

The Influence of Perceived Organizational Support and Self Efficacy on Employee Engagement in Generation Z DKI Jakarta

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Abstract

This research aims to analyze the influence of perceived organizational support and self-efficacy on employee engagement in generation Z in DKI Jakarta. The research was conducted using quantitative methods on 115 generation Z respondents who worked in DKI Jakarta, selected using a purposive sampling technique. Data was collected using a Likert scale questionnaire and analyzed using SmartPLS to test the influence of the independent variable on the dependent variable. The research results show that perceived organizational support and self-efficacy have a positive and significant effect on employee engagement. Self efficacy has a stronger influence than perceived organizational support. All independent variables were able to explain 65.3% of the variance in employee engagement. The research implication is that organizations need to increase perceived organizational support and self-efficacy in order to increase employee engagement for generation Z. Future research needs to consider additional variables that have the potential to influence employee engagement.

Keyword: Perceived Organizational Support, Self Efficacy, Employee engagement, Generasi Z

Introduction

In the current era of the Fourth Industrial Revolution, companies are challenged to adapt to an environment that is constantly changing and experiencing increased competition. The development of Industry 4.0 also brings various challenges that need to be addressed. Companies can compete when all the resources they possess support the achievement of the company's goals, especially human resources. Human Resources are the key to the success of an organization in facing competition in the current global era. Companies need highly energetic, enthusiastic, dedicated, and engaged employees in their workforce.

Generation Z (born 1995-2010) is now entering the workforce. As digital natives, Generation Z has unique characteristics that differ from previous generations (JOUR & AU - Shatto, 2016). They grew up in the technology era and tend to seek challenges and job flexibility (Chillakuri & Mahanandia, 2018).

Employee engagement remains a challenge for companies to date. One easily observed phenomenon is the turnover of employees. Turnover is considered one of the indicators of employee engagement with their company. In previous research, there was a fact related to the Global Workforce Study in 2012, involving 29 countries worldwide, including Indonesia, with

32,000 respondents. A total of 65% of the 32,000 employees did not have high engagement with their company (Muslikah, 2018).

Several international and national researchers have conducted surveys and proven that employee engagement is still low. Kincentric, an HR consultant, published a comprehensive report on employee engagement in 2022. The report titled "Report on Global Trends in Engagement," based on input from 12 million workers in more than 125 countries, revealed that the level of employee engagement varies significantly quarterly but remains relatively stable annually. This phenomenon has a significant impact on employees (www.kincentric.com).

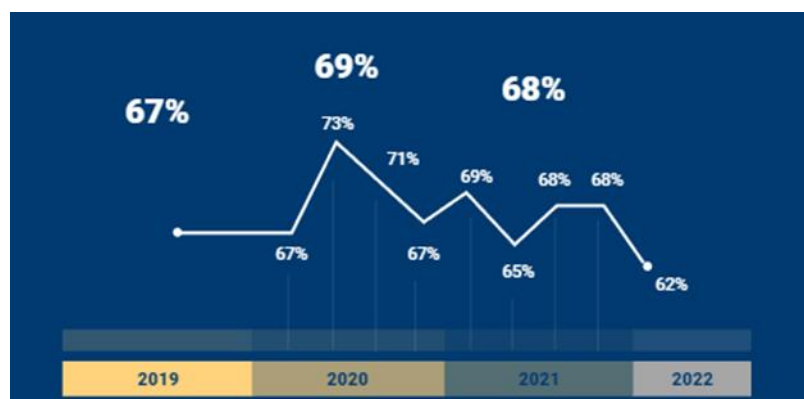


Figure 1. Global Employee engagement 2019-2022

Source: Kincentric (2022)

Based on Figure 1, Global Employee Engagement 2019-2022, the employee engagement rate experienced a peak in 2020, specifically in the second quarter, reaching 73%. However, this did not last long because in the fourth quarter of 2020, there was a decrease to 67%. In 2021, the percentage was considered normal and stable, ranging from 65% to 69%. However, the employee engagement rate dropped quite drastically to 62% in the first quarter of 2022. This percentage can be interpreted as a decline in employees' intention to stay committed to the company. This can still be considered a challenge for companies on how to improve employee engagement.

A study conducted by the Directorate General of State Assets (DJKN) (2021) surveyed employee engagement regarding employee performance at DJKN with 31.32% or equivalent to 1,261 employees participating in filling out questionnaires. The research results showed that employee engagement has a strong influence on employee performance at DJKN. (<https://www.djkn.kemenkeu.go.id/>)

Perceived Organizational Support (POS) reflects the type of company support that develops through interactions between employees and supervisors or superiors, employees' beliefs about the company's performance standards, and sympathy for employee well-being (Yongxing et al., 2017). Companies that provide optimal support to employees will encourage employees to reciprocate by improving performance and contributing sincerely without coercion from any party.

According to Ratnasari & Yusnita (2018), Self-Efficacy is a belief that arises because individuals have confidence in their abilities to perform their tasks, thereby achieving success. High self-efficacy makes employees attempt to calmly and confidently perform challenging tasks,

thereby increasing work productivity. Employees supported by the company will also have high self-confidence in their work. This can be said that the higher the perceived organizational support, the higher the self-efficacy, and engagement in employees.

Employee engagement is defined as a positive, meaningful, and motivated attitude characterized by vigor, dedication, and absorption. According to Trilolita (2017), engagement is seen as a good perspective, optimal results, and related to work, including vigor (enthusiasm), dedication, and absorption (concentration). Engagement refers to the affective state of individuals and their high and consistent role, and how their role contributes positively (V. T. P. Ardi et al., 2017).

Based on the above phenomena, it can be concluded that employee engagement, both internationally and nationally, still requires attention and improvement from the previous year to the present, with the help of variables that the author will study, namely perceived organizational support and self-efficacy.

Previous research conducted by several researchers found that perceived organizational support and self-efficacy have a positive effect on employee engagement (Firnanda & Wijayati, 2021) (Nurhayati & Suryalena, 2023) (Muslikah, 2018). Employee engagement itself refers to the involvement, enthusiasm, and dedication of employees at work. The results of previous research discussions state that companies always pay attention to employees who have problems or are affected by disasters. The company also provides assistance, both material and moral (Firnanda & Wijayati, 2021).

Research on the influence of Perceived Organizational Support and Self-Efficacy on Employee Engagement in Generation Z is still very limited, especially in Indonesia. Similar research in Jakarta has never been conducted. Therefore, research on this topic is important to understand the factors that can increase employee engagement in Generation Z in Jakarta, the capital city of Indonesia with a large number of Generation Z. Thus, companies can develop strategies to attract, develop, and retain Generation Z talents in the organization.

Method

The type of research used in this study is quantitative. The research was conducted in the Special Capital Region of Jakarta. The population in this study is Generation Z in DKI Jakarta, and the exact number is unknown due to the large number of Generation Z members who come from various regions in Indonesia and settle in DKI Jakarta, as well as the Generation Z members who are native residents of DKI Jakarta. The sampling method used is purposive sampling. The total number of respondents is 115, determined by the formula from Hair et al. (2010), which states that if the population size is unknown, the determination of the sample size is $N = (5 \text{ to } 10 \times \text{the number of indicators used})$. Therefore, $N = (10 \times 9) = 90$. From this calculation, the number of respondents examined is 90. Data collection is carried out using a questionnaire method through Google Forms. The assessment scale uses a Likert scale, ranging from one (strongly disagree) to five (strongly agree). The analysis methods used are Algorithm R Square analysis and bootstrapping path coefficients analysis on SmartPLS to analyze the perceived organizational support and self-efficacy towards employee engagement.

Results And Discussion

The respondents from this questionnaire consist of 81 female employees (70.4%) and 34 male employees (29.6%). The results indicate that the dominant gender among the respondents in the study is female. There are 16 employees (13.9%) in the age range of 17-20 years, 71 employees (61.7%) aged between 21-23 years, and 28 employees (24.3%) aged between 24-26 years. The findings explain that the dominant age group among the respondents is 21-23 years, with a total of 71 employees (61.7%). In this study, there are 32 employees (27.8%) classified as having less than 1 year of work experience, 52 employees (45.2%) with 1-2 years of work experience, 23 employees (20%) with 3-5 years of work experience, and 8 employees (7%) categorized as having more than 5 years of work experience. The results indicate that the dominant work experience among the respondents is 1-2 years.

Table 1. R Square

	R Square	R Square Adjusted
EE	0.653	0.647

Source: Data processed (2023)

Based on the SmartPLS data analysis results, the R-Square (R²) value obtained for the employee engagement (EE) variable is 0.653. This figure indicates that the combination of all independent variables used in the research model can explain 65.3% of the variability of the employee engagement construct.

In addition to the R-Square value, the SmartPLS output also displays the Adjusted R-Square value, which is 0.647 for the employee engagement variable. The adjusted R² value has been adjusted for the number of predictors and the sample size. Both R² values indicate a good and substantial regression model in explaining the variation in employee engagement based on the influencing independent variables.

Table 2. Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
POS -> EE	0.195	0.193	0.094	2.067	0.039
SE_ -> EE	0.653	0.663	0.087	7.462	0.000

Source: Data processed (2023)

The bootstrapping results indicate that perceived organizational support (POS) has a significant and positive effect on employee engagement (EE). This is evident from the original sample value of 0.195, the t-statistic value of 2.067 (>1.96), and the p-value < 0.05, specifically 0.039. This finding aligns with previous research stating the positive and significant influence of perceived organizational support on employee engagement. According to earlier studies, perceived organizational support has a positive and significant impact on employee engagement. This suggests that higher perceived organizational support will lead to an increase in employee engagement among non-civil servant employees at the Agriculture and Food Service of Kebumen

Regency. Fairness, supervisor support, recognition, and working conditions in the Agriculture and Food Service of Kebumen Regency can influence employee engagement (Rais & Parmin, 2020).

Wahab (2018), in his research, also found a positive influence of perceived organizational support on employee engagement. The test results showed a positive influence between perceived organizational support and employee engagement. The obtained results indicated a positive correlation. This means that when perceived organizational support is high, employee engagement will also increase. The employee engagement in this study is attributed to employees being able to contribute effectively, leading to a sense of pride.

However, another study conducted by Wahyuni (2019) stated that perceived organizational support does not have a significant impact on employee engagement. The interview results in that study indicated that employees did not fully feel organizational support from the company and did not experience good employee engagement in their work environment. Employees with five years of tenure felt that they had not found and experienced additional comfort in their work, working normally as they had not found high motivation to optimize their work, and they had not fully received organizational support such as incentives and other allowances.

Several studies have shown that perceived organizational support has a positive effect on employee engagement. Employees who feel supported and valued by the organization tend to have higher enthusiasm for their work, dedication to their jobs, and full involvement in their roles. Thus, organizations seeking to improve their employees' engagement need to focus on enhancing perceived organizational support, such as providing rewards and recognition for employees' contributions, addressing employees' needs and well-being, and creating a supportive work environment.

As for self-efficacy (SE), it has a highly significant and positive impact on EE, indicated by the original sample value of 0.653, a t-statistic value of 7.462 (>1.96), and a p-value < 0.001 . This result aligns with the research conducted by Trilolita (2017), stating that self-efficacy significantly influences employee engagement. Employees' belief in their ability to do their best work will make them more committed to the company. The path analysis value obtained shows that the self-efficacy variable has a positive influence on employee engagement. Another study by Muliana and Rahmi (2019) also stated that self-efficacy has a significant effect on employee engagement.

However, a different study conducted by Cahyo (2022) stated that the self-efficacy variable and its indicators do not affect employee engagement because the less conducive environmental conditions and organizational culture, such as the lack of supervisor support, rewards, performance feedback, and limited career development opportunities, can decrease employee engagement. Thus, individual factors like self-efficacy may not be strong enough to influence employee engagement without a supportive organizational environment and culture.

Several studies have shown that self-efficacy has a positive effect on employee engagement. Employees with high self-efficacy tend to have a strong belief that they can perform their job tasks well. This belief motivates them to be dedicated and fully engaged in their work, even in the face of challenges. Conversely, employees with low self-efficacy tend to doubt their abilities and are less motivated to exert full effort in their work. Therefore, organizations aiming to enhance employee engagement should ensure that each individual has sufficiently high self-

efficacy regarding their job roles and responsibilities. Training to improve competencies and skills, assigning challenging tasks, and providing support from colleagues and supervisors can help increase employees' self-efficacy.

In conclusion, perceived organizational support and self-efficacy both have a positive and significant impact on employee engagement. However, self-efficacy has a stronger influence, as indicated by the larger path coefficient value of 0.653 compared to POS, which is 0.195.

Conclusions

Based on the results of the data description and analysis, it can be concluded that perceived organizational support and self-efficacy have a positive and significant impact on employee engagement among Generation Z in DKI Jakarta. Self-efficacy has a stronger influence compared to perceived organizational support in increasing employee engagement, as indicated by the higher path coefficient value. The combination of perceived organizational support, self-efficacy, and other independent variables in the research model can explain 65.3% of the variability in employee engagement. The findings of this study are consistent with previous research that found a positive impact of perceived organizational support and self-efficacy on employee engagement. Companies are advised to enhance perceived organizational support and self-efficacy to improve employee engagement among Generation Z.

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