

The Role Of Employees Engagement And Self-Efficacy On Employee Performance: An Empirical Study On Palm Oil Company

Zainal Arifin¹, Hanifah², Nirza Marzuki Husein³, M. Jihadi⁴, Hesty Prima Rini⁵, Dodi Prasada⁶, Hadion Wijoyo⁷

¹Associate Professor STIE Indonesia, Banjarmasin, South Kalimantan, Indonesia. email: zainal@stiei-kayutangi-bjm.ac.id

²Associate Professor STIE Indonesia, Banjarmasin, South Kalimantan, Indonesia. email: hanifah@stiei-kayutangi-bjm.ac.id

³Associate Professor STIE Indonesia, Banjarmasin, South Kalimantan, Indonesia Email: nirza@stiei-kayutangi-bjm.ac.id

⁴Faculty of Economics and Business, University of Muhammadiyah Malang, Malang, Indonesia. email : jihadi@umm.ac.id.

⁵University of Pembangunan Nasional "Veteran" East Java. Email : hestyprimarini.mnj@upnjatim.ac.id

⁶Universitas Pamulang, Indonesia, Email:dosen02454@unpam.ac.id

⁷STMIK Dharmapala Riau, Indonesia, Email ; hadion.wijoyo@lecturer.stmikdharmapalariau.ac.id

Abstract

The purpose of this study is to examine the concept of employee performance through and self-efficacy with employee engagement as an intervening variable at a palm oil company. This type of research used explanatory with a quantitative approach using variance based SEM analysis. The research was conducted on 140 respondents from palm oil company employees. The distribution of questionnaires in this study was carried out in two stages, namely the distribution of online questionnaires via google form to restaurant owner consumers. The statistical data processing tool is the SmartPLS 3.0 software. The sampling technique used in this study is accidental sampling, which is the determination of the sample based on accidental samples. The results of this study are Self Efficacy has a positive and significant effect on employee performance,; Employee Engagement has a positive and significant effect on employee performance, Self Efficacy has a positive and significant effect on Employee Engagement at a palm oil company.

Keywords: Employee Engagement, Self Efficacy , Employee Performance, Palm Oil Company

Introduction

In this digital era and industrial revolution 4.0, human resources have an important role as a potential driver of all activities within a company. According to Ballen et al. (2017); Chang et al. (2019) Companies must improve the quality of their human resources performance. By having superior human resources, the company will find it easier to compete in today's business world. Therefore, companies need to manage Human Resources as well as possible, because the key to the success of a company is not only technological excellence and the availability of funds but the human factor is the most important factor. Humans can be regarded as the main resource capable of organizing, analyzing, and controlling problems that exist within a company. One of the factors that influence HR performance is employee engagement. Employee engagement in a job has an important role that with the influence of employee engagement on employee performance, the company can improve the performance of its employees through efforts to increase employee engagement. According to Chang et al. (2019) which states that employee engagement variables can create success for the company, one of which is through improving employee performance. The same thing was also expressed by According to Amoako et al. (2017); Black et al. (2019); Ballen et al. (2017); Chang et al. (2019) stated that employee engagement has a positive and significant effect on employee performance. Given the difficulty of improving employee performance in a company, companies need relevant efforts, namely by providing training to employees with the aim of improving and developing the knowledge, skills, expertise, skills and competencies of an employee. When employees are bound or engaged in the company where they work, employees will have a high awareness of the company and want to play an extra role for their performance towards the company. So that the company will have employees who are skilled, capable, and have high work performance and great responsibility to the company. Various studies have been conducted to see that there is a relationship and influence of employee engagement on HR performance.

According to Amoako et al. (2017); Black et al. (2019) employee engagement is a positive attitude that employees have towards the organization where they work and the values possessed by the organization, in the concept of employee engagement there is a two-way relationship between employees and the company. It can be concluded, employee engagement is an employee's positive emotional attachment and commitment to the organization where he works and the values of the organization. Factors that can trigger the creation of employee engagement According to Weda et al.

(2018); Yu et al. (2020)) one of which is, working life which is a comfortable working environment or organizational climate that is perceived well by employees. Meanwhile, according to Na-Nan et al. (2019); Sklett et al.. (2018) One factor that can increase employee engagement is related to psychological conditions, namely safety which can increase employee confidence at work. One of the individual factors that influence performance is self-efficacy. Self-efficacy According to Na-Nan et al. (2019); Sklett et al.. (2018) is an individual's belief about their own ability to successfully perform a task in order to obtain a desired outcome. According to Veda et al. (2018); Yu et al. (2020) Self-efficacy refers to an individual's beliefs (conventions) about his or her ability to mobilize the motivation, cognitive resources and actions necessary to successfully carry out tasks in a given context. According to Na-Nan et al. (2019); Sklett et al. (2018); Veda et al. (2018); Yu et al. (2020) explained, there are two types of self-efficacy, namely specific self-efficacy (SSE) and general self-efficacy (GSE).

According to Chen et al. (2020); Dissanayake et al. (2019) suggests that self-efficacy can be defined as a person's belief in his ability to produce performance according to the specified level, which can have an influence on events that affect his life. It was further stated that the beliefs that arise can determine how a person feels, thinks, motivates himself, and behaves. These beliefs can arise through cognitive, motivational, affective, and selection processes. Self-efficacy will develop gradually and continuously as abilities increase and related experiences increase. According to Donohue et al. (2020); Huang et al. (2018) someone who has a strong sense of efficacy can help himself to complete the given job tasks and help improve his psychological well-being. With a strong sense of efficacy, a person can perceive a difficult task as a challenging job that must be mastered, not as something that is scary and must be avoided. This can provide confidence and mental resilience that makes a person avoid the risk of stress and depression at work. According to Huang et al. (2018) states that self-efficacy is a number of estimates of a person's perceived ability. In essence, self-efficacy is a person's belief that he is able to do a certain task well. With this belief, the individual is able to judge whether he has the power to produce the desired effect or not. According to Chen et al. (2020); Dissanayake et al. (2019); Donohue et al. (2020); Huang et al. (2018) High self-efficacy can motivate individuals cognitively to act more precisely and directed, especially if the goals to be achieved are clear goals. This can determine how much effort will be devoted and how long the individual will persist in the face of obstacles or unpleasant experiences

Based on the results of the initial interview survey conducted to 5 respondents from the palm oil company, that there are obstacles regarding Self Efficacy and Employee Engagement, including some employees lack confidence because their work is not in accordance with their abilities or expertise, especially for employees with a background of experience and education. less occupied positions as staff in certain sections. So that sometimes employees have difficulty finding solutions to problems or obstacles at work. In addition, some employees of the palm oil company are less enthusiastic and do not enjoy their work. Some employees also have not been able to work well with their fellow palm oil company employees, resulting in some work being hampered. The existence of these obstacles indicates that an optimal performance has not been achieved. Based on the explanation above, this study will examine the concept of HR Performance through and Self Efficacy with Employee Engagement as an Intervening Variable at a palm oil company.

Hypotheses Development

The Influence of Self Efficacy on Performance

According to Mehmood et al. (2019); Motyka et al. (2018) defines Self Efficacy as an individual's belief in his ability to carry out a task at a specific level of performance. Self-efficacy arises when individuals have self-confidence in their abilities in carrying out a job, so that they are able to obtain success. This belief is related to the encouragement or motivation that a person has to be more confident in his own abilities. High Self Efficacy will achieve a better performance. This is because the individual has strong motivation, clear goals, stable emotions and the ability to perform activities or behaviors successfully. In other words, the higher a person's Self Efficacy, the higher the performance achieved. So, it can be said that Self Efficacy has an effect on Employee Performance. This statement is supported by several previous studies that explain the effect of Self Efficacy on performance as in the research conducted by According to Hur et al. (2020); Machmud et al. (2018); Mehmood et al. (2019); Motyka et al. (2018) related to Self Efficacy and employee performance the results show that Self Efficacy has a positive and significant effect on employee performance.

Hypotheses 1: Self Efficacy has a positive and significant effect on employee performance

The Effect of Employee Engagement on Performance

Employee engagement is defined as a positive thought, namely thinking to complete work-related matters and is characterized by vigor, dedication and absorption .According to Na-Nan et al. (2019); Sklett et al.. (2018) Employee Engagement arises when individuals have a sense of attachment or

involvement to an organization. Having employees who are actively involved in the organization indicates that the organization has a positive work climate. This is because with employees who have a good attachment to the place where they work, they will have a high enthusiasm for work, sometimes even far beyond the main tasks contained in their work contracts. An individual who has good Employee Engagement will achieve a better performance. This is because with employees who have a good attachment to the place where they work, they will have great enthusiasm for work, sometimes even far beyond the main tasks contained in their work contracts. In other words, the higher the employee engagement, the higher the performance will be. Therefore, it can be said that Employee Engagement can affect employee performance. This statement is supported by several previous studies that explain the effect of Employee Engagement on performance as has been done by Na-Nan et al. (2019); Sklett et al.. (2018) related to Employee Engagement and employee performance. The results show that Employee Engagement has a positive and significant effect on employee performance.

Hypotheses 2: Employee Engagement has a positive and significant effect on employee performance

Effect of Self Efficacy on Employee Engagement

Mangkuprawira and Hubeis (2007) state that employee performance is influenced by intrinsic and extrinsic factors. Intrinsic factors that affect employee performance include Self Efficacy and Employee Engagement. With the encouragement or motivation possessed by someone to be more confident in their own abilities and a sense of being actively involved in the organization, they will have high enthusiasm to work so that the resulting performance will be maximized. Employees who have high Self Efficacy and Employee Engagement will produce good performance. On the other hand, the lower the Self Efficacy and Employee Engagement, the lower the performance. Therefore, it can be said that Self Efficacy and Employee Engagement can affect employee performance. This statement is supported by several previous studies that explain the effect of Self Efficacy and Employee Engagement on performance as in the research conducted by According to Na-Nan et al. (2019); Sklett et al.. (2018); Weda et al. (2018); Yu et al. (2020) related to Self Efficacy, Employee Engagement and employee performance the results show that Self Efficacy has a positive and significant effect on Employee Engagement

Hypotheses 3: Self Efficacy has a positive and significant effect on Employee Engagement

Method

This type of research used explanatory with a quantitative approach using variance based SEM analysis, this is because the dependent and independent variables in this study amounted to more than one so that they could use variance based SEM to summarize the analysis formulation. The distribution of questionnaires in this study was carried out in two stages, namely the distribution of online questionnaires via google form to restaurant owner consumers. The statistical data processing tool is the SmartPLS 3.0 software. The sampling technique used in this study is accidental sampling, which is the determination of the sample based on accidental samples. The hypothetical model built in this study is as follows:

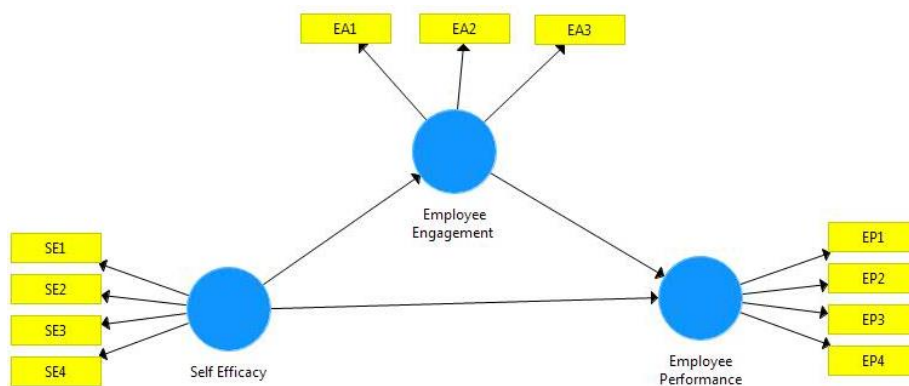


Figure 1: Research model

Hypotheses 1: Self Efficacy has a positive and significant effect on the performance of palm oil company employees

Hypotheses 2: Employee Engagement has a positive and significant effect on the performance of palm oil company employees

Hypotheses 3: Self Efficacy has a positive and significant effect on Employee Engagement of palm oil company employees

Result and Discussion

Research Results and Discussion

The tests carried out in the analysis of variance based SEM have two stages, namely the outer model and the inner model test. The explanation of the test is as follows:

1. Test Outer Model

The convergent validity test on the outer model aims to determine whether the indicators with latent variables are valid, with a validity value above 0.70 (Purwanto et al., 2021)

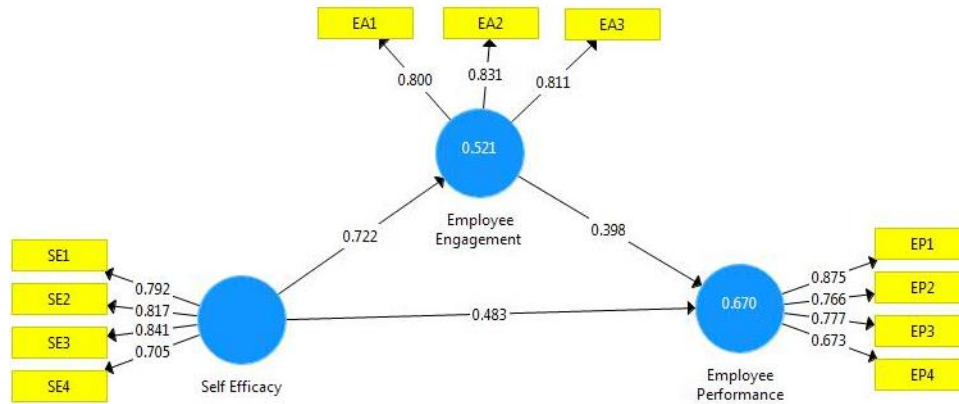


Figure 2. Convergent Testing

Figure 2. shows that the validity value of each indicator is above 0.7, so all research indicators are declared valid. In the outer model test, in addition to convergent validity, there is also a validity reliability test. The test aims to determine the reliability of the indicators in measuring the variables, while the variables are said to be valid if they have an AVE value above 0.5 and a Cronbach Alpha value above 0.7 (Purwanto et al., 2021), the following is a discriminant validity test in this study:

Table 1. Average Variance Extracted (AVE)

Variables	Cronbach's Alpha	Composite Reliability	(AVE)
Employee Engagement	0.748	0.855	0.663
Employee Performance	0.778	0.857	0.602
Self Efficacy	0.799	0.869	0.625

Table 1 shows that all Cronbach alpha and average variance extracted values exceed the minimum limit so that all variables are declared valid

2. Inner model test

The inner model test contains an explanation of the R-Square, while the R-square value in this study is as follows:

Table 2. R Square

Variables	R Square	R Square Adjusted
Employee Engagement	0.521	0.516
Employee Performance	0.67	0.663

From the R square table, it can be concluded that 52.10% of Employee Engagement is influenced by self-efficacy, while the remaining 47.90% is influenced by other variables outside the study. Employee Performance Variables Influenced by Employee Engagement and self efficacy by 67% while the remaining 33% is influenced by other factors outside the theme of this study.

In addition to reliability in the inner model test there is also a hypothesis test, while the hypothesis test in this study is as follows:

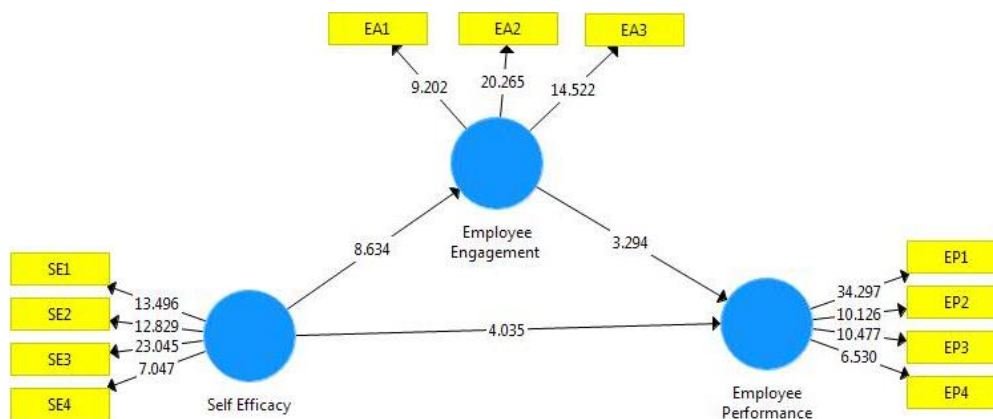


Figure 3. Hypotheses Testing

	Original Sample (O)	T Statistics	P Values

Employee Engagement -> Employee Performance	0.398	3.294	0.001
Self Efficacy -> Employee Engagement	0.722	8.634	0.000
Self Efficacy -> Employee Performance	0.483	4.035	0.000

From the value of the hypothesis testing table, it is known that all hypotheses in the study are accepted because they have a p-value below 0.05

Hypotheses 1: Self Efficacy has a positive and significant effect on employee performance

Based on the SmartPLS analysis, it was found that the p value was $0.000 < 0.050$ so that it was concluded that Self Efficacy had a positive and significant effect on employee performance. The higher the self-efficacy of BIF employees, the better their performance. The role of self-efficacy on performance in this study is supported by the results of research by Alessandri, Borgogni, and Truxillo (2015) which suggests that self-efficacy can significantly predict the level of individual work performance. And research According to Veda et al. (2018); Yu et al. (2020) self-efficacy is related to job satisfaction where if a person has high self-efficacy then he tends to succeed in his duties and increase satisfaction with what he does. The relationship between self-efficacy and performance is strengthened by Bandura's theory which states that individual performance has high relevance to the organization and the individual concerned. According to Na-Nan et al. (2019); Yu et al. (2020) High performance appears when individuals are satisfied with the results of their tasks, influenced by the role of self-efficacy and mastery of the task. However, self-efficacy must be followed by knowledge, expertise, skills, resources, and opportunities possessed by the individual, because without it, it is not enough to motivate individuals to improve their performance.

Hypotheses 2: Employee Engagement has a positive and significant effect on employee performance

Based on the SmartPLS analysis, it was found that the p value was $0.001 < 0.050$ so that it was concluded that Employee Engagement had a positive and significant effect on employee performance. This finding is strengthened by the results. Based on the SmartPLS analysis, it was found that the p value was $0.000 < 0.050$ so that it was concluded that Self Efficacy had a positive and significant effect on employee performance. Previous research has shown a significant effect between employee engagement and employee performance. Performance at the organizational level, individual and group levels is

significantly affected by work engagement. Several previous studies According to Amoako et al. (2017); Black et al. (2019); Ballen et al. (2017); Chang et al. (2019) explains the impact of employee engagement on individuals. Employee engagement affects the quality of employee work, increases job satisfaction, reduces the number of employee absenteeism and decreases the tendency to change jobs. This is because employees who have a high degree of engagement will have a high emotional attachment to the organization. High emotional attachment affects employees in completing work (tends to have satisfactory work quality) and will have an impact on employees' low desire to leave work or the company.

Hypotheses 3: Self Efficacy has a positive and significant effect on Employee Engagement

Based on the SmartPLS analysis, it was found that the p value was $0.001 < 0.050$ so that it was concluded that Self Efficacy had a positive and significant effect on Employee Engagement. This finding is supported by the results of research According to Chen et al. (2020); Dissanayake et al. (2019); Donohue et al. (2020); Huang et al. (2018) which states that self-efficacy has a significant relationship to employee engagement. The results of Niu's research (2010) state that employees who have high self-efficacy are committed to their work. Commitment is one aspect of employee engagement.

Self-efficacy is an employee's confidence in his ability to do a good job in achieving goals, if employees are confident in their abilities, want to achieve goals and want to develop their careers, they will stay longer in the company and be more productive at work. The results of Miraglia, Alessandri&Borgogni's research (2015), state that self-efficacy has an important role in maintaining a high level of performance from time to time. . According to Chen et al. (2020); Dissanayake et al. (2019); Donohue et al. (2020); Huang et al. (2018) self-efficacy can be said to be a personal factor that distinguishes each individual and changes in self-efficacy can cause behavioral changes, especially in completing tasks and goals. Employee engagement is a factor that plays an important role in efforts to increase competitiveness. Deeply engaged employees care about what they do and are committed to doing what's best for their company.

According to Amoako et al. (2017); Black et al. (2019); Ballen et al. (2017); Chang et al. (2019) Employees' confidence in their ability to be able to do their best will make employees more attached to the company. His research found that self-efficacy was positively related to the level of goal setting. Thus it can be said that self-efficacy can affect good performance, which is the goal of companies and

employees to be achieved. To achieve good performance, various efforts must be made. Someone will dare to take various kinds of actions, when someone feels confident that something he is aiming for will be achieved and vice versa. It is this belief that encourages a person to continue to persevere in his efforts to achieve goals. Self-efficacy is an encouragement for someone to take action to achieve the desired goal. Self-efficacy in the academic field is related to employees' beliefs about their abilities to carry out tasks, organize work activities, and be able to control work priorities. So it can be concluded that the higher the self-efficacy possessed by an employee, the employee will expend considerable effort so that they can achieve high performance.

Conclusion

The results of this study are Self Efficacy has a positive and significant effect on employee performance: Employee Engagement has a positive and significant effect on employee performance, Self Efficacy has a positive and significant effect on Employee Engagement. The value obtained from the path analysis shows that the self-efficacy variable on employee engagement has a positive influence. 2. Based on the results of the study, it shows that the employee engagement variable has a significant effect on employee performance. The value obtained from the path analysis shows that the variable employee engagement on employee performance has a positive influence. 3. Based on the results of the study, it shows that the self-efficacy variable has a significant effect on employee performance. The value obtained from the path analysis shows that the self-efficacy variable on employee performance has a positive influence. Based on the research results, it can be concluded that self-efficacy has a major role in improving employee performance, either directly or mediated by employee engagement. The perception of organizational climate does not affect employee performance either directly or mediated by employee engagement. Employee performance is more influenced by employee internal factors, namely self-efficacy, self-efficacy has a major role in realizing employee engagement with the company so that employees work optimally, while the habits and procedures that apply in the company which are external factors do not affect employee performance. The high performance of BIF employees is caused by individual factors not organizational factors

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