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Science, Engineering and Social Science Series
ISSN/e-ISSN: 2541 – 0369/2613 – 988X
DOI: 10.51971/joma.v5n3.0503230721
Vol. 5, No. 3, 2021, Printed in the Indonesia

The Effect of Perceived Organizational Support on Employee Engagement and Employee Performance

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This study is aimed to analyse the effect of perceived organizational support on work engagement and employee performance. This research was conducted by taking a saturated sampling of 49 respondents with a questionnaire tool created using google form. The structural equation modelling (SEM) analysis based on partial least square (PLS) is used as the data analysis technique. The results showed that perceived organizational support and employee engagement had a positive and significant effect on employee performance. Employee engagement considerably moderates the influence of perceived organizational support on employee performance. Based on the study's findings, management is expected to maintain the quality of human resources and employee welfare, pay attention to employee complaints, and retain employee pride in their work, so that the optimal contribution will be.

Keywords: Employee performance, Perceived organizational support, Employee engagement.

1. INTRODUCTION

The COVID-19 pandemic has huge impact on the world economy. The emergence of a pandemic, coupled with the rapid development of technology and information, requires that every company stay current on advances. Improving the quality of human resources is regarded as critical during utilizing cutting-edge technologies [1]. Various ways are carried out by the managerial department to strengthen human resources. Employees can be a company advantage because they have competitive and comparative characteristics, which tend to be difficult for competitors to imitate so that high employee performance is expected to be used as company ammunition [2].

Employee performance is required to achieve good results in the work and organizational success. Performance is a very important factor for the continuity of the organization in an effort to achieve organizational goals. Efforts to improve employee performance are a big challenge for every company [3]. Performance, or it can also be said as performance, is the final gain from work achieved by individuals or groups in an organization which includes responsibilities, authorities, duties and roles. Employee performance represents an organization's performance because organizational performance is -

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the answer to whether or not the organization's goals are met. It is important for organizations to create high employee performance in order to achieve organizational performance. Perception of organizational support is a perception that arises because of the organizational support felt by individuals about how much the organization values each contribution, cares about welfare, and how the organization provides assistance when employees need [4]. Organizational support can make the workplace more attractive to workers and reduce their intention to leave the organization. Thus, the company is required to create a high perceived organizational support. Employee engagement is a characteristic of an employee who has a sense of being attached to work, making it easier to achieve the company's vision [5]. Employee engagement is also termed as a good and positive attitude, meaningful and motivating, has three characteristics, namely vigor, dedication, and absorption.

2. METHODOLOGY

Social Exchange Theory (SET) is a behavioral theory of social exchange. Employees who successfully build quality relationships with superiors tend to create increased levels of social support, well-being, and performance [6, 7]. In the perspective of SET, employees who are empowered through employee development

behavior consider leaders as strengths and valuable resources. It causes employees to feel an increase in welfare. The reciprocal is that employees show good performance in order to continue high-quality exchange relationships with leaders and organizations [8].

Performance is a tool in measuring productivity by paying attention to employee participation [9]. Organizations need to pay attention to the opinions and inputs given by employees. Organizations also should prove their concern for the contributions made by employees, it can maximize job prospects as well as possible. Increasing Organizational research will affect employee performance. These results are supported by research conducted [10] which states that perceived organizational support has a positive and significant effect on employee performance. This result is in line with research which conducted [11] which states that there is a positive and significant effect of POS on performance. Similar result was found by research [12], POS positive and significant have impact on employee performance. Research conducted [8] proves that there is a positive and significant effect of POS on employee performance. Based on several previous research results indicate that POS can be a predictor of employee performance in the organization

Employee engagement is the involvement of individual employees with satisfaction and enthusiasm in work. Research conducted [13] found that the higher the employee's perception of perceived organizational support, the higher the employee's engagement so that employee engagement appears as an employee's positive response to good organizational support. a study conducted [14] found that POS significantly affects employee engagement. The results of this study are also supported by research [15] which found a significant effect of POS on employee engagement.

According, the norm of reciprocity in SET, one of the ways employees repay the organization is through the level of employee engagement. Employees who value their work and are emotionally tied to it are more likely to perform well and strive to achieve more than they need. Positive and significant results were found in a study conducted [13] on the effect of EE on employee performance. Correspondingly, the study conducted [15] also showed a significant effect on EE and employee performance. Research conducted [18] is revealed that there is a significant effect between performance and employee engagement. These results are supported [19], which found a significant effect between employee engagement and work performance [20]. When employees get organizational support, employees feel compelled to reciprocate the positive attitude of the organization [21]. The response to perceived organizational support can be in the form of employee engagement levels. Employee engagement will make employees have motivation, enthusiasm, and enthusiasm for work. Employees who have high enthusiasm when

working will quickly complete the work and ultimately make the overall performance of the organization better [22]. Perceived organizational support has a positive effect on employee engagement and has a significant positive effect on employee performance, so that the effect of perceived organizational support on employee performance is mediated by employee engagement [8]. Based on description, the hypotheses proposed are:

- H₁: POS has a positive and significant effect on EP**
- H₂: POS has a positive and significant effect on EE**
- H₃: EE has a positive and significant effect on EP**
- H₄: EE mediates the effect of POS on EP.**

The population in this study were all employees, totally 49 employees. The sampling technique used in this study was a saturated sampling technique, including all 49 employees. The quantitative and qualitative data which obtained from primary and secondary sources is used in this study. Methods of data collection is carried out using interviews and questionnaires. The analytical technique such as descriptive analysis is used which explains the research subjects and inferential statistical analysis with SEM PLS technique. Indicators of perceived organizational support that used in this study are appreciating contributions, appreciating efforts, paying attention to complaints, caring about welfare, informing employees, caring about satisfaction, showing concern, and being proud of employee success [23]. Indicators of employee engagement include: having high morale, having mental toughness, wanting to give effort, wanting to survive, having resilience, having enthusiasm, being able to give ideas, having pride, happy to challenge, fully concentrated, happy when involved, and able to complete tasks optimally [24]. Employee performance indicators include: quality of work, promptness, initiative, capability, and communication [25].

3. RESULT AND DISCUSSION

The bootstrapping procedure on SEM PLS is used to see the estimated value of the path coefficient along with the level of significance. It can used to test the hypotheses used in the study (see Figure 1 and Table I).

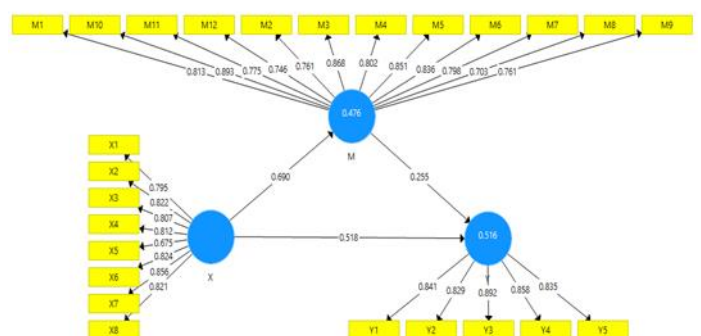


Figure 1. SEM PLS analysis diagram

Table I. Path analysis Result

Variables	Original Sample	Standard Deviation	T Statistic	P Values
EE → EP	0,255	0,104	2,968	0,003
POS → EE	0,690	0,090	7,671	0,000
POS → EP	0,518	0,173	3,003	0,003
POS → EE → EP	0,176	0,132	3,468	0,003

The results of the PLS analysis shown in Table 1. The effect of perceived organizational support on employee performance with a T statistic value of $3.003 > 1.96$ at a significance level of 5 percent and P value of $0.003 > 0.05$. Based on the findings H1 is accepted, in other words perceived organizational support has a positive and significant effect on employee performance. The effect of perceived organizational support on employee engagement shows in T statistic value of $7.671 > 1.96$ at a significance level of 5 percent and P value of $0.000 < 0.05$. As a result, the hypothesis (H2) is accepted, in other words perceived organizational support has a positive and significant effect on employee engagement. The results of the test of the effect of perceived organizational support on employee engagement obtained a T statistic value of $2.968 > 1.96$ at a significance level of 5 percent with P value of $0.003 < 0.05$. So that the hypothesis (H3) is accepted, in other words, employee engagement has a positive and significant effect on employee performance. Similarly, the results of the analysis of the indirect effect of perceived organizational support on employee performance by mediating work engagement obtained a path coefficient of 0.176 with a t-statistic of 3.468 and p-values of 0.003 which means the hypothesis (H4) is acceptable. Thus, employee engagement mediates the effect of perceived organizational support on employee performance. Overall, the results of the calculation of the PLS analysis show that the four hypotheses proposed are acceptable.

The results of the PLS SEM test prove that perceived organizational support has a positive and significant effect on employee performance, in other words, if the perceived organizational support factor in the organization increases, it will affect employee performance. These results are supported by xxx [10], which states that perceived organizational support has a positive and significant effect on employee performance. Perception of organizational support is a perception that arises because of the organizational support felt by individuals about how much the organization values each contribution, cares about their welfare, and how the organization provides assistance when employees need [4]. Organizations that value every employee's contribution, care about welfare, will result in employees who will feel they have a bond with the organization, if there is a sense of attachment in the employee it will be seen from the employee's excellent contribution, high dedication and high level of loyalty. If all of these things happen, the performance of the organization will increase

and make it easier for the organization to achieve success [12]. Perceived organizational support is one of the important factors that can affect the level of employee engagement. Based on the results obtained through SEM PLS calculations, perceived organizational support has a positive and significant effect on employee engagement. The results of this study are proven [14] that perceived organizational support has a positive and significant effect on employee engagement. A high perception of organizational support can lead to a sense of employee engagement or employee engagement. Since of the organizational support provided by the organization. If employees feel that there is high support from the organization, employees will feel a high attachment to the organization. Employee engagement is also one of the determining factors that can affect employee performance. The results of the analysis show that the effect of employee engagement on employee performance has a positive coefficient of 0.255 and a significance of 0.003. This indicates that the level of employee engagement positively influences employee performance. Research [15] shows that employee engagement has a positive and significant effect on employee performance at family companies producing air rifles. Employees who have a sense of being bound to work will make it easier to achieve the company's goals. This opportunity is considered to have been able to provide convenience for a company in achieving the basic or planned goals of the company [12]. Employee engagement is a good and positive attitude, meaningful and motivating have three characteristics, including vigor, dedication, and absorption. Vigor means the spirit given is very high, the ability to adapt quickly, stay steadfast even in difficult circumstances, and try to do the best. Dedication is a feeling of worth, inspiration, enthusiasm and tends to like challenges. Absorption is seen as a focus and concentration with work and tasks [14].

Based on the results of the PLS analysis, it can be concluded that employee engagement is significantly able to mediate the relationship between perceived organizational support and employee performance. The results of this study in line with research conducted [12], perceived organizational support (POS) has a significant effect on employee performance mediated by employee engagement. According to [15] revealed that an employee's sense of attachment can affect his level of performance. Employee engagement is an emotional commitment to the organization and its goals. It emotional commitment means that employees really care about their work, duties and responsibilities to the company [26]. Furthermore, the results of the pre-survey show that employees are less enthusiastic about their work. The condition of employees who are required to always work according to the targets to be achieved but in reality, there is no sufficient organizational support to realize these tasks. As a result, workers having an attitude that is less concerned with the company, cannot at their work, and dedication to the company is also not there,

resulting in employee performance not following with the proclaimed expectations. With minimal support and low engagement, it greatly affects the performance of employees [27]. Employee engagement is a condition in which employees who are engaged have energy and have an effective relationship with work activities feel able to complete all work demands.

4. CONCLUSION

Perceived organizational support has a positive and significant effect on employee performance. The high organizational support felt by employees tends to create a better work. The environment is the higher possibility of employees to make the best contribution to the organization. In addition, perceived organizational support also has a positive and significant effect on employee engagement. It proves that a high perception of organizational support can have implications for high levels of employee engagement. Furthermore, employee engagement has a positive and significant effect on employee performance. It means, the high employee engagement with work tends to provide better performance. Because employees do their work with serious responsibility. This study also concludes that employee engagement is significantly mediate the effect of perceived organizational support on employee performance at. It means, the perceived organizational support has an indirect effect on employee performance through employee engagement.

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Received: 18 May 2021, Accepted: 19 July 2021