The mediating role of employee engagement in the relationship between self-efficacy and organizational support on employee performance

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ABSTRACT

This study examines the impact of self-efficacy and organizational support on employee performance as mediated by employee engagement at the regional public companies, Perumda Air Minum Ngawi Regency. This study is explanatory research with a quantitative approach. The population in this study were all permanent employees of the Perumda Air Minum Ngawi. Saturated sampling was used in the sampling methodology. The study’s sample consisted of 269 permanent Perumda Air Minum Ngawi employees with a minimum work period of one year. Data were collected through questionnaires distributed to respondents and analyzed quantitatively using Partial Least Squares (PLS). The results showed that self-efficacy and organizational support significantly affect employee performance. This study also indicates that self-efficacy and organizational support have a significant effect on employee engagement, and employee engagement has a significant impact on employee performance. Employee engagement can mediate the effect of self-efficacy and organization on employee performance. The results of this study advise the Perumda Air Minum Ngawi to maintain employee engagement and organizational support to improve employee performance.

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INTRODUCTION

The most essential aspect for the company to pay attention to is employee performance due to its significant impact on the company’s growth and development (Diamantidis & Chatzoglou, 2019). Managers have recognized that giving employees a high level of autonomy in performing their work stimulates their curiosity and independent thinking. It allows them to try out new approaches to solve problems and improves their performance (Lifshitz-Assaf et al., 2019). One of the challenges in the company is the performance of employees who need help to meet the requirements set by the company. If employees perform poorly, the company will suffer; if employees perform well, the company will advance (Aisiyiyah et al., 2022). Human resource capabilities are required to set goals and objectives to achieve employee performance and improve overall organizational performance (Pang & Lu, 2018).

Companies are expected to be able to improve the performance of employees who play an essential role in achieving organizational goals to compete with other companies (Ribeiro et al., 2018). Employee performance is exhibited through employee behavior regarding the distribution of desired results in terms of quality, quantity, and work time (Na-Nan et al., 2018). Performance is work that can be achieved by a person or group of people in an organization following their respective authorities and responsibilities to achieve organizational goals, obey the law, following morals and ethics (Barasa et al., 2018). Employee performance is declared superior when the desired organizational goals can be achieved through positive interactions and contributions between employees and organizations that provide mutual benefits.
Bhatti et al. (2018) state that one of the determinants of good performance results is the personal factors of employees, including self-efficacy. The interaction between the external environment and competence to perform a task, experience, and personal ability to achieve goals leads to self-efficacy (Li, 2020). A person with high self-efficacy can control the situation with enthusiasm and motivation to produce something useful for their performance (Burić & Macuca, 2018). A high level of self-efficacy can reduce the perceived mismatch between current circumstances and expected goals, reducing the allocation of resources such as labor, time, and negative performance impacts. Employee performance is significantly influenced by self-efficacy (Lim et al., 2022; Ariyanti & Rijanti, 2022; Donkor, 2021; Nilasari et al., 2021; Abubakar et al., 2020; Tian et al., 2019; Clercq et al., 2018; Bhatti et al., 2018), this contradicts the findings of Asisiyah et al. (2022), Ambarita et al. (2022), and Ali & Wardoyo (2021).

Perceived organizational support is an essential construct for understanding employee behavior related to work. When employees perceive that the organization provides excellent support, it will bring up a sense of responsibility to provide the best performance, thus encouraging employees to improve the quality and quantity of work (Yang et al., 2020). Organizational support determines the organization's readiness to reward increased work effort and meet employees' socio-emotional needs in developing global beliefs about how far the organization values contributions and cares about the well-being of its employees (Cote et al., 2021). Employees with higher organizational support exhibit greater creativity, superior work commitment, higher employee engagement and optimal performance (Mufarrikhah et al., 2020). Organizational support has a significant impact on employee performance (Tran et al., 2020; Sulistyawati & Sufriadi, 2020; Sungu et al., 2019; Kim et al., 2018; Nazir & Islam, 2018), contrary to Ariyanti & Rijanti (2022), Tjahjono et al. (2020), Yuliviano (2019), Tombokan et al. (2019).

The difference in the results of research that has been done before encourages researchers to conduct further research on the effect of self-efficacy and organizational support on employee performance through the mediation of employee engagement. Mediating variables are used to bridge the gap between inconsistencies in previous research findings and to strengthen the impact of self-efficacy and organizational support on employee performance. According to Zhang et al. (2022), Ilhami et al. (2021), and Lai et al. (2020), there is a significant relationship between employee engagement and employee performance.

Grobela (2018) explains that employee engagement in work will affect individual performance. Employees attached and committed to their company can provide competitive advantages, including high productivity, better customer service, and low employee turnover (Lianto et al., 2018). Bonded employees can control emotions and maximize physical performance and cognitive abilities in the organization. Employee performance will be achieved when employees have high engagement and are empowered through organizational facilities that support confidence in maximizing their abilities well against the performance performed (Mone & London, 2018).

State of the Global Workplace 2022 reports low employee engagement in Indonesia; only 24% of employees are attached to their jobs (Gallup, 2022). Based on the Job-demand Resource Model, employee engagement is influenced by high job resources (physical, psychological, social, and organizational characteristics) and personal resources (optimism, resilience, self-esteem, and self-efficacy). Employee engagement is influenced by self-efficacy, a component of personal resources (Schaufeli, 2017). Self-efficacy increases work engagement through a cycle of employee self-fulfillment in achieving what is believed to be achievable and, in the process, can build additional skills and predict positively in managing work-related challenges (Aulia et al., 2022). Employee engagement is also influenced by organizational support, according to Social Exchange Theory, which underpins the relationship between organizational support and employee engagement in improving employee performance by forming social interactions in which there are elements of rewards, sacrifices, and benefits that influence each other (Blau, 1964). High organizational support can boost employee engagement and performance (Sulistiyawati & Sufriadi, 2020; Nazir & Islam, 2018).

This investigation focuses on the Regional Public Company (Perumda) Air Minum Ngawi Regency. Perumda Air Minum Ngawi is important in improving the regional economy and supporting national economic development through drinking water management activities developed by the Ngawi Regency Regional Government. Perumda Air Minum Ngawi conducts annual performance evaluation activities based on the Director General's Cipta Karya Indicator of the Ministry of PUPR Number CK.0506-DC/165. The results of the performance assessment of Perumda Air Minum Ngawi using the indicators of the Director General of Cipta Karya of the Ministry of PUPR show that the performance assessment in 2019 obtained a value of 2.99, the performance assessment in 2020 obtained a value of 3.15, and the performance assessment in 2021 obtained a value of 3.08. Perumda Air Minum Ngawi's performance assessment for the last three years meets the “healthy” performance assessment category. However, compared to the 2020 performance assessment, the performance value decreased from 3.15 to 3.08. This was influenced by several aspects of performance evaluation, including aspects of human resources at Perumda Air Minum Ngawi.

The performance of Perumda Air Minum Ngawi is evaluated using human resource factors such as employee absenteeism. Employee absenteeism at Perumda Air Minum Ngawi was 14.87% in 2019, 16.38% in 2020, and 17.01% in 2020. This can be interpreted as more orderly employees, potentially affecting the high absenteeism rate of Perumda Air Minum Ngawi employees over the last three years. Employee absenteeism reflects a lack of enthusiasm and motivation at work, contributing to inadequacy. Low employee self-efficacy can lead to low employee confidence in completing work responsibilities. As a result, Perumda Air Minum Ngawi employees must have high self-efficacy. Individuals with higher levels of self-efficacy are more likely to benefit from workplace development programs than those with lower levels of self-efficacy (Robbins & Judge, 2017). This can impact employees' self-confidence in their
ability to improve employee performance. According to Pang and Lu (2018), the most important organizational goal and objective is to set goals and objectives to achieve employee performance and improve overall organizational performance.

Based on the phenomena described in the research object, this study aims to investigate the effect of self-efficacy and organizational support on employee performance as mediated by employee engagement in Perumda Air Minum Ngawi employees.

Literature Review

Conceptual Background and Hypothesis Development

Employee Performance

Performance is defined as a behavior or action relevant to organizational goals based on the responsibilities assigned by the organization (Campbell et al., 1993). Employee performance is defined as the distribution of results desired by the organization regarding quality, quantity, and work time displayed by employees (Na-Nan et al., 2018). According to Kasmir (2016), employee performance is determined by the work and work behavior required to complete tasks and responsibilities within a given time frame. Employee performance refers to actions that are part of a formal reward system and meet the job requirements (Jin & McDonald, 2017). Employee performance is deemed superior and successful if the desired organizational goals are met (Loon et al., 2018). According to several explanations, employee performance results from work accomplished by employees in terms of quality and quantity over a specific period by company values and standards to achieve company goals. Personal, leadership, team, system, and contextual or situational factors influence employee performance (Mahmudi, 2010).

Self-efficacy

Self-efficacy is a person's belief in their ability to control situations and produce something useful for their performance (Santrock, 2007). According to social cognitive theory, self-efficacy assesses one's ability to organize and carry out the actions needed to achieve the specified performance (Bandura, 1986). Self-efficacy is the level of individual beliefs about how much an employee can do a specific task to achieve specific results (Woolfolk, 2008). Self-efficacy is a person's assessment of his ability or competence to carry out tasks, achieve goals, and overcome obstacles at work (Baron & Byrne, 2004). From several opinions that have been explained, self-efficacy is an individual's belief in his or her ability to encourage self-motivation, control situations, and overcome obstacles faced in achieving targeted goals. Bandura's (1997) factors that influence self-efficacy in individuals include Enactive Attainment, Vicarious Experiences, Verbal Persuasion, and Physiological and Affective States. Self-efficacy arises because of the interaction between the external environment and self-competence in performing a task, experience, and personal ability to achieve goals (Niu, 2010; Ariyanti & Rijanti (2022); Donkor (2021); Nilasari et al. (2022); Abubakar et al. (2020); Tian et al. (2019); Clercq et al. (2018); and Bhatti et al. (2018)) show that self-efficacy has a positive and significant effect on employee performance. So, the higher the employee's self-efficacy, the higher the resulting employee performance.

H1: Self-efficacy has a significant effect on Employee Performance

Organizational Support

Organizational support is a level of trust or employee perception of the organization in valuing and maintaining the welfare of organizational employees (Robbins & Judge, 2017). Meanwhile, Eisenberger et al. (1986) define organizational support as an employee's perception of how sensitive or concerned the organization is about employee welfare and appreciation of employee contributions. If adequate support is provided, organizational support meets the psychological needs of employees, influencing overall employee satisfaction at work (Rhoades & Eisenberger, 2002). The certainty of the availability of organizational assistance when needed to support the implementation of employee tasks to run effectively in stressful situations is referred to as organizational support. According to the explanations provided, organizational support is the level of trust or employee perceptions of the organization in appreciating and maintaining employee welfare in exchange for employees who have contributed to the organization's achievement of organizational goals. Rhoades and Eisenberger (2002) discuss the effects of organizational support on organizational commitment, job-related effects, work engagement, strains, desire to remain, and withdrawal behavior. In developing global beliefs about how far the organization values contributions and cares about employee well-being, organizational support determines the organization's readiness to reward increased work effort and meet employees' socio-emotional needs (Eisenberger et al., 1986; Ram & Prabakar, 2011). Organizational support positively and significantly affects employee performance (Tran et al., 2020; Sulistyawati & Sufriadi, 2020; Sungu et al., 2019; Kim et al., 2018; Nazir & Islam, 2018). The greater the organizational support for employees, the higher the employee performance.

H2: Organizational Support has a significant effect on Employee Performance

Employee Engagement

Employee engagement refers to the condition of fully engaged employees who are committed to working for the company. Employees attached to and committed to their company can provide competitive advantages such as increased productivity, improved customer service, and lower employee turnover (Noe, 2017). Employee performance will be at its best when they are highly engaged and have access to organizational resources that empower them to perform to the best of their abilities (Bhatla, 2011). Employee engagement
can be defined as a positive attitude that employees have with meaning, high motivation, resilience, and the desire to try and not give up in facing challenges with full concentration on a task in achieving organizational goals. More attached employees can control emotions and maximize physical performance and cognitive abilities in the organization (Lianto et al., 2018). Employee engagement has a positive and significant effect on employee performance, according to Zhang et al. (2022), Ilhami et al. (2021), Lai et al. (2020), Sulistyawati & Sufriadi (2020), Tian et al. (2019), Bhatti et al. (2018), and Nazir & Islam (2018). So, the higher the employee engagement, the higher the resulting employee performance.

Personal resources are one of several factors that influence work engagement (Schaufeli, 2017). Employee engagement is increased by a cycle of self-efficacy in achieving what is considered achievable, which can improve skills and predict positive dealing with work-related challenges (Chan et al., 2015). Self-efficacy has a positive and significant effect on employee engagement, according to Aulia et al. (2022), Chan et al. (2020), Doo et al. (2019), Orgambidez et al. (2019), Tian et al. (2019), and Bhatti et al. (2018). Furthermore, organizational support can increase intrinsic and extrinsic motivation from organizational facilities and support to realize employees’ professional goals (Blau, 1964). Organizational support significantly impacts employee engagement, resulting in various outcomes such as increased organizational behavior and decreased counterproductive behavior (Sulea et al., 2012). Employees strive to be involved and enthusiastic at work in exchange for the assistance they receive (Blau, 1964). Organizational support has a positive and significant effect on employee engagement, according to Oubibi et al. (2022), Aulia et al. (2022), Inam et al. (2021), Canboy et al. (2021), Alshaabani et al. (2021), Sulistyawati & Sufriadi (2020), and Nazir & Islam (2018).

H3: Self-efficacy has a significant effect on Employee Engagement
H4: Organizational Support has a significant effect on Employee Engagement
H5: Employee Engagement mediates the effect of Self-efficacy on Employee Performance
H6: Employee Engagement mediates the effect of Organizational Support on Employee Performance

Research and Methodology

This study employs an explanatory research method to objectively test the theory by examining the relationship between each variable using statistical procedures and a quantitative approach. The population in this study were all permanent Perumda Air Minum Ngawi employees who had worked for at least one year. As a sampling technique, a saturated sample was used. The saturated sample is a sampling technique if the entire population is used as a research sample. Hair et al. (2014) explained that the recommended sample size is in the range of 100 – 400 samples or at least five times the number of question items to be analyzed. Therefore, this study used 269 employees as its sample.

The data for the study are derived from survey results and documentation. A Likert scale is used in the submitted questionnaire to determine the extent to which respondents express their opinions on a predetermined scale. The data were analyzed using partial least squares (SEM-PLS) structural equation modeling. The concept behind using PLS data analysis is to test several research models’ modified results to provide an overview of the variables studied (Ghozali, 2014). In this study, the self-efficacy variable employs indicators from Schwarzer et al. (1997). Eisenberger et al. (1986) provide indicators for organizational support. Furthermore, employee engagement employs indicators adapted from Schaufeli & Bakker (2003), while employee performance employs indicators adapted from Koopmans et al. (2013).
Finding and Discussion

The Ngawi Regency Regional Government owns the Regional Public Company (Perumda) Air Minum Ngawi. The goal of establishing Perumda Air Minum Ngawi is to carry out regional development, particularly in the field of drinking water supply for the population and national economic development, to improve welfare and meet the needs of the Ngawi Regency’s local community. Perumda Air Minum Ngawi is essential in improving the regional economy to support national economic development through drinking water management activities developed by the Ngawi Regency Regional Government. The presence of Perumda Air Minum Ngawi in the community can help meet the community's need for safe drinking water. As research objects, Perumda Air Minum Ngawi has seven sections: Administration, General Administration and Personnel, Finance, Marketing, Transmission and Distribution, Production, and Billing. The following observation results can be seen in Table 1 below.

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21 – 30 years</td>
<td>42</td>
<td>15,6</td>
</tr>
<tr>
<td>31 – 40 years</td>
<td>97</td>
<td>36,1</td>
</tr>
<tr>
<td>41 – 50 years</td>
<td>106</td>
<td>39,4</td>
</tr>
<tr>
<td>&gt; 50 years</td>
<td>24</td>
<td>8,9</td>
</tr>
<tr>
<td>Education Background</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bachelor</td>
<td>71</td>
<td>26,4</td>
</tr>
<tr>
<td>Diploma 3</td>
<td>14</td>
<td>5,2</td>
</tr>
<tr>
<td>Senior high school</td>
<td>157</td>
<td>58,4</td>
</tr>
<tr>
<td>Junior High school</td>
<td>21</td>
<td>7,8</td>
</tr>
<tr>
<td>Elementary school</td>
<td>6</td>
<td>2,2</td>
</tr>
<tr>
<td>Working Period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 5 years</td>
<td>48</td>
<td>17,8</td>
</tr>
<tr>
<td>5 – 10 years</td>
<td>142</td>
<td>52,8</td>
</tr>
<tr>
<td>&gt; 10 years</td>
<td>79</td>
<td>29,4</td>
</tr>
</tbody>
</table>

Source: Processed data 2023

Based on table 1 above shows that the majority of respondents are 41-50 years old (39.6%). This shows that most employees with longer career ages can accept and adapt to their work to meet their needs. Then the level of education is dominated by the majority of senior high school (58.4%), followed by bachelor (26.4%). This means that most Perumda Air Minum Ngawi employees have the latest senior high school and bachelor's degrees. In addition, the working period is dominated by a maximum tenure of 5-10 years, which shows that employees have high loyalty and experience in their field.

Descriptive Statistic and Correlation

This study employs the variables of Self-Efficacy, Organizational Support, Employee Engagement, and Employee Performance, as shown in Table 2, along with the average value of respondents’ responses to each variable.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-efficacy</td>
<td>4.04</td>
</tr>
<tr>
<td>Organizational Support</td>
<td>3.70</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>3.92</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>3.81</td>
</tr>
</tbody>
</table>

Source: Processed data 2023

Measurement Model Analysis

This study uses convergent and discriminant validity tests with the constructs to be measured for the initial research scale development value between 0.50 and 0.60 is considered sufficient (Ghozali & Latan, 2014). Table 3 shows the results of the validity and reliability tests in more detail.
The results of the convergent validity test are shown in Table 3 above by looking at the loading factor value of each indicator on the four variables (Self-Efficacy, Organizational Support, Employee Engagement, and Employee Performance) greater than 0.70 (Ghozali & Latan, 2014). Furthermore, the discriminant validity can be seen in the Average Variance Extracted (AVE) root value by comparing the coefficient value on each variable with the correlation value on each variable relationship in the research model, and each root AVE value is greater than 0.50. As a result, the items used in this study can be valid. Following validity testing, reliability testing is performed using Cronbach’s alpha and composite reliability values. Table 4 displays the results of the reliability test.

<table>
<thead>
<tr>
<th>Latent Variable</th>
<th>Indicator</th>
<th>Convergent Validity</th>
<th>Discriminant Validity</th>
<th>Source: Processed data 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Loading Factor</td>
<td>Result</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>AVE</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Result</td>
<td></td>
</tr>
<tr>
<td>Self-efficacy</td>
<td>X1.1</td>
<td>0.883</td>
<td>Valid</td>
<td>0.725</td>
</tr>
<tr>
<td></td>
<td>X1.2</td>
<td>0.881</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.3</td>
<td>0.918</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.4</td>
<td>0.899</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.5</td>
<td>0.900</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.6</td>
<td>0.746</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.7</td>
<td>0.837</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.8</td>
<td>0.798</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.9</td>
<td>0.874</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.10</td>
<td>0.758</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td>Organizational Support</td>
<td>X2.1</td>
<td>0.874</td>
<td>Valid</td>
<td>0.708</td>
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<td></td>
<td>X2.2</td>
<td>0.854</td>
<td>Valid</td>
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<tr>
<td></td>
<td>X2.3</td>
<td>0.841</td>
<td>Valid</td>
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</tr>
<tr>
<td></td>
<td>X2.4</td>
<td>0.792</td>
<td>Valid</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X2.5</td>
<td>0.822</td>
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<tr>
<td></td>
<td>X2.6</td>
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<td>X2.7</td>
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<td>X2.8</td>
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<tr>
<td>Employee Performance</td>
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<td>0.842</td>
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<td>0.784</td>
</tr>
<tr>
<td></td>
<td>Y2</td>
<td>0.901</td>
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<td></td>
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<td></td>
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<tr>
<td></td>
<td>Y4</td>
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<td></td>
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<td></td>
<td>Y5</td>
<td>0.901</td>
<td>Valid</td>
<td></td>
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<tr>
<td></td>
<td>Y6</td>
<td>0.932</td>
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<td>Y7</td>
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<td></td>
<td>Y8</td>
<td>0.911</td>
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<td></td>
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<td></td>
<td>Y14</td>
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<td></td>
<td>Z2</td>
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<td></td>
<td>Z3</td>
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</tr>
<tr>
<td></td>
<td>Z4</td>
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<td></td>
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<tr>
<td></td>
<td>Z9</td>
<td>0.761</td>
<td>Valid</td>
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</table>
Table 4: Reliability Analysis

<table>
<thead>
<tr>
<th></th>
<th>Cronbach’s Alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-efficacy</td>
<td>0.959</td>
<td>0.963</td>
</tr>
<tr>
<td>Organizational Support</td>
<td>0.941</td>
<td>0.951</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>0.925</td>
<td>0.937</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>0.979</td>
<td>0.981</td>
</tr>
</tbody>
</table>

**Source:** Processed data 2023

Based on Table 4 above, the data used in this study are reliable. The threshold value for reliability is 0.70 (Ghozali & Latan, 2014). Table 4 shows that each variable has a Cronbach’s alpha and composite reliability value greater than 0.7, so the items used in this study are reliable.

**Structural Model Test**

Testing the structural model (inner model) aims to determine the suitability of a model which can be seen from the value of the coefficient of determination (R²), predictive relevance (Q²) and goodness of fit model (GoF). The coefficient of determination (R²) test results on the Employee Engagement variable were 0.571, indicating that the employee engagement variable influences the predictive power of the entire model by 0.571 or 57.1%. In comparison, the remaining 42.9% is a contribution from other variables not included in this research model. The R² value for the Employee Performance variable is 0.469, indicating that the employee performance variable (Y) has a predictive power of 0.469 or 46.9% of the total model, with the remaining 53.1% being the contribution of other variables not included in this research model.

The Q² test results show a value of Q² of 0.772, with Self-efficacy, Organizational Support, and Employee Engagement predicting Employee Performance by 77.2% and other variables contributing by 22.8%. The Goodness of Fit test assesses the accuracy of a research model constructed using research variables. Based on the results of GoF calculations, it yields a value of 0.683, indicating that the structural model of this study has strong predictive properties in general. The goodness of fit (GoF) above indicates that the model in this study is robust enough to allow for hypothesis testing.

**Hypothesis Test**

This research has hypothesis testing, namely direct effects testing and indirect effect or mediation effect. The direct effects test examines the influence of Self-efficacy, Organizational Support, and Employee Engagement on Employee Performance. The results of direct hypothesis testing can be seen in Table 5.

Table 5: Direct Effect Test Results

<table>
<thead>
<tr>
<th></th>
<th>Path Coef</th>
<th>t-Statistic</th>
<th>P-Value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-Efficacy → Employee Performance</td>
<td>0.083</td>
<td>2.690</td>
<td>0.004</td>
<td>Accepted</td>
</tr>
<tr>
<td>Organizational Support → Employee Performance</td>
<td>0.030</td>
<td>2.368</td>
<td>0.010</td>
<td>Accepted</td>
</tr>
<tr>
<td>Self-Efficacy → Employee Engagement</td>
<td>0.104</td>
<td>2.152</td>
<td>0.012</td>
<td>Accepted</td>
</tr>
<tr>
<td>Organizational Support → Employee Engagement</td>
<td>0.576</td>
<td>7.711</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Employee Engagement → Employee Performance</td>
<td>0.434</td>
<td>5.205</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

**Source:** Processed data 2023

The table above shows that Self-Efficacy has a significant effect on Employee Performance (β= 0.083, t=2.690, p<0.05) so H1 is accepted. In addition, Organizational Support has a significant effect on Employee Performance (β = 0.030, t = 2.368 p < 0.05) so, H2 is accepted. Furthermore, Self-Efficacy has a significant effect on Employee Engagement (β = 0.104, t = 2.152 p < 0.05) so H3 is accepted. Then, Organizational Support has a significant effect on Employee Engagement (β = 0.576, t = 7.711 p < 0.05) so that H4 is accepted, and Employee Engagement has a significant effect on Employee Performance (β = 0.434, t = 5.505 p < 0.05) so that H5 can be accepted. Based on this explanation, it can be obtained that the direct testing hypotheses, namely H1, H2, H3, H4, and H5, are accepted. The results of indirect hypothesis testing can be seen in Table 6.
Employee performance is significantly affected by self-efficacy. This demonstrates that changes in the magnitude/level, generality, and strength of self-efficacy affect the performance of Perumda Air Minum Ngawi employees. A high level of self-efficacy can help improve performance by reducing the perceived mismatch between current circumstances and expected goals. It has the potential to reduce resource allocation, such as labor and time, and negatively impact performance (Burić & Macuka, 2018). Employees tend to strive to complete more complex tasks with more incredible difficulty. As a result, Perumda Air Minum Ngawi employees will be more willing to pursue additional opportunities to develop their skills and gain work experience to improve their performance. Self-efficacy arises from Perumda Air Minum Ngawi employees' self-confidence in completing work-related responsibilities, one of which is being more orderly at work. The role of self-efficacy in improving Perumda Air Minum Ngawi employees’ performance is discussed. The findings of this study are consistent with those of previous studies by Lim et al. (2022), Aliyanti & Rijanti (2022), Donkor (2021), Nilsasari et al. (2022), Abubakar et al. (2020), Tian et al. (2019), Clercq et al. (2018), and Bhatti et al. (2018). Self-efficacy is important when focusing on Perumda Air Minum Ngawi employees because it can foster intrinsic motivation, which is vital for optimizing employee performance.

Organizational support directly influences employee performance. When employees perceive that the organization provides excellent support, it will bring up a sense of responsibility to provide the best performance, thus encouraging employees to improve the quality and quantity of work (Yang et al., 2020). When employees believe their organization cares about their well-being, they are more likely to try to fulfill their obligations to the organization by becoming more involved in achieving peak performance. The findings of this study are consistent with previous research by Tran et al. (2020), Sulistyawati & Sufriadi (2020), Sungu et al. (2019), Kim et al. (2018), and Nazir & Islam (2018), which show that organizational support has a positive and significant effect on employee performance. Employees can be encouraged to improve their performance by receiving organizational support. Businesses use organizational support to raise employee performance. Employee development, workplace justice, leadership support, rewards, and working conditions are some of the services provided by the company. These human resource practices demonstrate the company’s appreciation for employee contributions. Employees with higher organizational support exhibit greater creativity, superior work commitment, higher employee engagement and optimal performance (Mufarrikhah et al., 2020). Therefore, support from the organization plays an important role in optimizing positive employee behavior so that employees can contribute more to the company through the resulting performance.

Employee engagement is significantly affected by self-efficacy. Self-efficacy plays a significant role in influencing employee engagement at Perumda Air Minum Ngawi. Self-efficacy is a positive factor in increasing Perumda Air Minum Ngawi employee engagement. Self-efficacy increases work engagement through a cycle of employee self-fulfillment in achieving what is believed to be achievable and, in the process, can build additional skills and predict positively in managing work-related challenges (Aulia et al., 2022). Employees with high self-efficacy will put in more effort to complete above-average responsibilities with more incredible difficulty, increasing their enthusiasm for expanding their knowledge and abilities. Thus, efforts to increase employee self-efficacy may impact Perumda Air Minum Ngawi's high employee engagement, which is expected to improve performance in meeting company goals. This study’s findings are consistent with those of previous studies by Aulia et al. (2022), Chan et al. (2020), Doo et al. (2019), Organbidez et al. (2019), Tian et al. (2019), and Bhatti et al. (2018). Additionally, the results of this study support the Schaufeli (2017) job-demand resource model, which contends that high job resources (physical, psychological, social, and organizational characteristics) and personal resources (optimism, resilience, self-esteem, and self-efficacy) at work affect employee engagement. Employees realize that there is confidence in their ability to carry out certain obligations. This self-confidence develops because of the employee's self-fulfillment cycle in achieving what is thought to be achievable and, in the process, can build additional skills and predict positively in dealing with work challenges.

Table 6: Indirect test results

<table>
<thead>
<tr>
<th>Path Coef</th>
<th>t-Statistik</th>
<th>P- Value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-Efficacy → Employee Engagement → Employee Performance</td>
<td>0.045</td>
<td>3.044</td>
<td>0.003</td>
</tr>
<tr>
<td>Organizational Support → Employee Engagement → Employee Performance</td>
<td>0.250</td>
<td>4.424</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Source: Processed data 2023
Employee Engagement is also influenced by organizational support. Employees can feel company support through various performance support activities in which they participate to increase employee activeness at work so that employees are more engaged and perform optimally. Organizational support determines the organization's readiness to reward increased work effort and meet employees' socio-emotional needs in developing global beliefs about how far the organization values contributions and cares about its employees' welfare (Ram & Prabhakar, 2011). Organizational support significantly impacts employee engagement, leading to improved performance, positive behavior, and decreased organizational counterproductive behavior (Sulea et al., 2012). The findings of this study are consistent with those of Oubibi et al. (2022), Aulia et al. (2022), Inam et al. (2021), Canboy et al. (2021), Alshaabani et al. (2021), Sulistyawati & Sufriadi (2020), and Nazir & Islam (2018), who found that organizational support has a positive and significant effect on employee engagement. The findings of this study support the social exchange theory developed by Blau (1964). Perumda Air Minum Ngawi employees will voluntarily provide positive reciprocity for organizational support provided as performance support, one of which is higher employee engagement. The mutual interaction of organizational support provided by Perumda Air Minum Ngawi on employee contributions at work with employee efforts to be more involved in their work can indirectly improve employee performance, and a productive work environment emerges, allowing company goals to be achieved optimally.

Employee performance is directly affected by employee engagement. Employee engagement demonstrated at work can boost the company's effectiveness in achieving its vision, mission, and goals. The role of employees and companies that contribute positively to each other motivates a high level of employee engagement. Employees who are loyal and committed to the company can provide competitive advantages such as higher productivity, better customer service, and lower employee turnover (Lianto et al., 2018). Perumda Air Minum Ngawi employees demonstrate a positive psychological condition for fulfilling and completing work, characterized by enthusiasm and high enthusiasm when working. According to Grobelna (2018), employee engagement in work affects individual performance, such as low levels of employee absenteeism, employee turnover, work safety incidents, and increased productivity and profits, so the company's efforts in supporting employee engagement are needed to improve employee performance so that employees can play an active role in the company's progress and improve the quality of each individual's performance. This study's findings are consistent with those of Zhang et al. (2022), Ilhami et al. (2021), Lai et al. (2020), Sulistyawati & Sufriadi (2020), Tian et al. (2019), Bhatti et al. (2018), and Nazir & Islam (2018), who found that employee engagement has a positive and significant effect on employee performance.

Employee engagement can mediate the effect of self-efficacy on employee performance. This demonstrates that engagement to the work of Perumda Air Minum Ngawi employees can influence the effect of self-efficacy on employee performance. Employee performance refers to actions that are part of a formal reward system and meet the job requirements (Jin & McDonald, 2017). Employee performance is deemed superior when the desired organizational goals can be met through positive interactions and contributions between employees and organizations that provide mutual benefits. The mediating effect in this study is partial mediation. If the self-efficacy variable rises and employee engagement rises, Perumda Air Minum Ngawi's employee performance will also rise. However, even if self-efficacy rises while employee engagement falls, Perumda Air Minum Ngawi employees' performance will rise. Employees with high self-efficacy are more engaged and will work harder to complete their responsibilities to improve their performance. On the other hand, employees with low self-efficacy need more confidence in their abilities, resulting in less-than-optimal performance. The findings of this study are consistent with those of Tian et al. (2019) and Bhatti et al. (2018), who found that employee engagement can mediate the effect of self-efficacy on employee performance. Employees with high self-efficacy at Perumda Air Minum Ngawi will strive to provide positive behavior at work, minimizing absenteeism, which can reduce performance quality. Through high self-efficacy, employees can minimize counterproductive behavior and show better employee engagement, which can impact the performance of Perumda Air Minum Ngawi employees.

Employee engagement can also mediate the effect of organizational support on employee performance. The mediation that occurs is only partial. If organizational support and employee engagement improve, Perumda Air Minum Ngawi's employee performance will improve. However, even if organizational support rises while employee engagement falls, Perumda Air Minum Ngawi employees' performance will rise. Anyone can achieve optimal performance individually and in groups to contribute to completing organizational responsibilities (Ghosh et al., 2014). The findings of this study are consistent with previous research by Sulistyawati & Sufriadi (2020) and Nazir & Islam (2018), which show that employee engagement can mediate the effect of organizational support on employee performance. Employees who have much better organizational support in the company will have an impact on increasing employee engagement, which will result in higher performance. Organizational support demonstrates the company's willingness to listen to and value employee contributions. Employees who have strong organizational support can commit to prioritizing company goals. Perumda Air Minum Ngawi can provide organizational support through productive activities such as training or substantive workshops that allow employees to develop competencies and expertise in specific fields of work. Perumda Air Minum Ngawi employees will strive to improve individual and group success in completing various responsibilities in producing performance, targets, and standards for achieving specific performance optimally based on applicable company provisions. Perumda Air Minum Ngawi employees can actively use organizational support to increase employee engagement, which impacts the high performance produced.
Conclusions

The research and discussion above show that self-efficacy and organizational support can improve employee performance. This demonstrates that employee performance increases with employee self-efficacy and organizational support levels. Organizational support has the least impact on employee performance, but it positively affects employee performance. Additionally, self-efficacy and organizational support can boost employee engagement. This implies that higher self-efficacy and better organizational support for employees will increase employee engagement. Employee engagement can boost performance. Employee performance will improve if employees have a strong engagement to them. Employee engagement can mediate the effect of self-efficacy and organizational support on employee performance. Employee engagement is a partial mediator in mediating the effect of self-efficacy and organizational support on employee performance.

This study makes a theoretical contribution by supporting several theories and previous research. It also makes a practical contribution to helping Perumda Air Minum Ngawi improve employee performance by increasing employee self-efficacy and providing optimal organizational support to all employees. Then, Perumda Air Minum Ngawi will be able to pay more attention to employee contributions to the company in the future through performance awards or promotions to encourage employee performance to play a more active role in achieving company objectives. Moreover, Perumda Air Minum Ngawi is anticipated to provide a more exciting and enjoyable job design in the future through various activities and competitions based on its vision and mission.

This study has several limitations. First, respondents may answer biasedly to maintain the company's image, which does not rule out the possibility of a mismatch between the respondent's answer and the actual conditions. Second, this study is limited to the performance of Perumda Air Minum Ngawi employees, a regional-level company. Third, there are no open questions on this research questionnaire. As a result, future research will address the limitations by including additional variables that influence employee performance. Furthermore, it is hoped that future research will broaden the scope of the study and have open-ended questions to investigate the phenomena and conditions of the object of study in two directions.

Acknowledgment


Institutional Review Board Statement: Ethical review and approval were waived for this study, due to the research does not deal with vulnerable groups or sensitive issues.

Data Availability Statement: The data presented in this study are available on request from the corresponding author. The data are not publicly available due to privacy.

Conflicts of Interest: The authors declare no conflict of interest.

References


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