



ANALYSIS OF FACTORS AFFECTING EMPLOYEE ENGAGEMENT

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Abstract: Batam City is a special city that has become a tourist spot with a great potential business opportunity. Therefore, it is necessary to have qualified facilities and services from hotel employees in increasing tourist visits to use their services. By improving the quality of employee services, companies can also reduce unnecessary expenses and remain competitive with other hotels. Therefore the company must provide more value to employees so that employees can provide similar feedback to the company. This study aims to determine the effect of job satisfaction, compensation, leadership, and work environment on employees' attachment to four-star hotels in Batam. The sampling method used was the purposive sampling method through google form and collected 213 valid questionnaires. This research was conducted as a quantitative study to explain the relationship between variables, then managed by the SPSS program. From the results of SPSS processing data, it can be seen that job satisfaction, leadership style, and work environment have a significant positive relationship with employee engagement, while compensation is not significant for employee engagement. Researchers hope that four-star hotel management can study this research to outperform employee engagement.

Keywords: Compensation; Employee Engagement; Job Satisfaction; Leadership; Work Environment

INTRODUCTION

Batam City is a special city because of its strategic location, which is neighboring Malaysia Island and Singapore Island. This makes Batam City a tourist spot with great potential business opportunities. As said by the Head of the Kepri Buralimar Tourism Office, Batam City is the third gateway as the place where tourists come and go after Bali and managed to beat the city of Jakarta. In a period of five years, there was a decline from 2015 to 2016, again experiencing an increase in 2017 and a drastic increase of 3.21% from 2018 to 2019. According to the information stated by the Batam City Central Statistics Agency, most of the foreign tourists visiting Batam City are tourists from Singapore, Malaysia, China, India, Japan, England, South Korea, the United States, and the Philippines (BPS, 2020).

Hotels that act as a place for lodging service providers to be left for a temporary period must also adjust to the tourism growth that occurs in Batam City. So it is necessary to have qualified facilities and services from hotel employees in increasing tourist visits to use their services. By improving the quality of employee services, companies can also reduce unnecessary expenses and remain competitive with other hotels. Therefore the company must provide more value to employees so that employees can provide similar feedback to the company. Work engagement is one of the hot topics in the world of work and is related to human resources.

One issue that is often found is that companies do not know how to effectively solve employee engagement problems so that employees can continue to stay and work for the company. A survey conducted by Hewwit, who is a consultant, stated that there was a decrease in the human resource engagement index in 2009, which decreased



from 60% to 56% the following year. The survey was obtained from 7 million employees in 3000 organizations in the world in 3 years, from 2008 to 2010. It was also explained that this decline was the worst in 15 years of research (Hinzmann et al., 2019). From this, it is evident that the decrease in work attachment is real and is being faced by most companies even those already in world-level positions. Meanwhile, the facts, as it is known, have a big positive impact on the progress of the company. Employee engagement is an element that affects all aspects of human resource management. If every human being is not processed with the right means, the employees will fail to carry out their duties and responsibilities and cause the employee's performance to decrease so that this is referred to as management error according to (Kompaso & Sridevi, 2010). Employee involvement is an important key element in ensuring the success of an organization (Katili, 2017).

Employee engagement is categorized into three different categories. First, bonded employees are the type of employees who are very enthusiastic about their role in the company and are willing to work hard. The second is employees who refuse to get involved, if they can avoid it, they will choose to avoid work. The third type is employees who are actively leaving. Work involvement, also called worker engagement, is a management concept (Mutumbu et al., 2016). Employee engagement is a measure of an employee's emotional bond with work, work environment, and organization following their willingness to develop themselves in an organization (Vorina et al., 2017).

Job satisfaction is an emotional level that is formed from the perspective of employees in assessing a place that is following the wishes or expectations of employees. Job satisfaction is categorized as important in building a person's ready-to-work attitude. Employee satisfaction careers depend on their long-term engagement or disengagement and it is suggested that supporting and participating in employee career management behavior can facilitate greater employee career satisfaction (Timms & Brough, 2013). This will help to understand career satisfaction needs and engage organizations to provide support to those employees in managing their careers. This will augment existing knowledge and help employers understand how they should keep their employees engaged and increase their level of commitment (Dagher et al., 2015).

Compensation is a very strong element and very influential on employee performance. Compensation is a sign of remuneration by the company to its employees for their performance and also the company's appreciation for achieving company goals. The compensation variable is one of the important points that can affect the level of work engagement and it is proven that the compensation variable has a significant effect on engagement. If compensation is managed properly, it can satisfy workers and indirectly bind employees to continue to stay in a company (J, 2014). A good leader will build a sense of security for employees and can indirectly cause employees to change this feeling into loyalty to an organization and a strong attachment to the company (Kalsoom et al., 2018). A good leader is a leader who can position himself as an employee too, feel what employees feel, can digest every opinion, criticism, and suggestion from every employee, and provide support to all subordinates. That way employees feel respected so that a strong bond is built between superiors and subordinates. Leaders who always interact with subordinates can make thoughts that are in harmony and certainly affect job satisfaction and engagement.

According to Anitha, the variables of work environment and work involvement have a positive relationship. The condition of the work environment is one of the important things in fulfilling the desires and comfort of employees so that they continue to work with



the company because of course, a comfortable workplace can make prospective employees feel more at home at work (J, 2014). From the research results, it can be seen that environmental variables are factors that can be used in determining the level of employee engagement to work with an organization or company. The work environment has an impact on employee engagement. Recent studies have also shown a meaningful work environment is considered a major determinant of employee engagement (Popli & Rizvi, 2015). This study aims to determine the effect of job satisfaction, compensation, leadership, and work environment on employees' attachment to four-star hotels in Batam.

METHODS

Purposive sampling is a technique that is right for researchers because the technique following the criteria of data to be processed and analyzed by the researchers. Samples will be addressed to as many as 280 employees from 5 four-star hotels who were selected as representatives of the population. Employees are the target of research because the hotel sector is hopeful for increasing regional and state foreign exchange. With the calculation of the Slovin formulation, it can be seen from a population of 280 respondents, the minimum sample required is 165 respondents. To avoid invalid questionnaires, the researchers distributed 250 questionnaires to the hotel employees.

Questionnaires will be distributed in the form of google form and will take place from March 2020 to May 2020. In this study, researchers will use the application Statistical Product and Service Solutions (SPSS) version 26 with analysis methods quantitative research to analyze the main research hypotheses quickly and accurately. This research applies the descriptive analysis method which is done to get a picture of the object under study from the collected sample so that it is easy to analyze. The researcher also asked some general profiles of respondents for the sake of data ownership who had filled out a questionnaire with responsibility.

A validity test is useful in informing the accuracy of the measurement in its function, in another sense, namely to measure the validity of a questionnaire. A good questionnaire in the validity test is a questionnaire that can give accurate results. A reliability test is a test tool that is useful in providing reliable information following the truth in the field. A study is said to be reliable if the respondent's statement in the study is consistent from one period to the next. The value of the reliability coefficient can be seen in the numbers in the Cronbach Alpha table, these numbers indicate the level of reliability. The satisfactory Cronbach's Alpha value is more than 0.6 (Ghozali, 2018).

Outlier test is a test tool that has a deviant character whose value is very much different from other values. Outliers affect other test results and also in decision making. There are various ways to identify outliers, namely with a histogram and z-values.

A multicollinearity test is a test tool that can test the correlation between an independent variable in the regression model. Multicollinearity occurs if there is an error standard value. Or it can be called it can also be used to predict the other. Then it creates information redundancy, skewing the results in the regression model. The merits of a regression model can be seen in the variance inflation factor (VIF) and the strength and weakness of the correlation value between the independent variables. If the VIF value is more than 10, there will be multicollinearity between the regression models and the independent variables. If the opposite occurs, it is stated that there is no multicollinearity between the independent variables and the regression model.

The normality test aims to determine the normality of the dependent and independent variables. The normality test is said to be good if the distribution of point data on the normal assumptions is fulfilled. Meanwhile, it is stated that it is not normal if the pattern in the data is spread out. With the heteroscedasticity test, it is known that the



deviation of the assumptions contained in the regression model towards other variables. One of the criteria for a good regression model is the absence of heteroscedasticity. With a visual test on the Scatter Plot, we can analyze through a pattern in the form of dots. If the dots are not shaped into a pattern, the model is assumed to be homoscedastic. There is also an empirical test that can be analyzed from its significance by using the Glejser test.

Researchers use the F-test to analyze the significant value of the data and the correlation of the sample under study. The sample correlation ratio is defined as the measure of the relationship between the variables in the sample as a whole. For the F test, there are criteria, namely if the Sig. <0.05 means that the independent variables simultaneously affect the dependent variable. Meanwhile, the Sig. > 0.05 means that the independent variables simultaneously do not affect the dependent variable.

The t-test is a statistical procedure used to determine whether a survey sample can be produced by a process with a specific purpose. There are two types of hypotheses for the t-test, namely the alternative and zero hypotheses. The alternative hypothesis assumes that there is some difference between the true mean value (μ) and the comparative value (m_0), while the null hypothesis assumes that there is no difference. The purpose of the t-test is to determine whether the null hypothesis should be rejected, given the sample data. The alternative hypothesis can assume one of three forms depending on the question asked. The null hypothesis remains the same for each type of sample t-test.

R-squared (R^2) plays a role in explaining the extent to which the variance of one variable explains the variance of another. While the correlation explains the strength of the relationship between the variables studied, if the R-squared value is 100%, it means that all dependent variables can be fully explained by the independent variables studied.

RESULTS AND DISCUSSION

Validity Test Results

The validity test is used as a measure of the validity level of a variable. A question on a variable is said to be valid when the outer loading score exceeds 0.6 Ghozali (2018).



Table 1. Results of Validity Test

Variable	Sample mean	Description
Job Satisfaction 1	0.780	valid
Job Satisfaction 2	0.705	valid
Job Satisfaction 3	0.756	valid
Job Satisfaction 4	0.754	valid
Job Satisfaction 5	0.730	valid
Job Satisfaction 6	0.715	valid
Job Satisfaction 7	0.627	valid
Job Satisfaction 8	0.613	valid
Job Satisfaction 9	0.659	valid
Compensation 1	0.805	valid
Compensation 2	0.622	valid
Compensation 3	0.391	not valid
Compensation 4	0.737	valid
Compensation 5	0.687	valid
Work Engagement 1	0.644	valid
Work Engagement 2	0.708	valid
Work Engagement 3	0.559	not valid
Work Engagement 4	0.328	not valid
Work Engagement 5	0.668	valid
Work Engagement 6	0.701	valid
Work Engagement 7	0.828	valid
Work Engagement 8	0.804	valid
Leadership 1	0.636	valid
Leadership 2	0.524	not valid
Leadership 3	0.632	valid
Leadership 4	0.664	valid
Leadership 5	0.619	valid
Leadership 6	0.776	valid
Leadership 7	0.649	valid
Leadership 8	0.562	not valid
Leadership 9	0.638	valid
Leadership 10	0.687	valid
Leadership 11	0.257	not valid
Leadership 12	0.359	not valid
Leadership 13	0.395	not valid
Leadership 14	0.347	not valid
Work Environment 1	0.589	not valid
Work Environment 2	0.655	valid
Work Environment 3	0.654	valid
Work Environment 4	0.743	valid
Work Environment 5	0.686	valid

Source: Primary data processed (2020)

In the table there are 41 question indicators and there are 10 indicators that are declared invalid, namely compensation 3 (0.391), work engagement 3 (0.559), work engagement 4 (0.328), leadership 2 (0.524) and leadership 8 (0.562), leadership 11 (0.257), leadership 12 (0.359), leadership 13 (0.395), leadership 14 (0.589). Then the less valid data is not continued in the next test so that only 31 question indicators are left which will be continued in the next test.



Reliability Test Results

A variable is called reliable when the value on Cronbach's Alpha is more than 0.6 or equal to 0.6. The table below shows the variables of job satisfaction (0.872), compensation (0.702), work engagement (0.832), leadership (0.837), and work environment (0.665). Then all variables can be declared reliable because they meet the requirements.

Table 2. Reliability Test Results

Variable	Cronbach's Alpha	Description
Job Satisfaction	0872	Reliable
Compensation	0702	Reliable
attachment to Work	0832	Reliable
Leadership	0837	Reliable
Work Environment	0665	Reliable

Source: Primary data are processed (2020)

Outlier Test Results

Z is the value of Z scores at each research data. The results of the respondent's data obtained by the researcher exceed the number 80, then data with a Z value of more than 3 or less than -3 must be deleted and not continued in the next test. And the number of samples previously as much as 213 and after the elimination of invalid data to be as many as 208.

Results of Classical Assumption Test Non-Multicollinearity Assumption

The value of variance inflation factor (VIF) is to detect multicollinearity between the independent variables in the model. The VIF of all variables must be less than 10 and the tolerance value must be greater than 0.1 to avoid problems with the stability of the coefficient. The output shows the VIF value of job satisfaction (2,070), compensation (2,114), leadership (1,636), and work environment (1,107). From the VIF results, it can be seen that each variable is non-multicollinearity. For the tolerance value for job satisfaction (0.483), compensation (0.473), leadership style (0.611), and work environment (0.903), it means that each variable meets these requirements.

Table 3. Results of Non-Multicollinearity Assumptions

Variable	Tolerance	VIF	Description
Job Satisfaction	0.483	2.070	Non-multicollinierity
Compensation	0.473	2.114	Non-multicollinierity
Leadership	0.611	1.636	Non-multicollinierity
Work Environment	0.903	1.107	Non-multicollinierity

Source: Primary data are processed (2020)

Normality Test Results

Visual normality testing sometimes gives uncertain answers because visual testing can produce various opinions as to how each person perceives them. According to researchers, the pattern on the p-plot can still be said to be regular and the pattern of the dots appears to be close to the diagonal line.

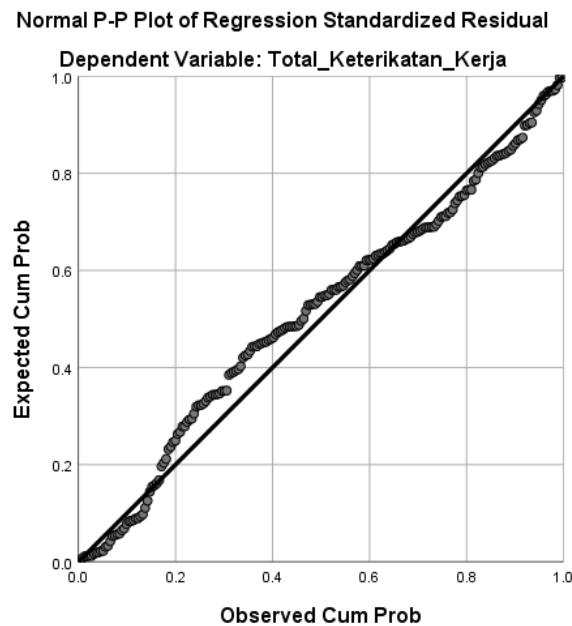


Figure 1. Normality Test Results
Source: Primary data are processed (2020)

Scatterplot Result

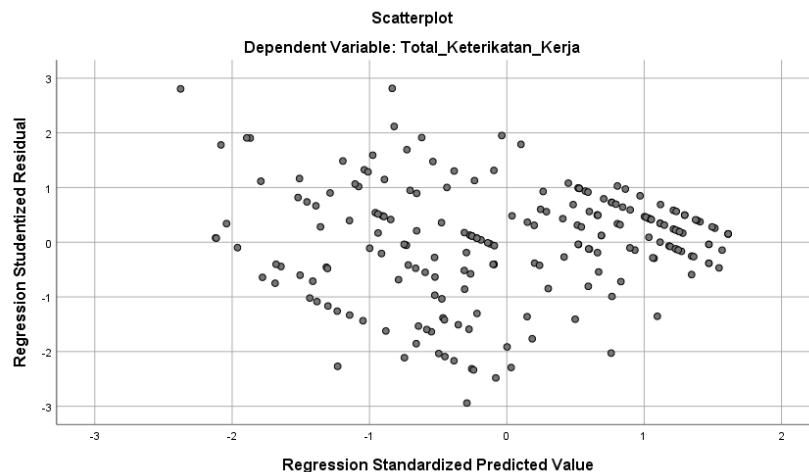


Figure 2. Scatterplot Result
Source: Primary data are processed (2020)

If the dots in the image appear randomly scattered and the position of the pattern is above and below the number 0, it is called homoscedasticity. Conversely, if the dots form a pattern and are not above and below the number 0, it is called heteroscedasticity. From the scatterplot above, it can be seen that the dots spread randomly, do not form a certain pattern, the position of the pattern is above 0 and also below 0, so it can be concluded that there are no symptoms of heteroscedasticity.



Glejser Result

The Glejser tests the heteroscedasticity of the data. The regression model is said to meet the assumptions or not, it can be seen from the significance value. Based on the output, the job satisfaction variable has a significance value of 0.662, compensation of 0.000, leadership of 0.808, the work environment of 0.173. Based on the Glejser test, the homoscedasticity assumption in the regression model is fulfilled except for the compensation variable.

Table 4. Glejser Result

Variable	Sig.	Description
Job Satisfaction	0.662	Homoskedastisity
Compensation	0.000	Heteroskedastisity
Leadership	0.808	Homoskedastisity
Work Environment	0.173	Homoskedastisity

Source: Primary data are processed (2020)

Hypothesis Test Results

F-Test Result

Table 5. F-Test Result

Variable	VIF	Sig.	Description
Regression	60.277	0.000	Significant
Residual			

Source: Primary data are processed (2020)

In the statistical analysis, F-test to test whether each independent variable in the study affects the dependent variable. To find out whether the regression model meets the criteria, it can be seen from the sig value. which must be less than 0.05. Based on the F-test table above, the Sig value can be seen. which is equal to 0.000, so from this Sig value it can be seen that all the independent variables simultaneously have a significant effect on the work engagement variable.

T-Test Results

Table 6. T-Test Result

Variable	B	Sig.	Description
Job Satisfaction	0.392	0.000	Significant
Compensation	0.315	0.000	Significant
Leadership	0.144	0.021	Significant
Work Environment	-0.024	0.660	Not Significant

Source: Primary data are processed (2020)

Job satisfaction variables affect a person's work engagement by 0.392 with a Sig. amounting to 0,000. This value is positive, meaning that if the higher the job satisfaction score is, it is proven that the higher one's work engagement is. While compensation has a positive effect on work engagement with a value of 0.315 with a significant value of



0.000, which means that compensation affects work engagement. The leadership variable has a positive effect on work engagement by 0.144 and the Sig. amounting to 0.021, which means that the ideal leadership style can move and motivate employees to stay enthusiastic about their duties and responsibilities so that the leadership style can bind every employee. While the work environment has a negative effect on work attachments of -0.024 and is not significant at 0.660, which means that the work environment is not related to work attachments.

R Squared Adjusted

In the R Square table, it can be seen how much influence the level of one independent variable has on a dependent. If the higher the value on an R Square, then how strong is the relationship between the independent variable and the dependent variable. In the table above, you can see the adjusted R Square value of 0.543, which means that the independent variables in the study such as job satisfaction, compensation, leadership style, and work environment can explain 54.3% of the work engagement variable and the remaining 45.7% is explained by other factors not listed in the research regression model.

Table 7. Adjusted R Square Result

R Square	Adjusted R Square	Std. An error of the Estimate
0.543	0.534	2.92585

Source: Primary data are processed (2020)

CONCLUSION

This study aims to analyze the effect of job satisfaction, compensation, leadership, and work environment variables on employee engagement at a four-star hotel in Batam. The study, which used a purposive sampling method through a questionnaire google form, collected 213 valid questionnaires and was managed by the SPSS program. From the results of SPSS processing data, it can be seen that job satisfaction, compensation, and leadership have a significant positive relationship to employee engagement, while the work environment is not significant to employee engagement.

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