the discriminant validity limitation between employee engagement and employee innovation.

Conclusion

This study examined the association between organizational support and employee innovation, with employee engagement positioned as a mediating variable, using a sample of 105 employees. The measurement model demonstrated adequate reliability and convergent validity across all constructs, while discriminant validity between employee engagement and employee innovation was not fully established. The structural model shows significant positive associations between organizational support and employee engagement, between organizational support and employee innovation, and between employee engagement and employee innovation. The direct and indirect paths from organizational support to employee innovation were both significant and positive, supporting complementary mediation through employee engagement.

These findings extend the human resource management literature by showing that organizational support is associated with employee innovation through two simultaneous pathways: a direct association and an indirect association transmitted through employee engagement. The mediated pathway identifies employee engagement as an important component of the relationship between employees' perceptions of organizational support and their reported innovative behavior. The measurement overlap between employee engagement and employee innovation requires restrained interpretation of the magnitude of this pathway.

From a practical perspective, the results support managerial attention to employees' perceptions of organizational support and to employee engagement as linked elements of innovative behavior. Organizational practices should be evaluated by the extent to which employees experience them as supportive and by their relationship with employee engagement. The direct and mediated associations identified in this study provide a basis for integrating support and engagement considerations in human resource practices aimed at employee innovation.

This study has several limitations. The sample consists of 105 respondents, and sector-specific distribution, regional distribution, recruitment period, and detailed respondent characteristics are not reported in the study documentation, limiting contextual interpretation and generalization. The cross-sectional, nonexperimental design supports associative conclusions only. The available documentation does not report a separate pilot or expert assessment of the adapted questionnaire, a dedicated common method bias diagnostic, item-level loading values, or bootstrapped confidence intervals for the structural effects. Most importantly, the HTMT value between employee engagement and employee

innovation was 0.935 and the employee engagement-employee innovation correlation exceeded the square root of AVE for employee engagement. These results show insufficient empirical separation between the two constructs and weaken the strength of conclusions drawn from the employee engagement-innovation path and the mediation estimate. Future research should report fuller sampling documentation, item-level measurement results, confidence intervals, and measurement specifications that establish stronger discriminant validity between engagement and innovation.

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