

Affect Employee Engagement in Company Performance: Organizational Citizenship Behavior as Moderating

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Abstract. In service companies, the ability of individuals to attract consumers is the spearhead of the company. The type of service company that is currently developing is Sharia insurance based on Islamic law. Prudential Syariah is a type of insurance based on Sharia principles and without usury. Marketing agents are an important factor in the implementation of Sharia Prudential's business. Employee engagement is one of the things that affect company performance. This study aims to assess and analyze the effect of employee engagement on company performance with organizational citizenship behavior (OCB) as a mediation conducted on Prudential Sharia marketing agents in Malang. This research is quantitative approach. The analysis used is descriptive analysis and inferential analysis (SEM-PLS). The samples used in this study were marketing agents with AD level, 7 Agency Directors, SUM (Senior Unit Manager) as many as 14 people, and UM (Unit Manager) 42 people so that the total number was 63 people. The results of this study indicate that employee engagement has no effect on company performance but on OCB. OCB affects company performance and becomes a mediating variable on employee engagement on company performance. The results of this study are expected to be a consideration of Sharia insurance companies and market agents in the process of improving company performance.

Keywords: Employee Engagement, Organizational Citizenship Behavior, Company Performance

1. Introduction

The development of insurance in Indonesia has experienced rapid progress. Various insurance companies are competing to offer insurance programs to the public or companies. In addition, insurance companies currently also offer Sharia insurance programs, one of the insurance companies is Prudential Syariah. In Prudential Sharia, it uses the type of agreement "Tijarah Agreement (Mudharabah)" and "Tabarru Agreement" (grant) ". A tijarah / mudharabah agreement is a contract made between a customer acting as a policyholder (shohibulmaal) and a Shariah prudential acting as a manager (mudarib).

Funds are owned by Prudential Sharia customers, while Sharia prudential has obligations as a manager in accordance with Sharia principles with the supervision of the Sharia Supervisory Board. It aims to supervise so that the marketing agents in Sharia prudential do not take actions that are not in accordance with Islamic law. Prudential Syariah does not provide interest and also does not invest in financial instruments based on interest and Prudential Syariah makes investments in accordance with Sharia principles.

In an insurance company, especially Syariah prudential, the company's performance is the spearhead of employee success in getting customers. The company's performance is one of the key companies to remain in the insurance market. Assets in carrying out insurance company strategy are market agents, namely as a basis for holding an important role in efforts to reduce risks and problems faced by the company. So this situation proves if the role of the human resource management strategy is very necessary to adopt everything that happens to the company.

The performance of companies in insurance companies is very dependent on the success and optimization of workers in achieving targets in the form of increasing numbers of customers. Employee engagement is one of the results of marketing agents in achieving their work, so that it can provide the best performance to achieve company success (Watkin, 2002) without transferring Islamic principles. Slow activity, weak decision making, the number of working days, and lack of interest in work can cause a marketing agent to break away from the company and can produce production from a low company (Pech and Bret, 2006).

Employee engagement is one of the main problems that should get more attention from the company (Bernthal, 2010). Because employee engagement is a picture of a sense of connectedness and involvement of an individual with an organization, with the relationship of employees will have an impact on the ability to do work beyond the limits of ability and provide the best performance to achieve company goals (McBain, 2007).

The ability to do work beyond the limits in a company is usually called organizational citizenship behavior (OCB) which can effectively affect performance. OCB is a thing that has a positive impact on the company, because OCB contributes to increasing employee productivity, improving performance, and strengthening the ability of organizations to survive effectively (Podsakoff, 2000). Ariani (2012) suggested that employee engagement has an influence on OCB because employees who have high involvement in a company will tend to improve the conditions conducive to the company. In addition, employees will develop a higher commitment to the company. King and Gong (2009) state that OCB must improve company performance. Because OCB is more supportive towards achieving company goals (Aslefalah and Ali, 2014)

2. Theoretical Framework

Employee Engagement and Company Performance

The success of a company can be seen from the extent to which employees are able to make a positive contribution in carrying out their duties and responsibilities as employees to achieve company goals. Employee engagement gives a positive influence on company performance, namely high employee engagement can increase high growth and profitability (Anbuoli and

Devibala, 2009; Desai et al., 2010). Clearly this can be concluded that employee engagement and company performance are very important because these two things have been involved, related to one another. For example, workers who are related to their companies have lower absenteeism and a desire to improve company performance. Employee engagement is a sense of connection between employees and the company, employees who feel bound will contribute according to their ability to achieve company performance (Mwangi and Jane, 2015). Boonner and Rebecca (2014) stated that employee engagement is negatively related to company performance, then Yu and Chris (2015) stated that employee engagement does not improve the performance of insurance companies if the marketing agent does not use online media in completing their work.

Employee engagement has been described as the key to success in company performance. Macey et al (2009) shows how much employees in realizing employee engagement by using persistence, proactivity, role expansion, and adaptability. This measurement aims to see how much influence employee engagement has on OCB and company performance. In addition, company performance is measured using indicators namely financial perspective, customer perspective, operational process perspective and learning and growth perspective (Sintaasih, 2011). Based on the empirical evidence and explanation, the following research hypothesis is proposed.

H1. Employee engagement influences company performance

Employee Engagement and Organizational Citizenship Behavior (OCB)

OCB is the contribution of the above work to achieve goals and maintain the welfare and survival of the organization. Employees who have a good perception of organizational support will try their best to repay the kindness received from the organization. With this commitment to the organization will increase. In OCB the emphasis is on social contracts between individuals and other individuals (coworkers) and between individuals and organizations which are usually compared to in-role behavior based on the "limited performance" required by the organization.

Ariani (2012) stated that employee engagement has a positive influence on OCB, it is explained that workers who have a high engage, will tend to improve the conducive situation in the organization. Nadem (2012) is said to have a positive relationship between employee engagement and performance (financial and company performance), like OCB which also has a positive relationship on company performance. OCB is the behavior of individuals who have responsibilities and are ready to work outside working hours and do not show fatigue in completing tasks assigned to the interests of the company. Bukhari (2008) and Podsakoff et al. (2000) use altruism, conscientiousness, sportsmanship, civic virtue, and courtesy as effective gauges of OCB. Based on the empirical evidence and explanation, the following research hypothesis is proposed.

H2. Employee engagement influences organizational citizenship behavior (OCB)

Organizational Citizenship Behavior (OCB) and Company Performance

Organizational citizenship behavior is seen as a factor that contributes to the overall work of the organization. Podsakoff (2000) suggests several benefits of organizational citizenship behavior. These benefits include increasing co-worker productivity, manager productivity,

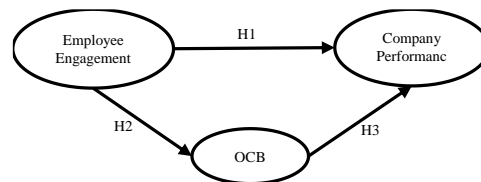
conserving resources owned by management and the organization as a whole, helping to save scarce energy resources to maintain group functions, being an effective means of coordinating work group activities, increasing the organization's ability to attract and retain employees, improve the stability of company performance, enhance the organization's ability to adapt to changing environments.

Seeing the importance of OCB in a company, such as behavior that includes assistance to colleagues to ease their burden, not get much rest, carry out the tasks requested, and help others to solve problems. Empirical evidence, Bhatla (2006) suggests a significant relationship between organizational citizenship behavior variables on company performance in India. This is in line with Bukhari et al. (2009) that a significant influence between altruism, conscientiousness, and civic virtue on OCB, and corporate performance. Aslefalah and Ali (2014) also suggested a significant influence between OCB on the performance of insurance companies. Zhang et al. (2017) is the result that there is a relationship between employee engagement and OCB on company performance. The findings in his research indicate the role of OCB as a mediator on the relationship of employee engagement and company performance. Thus, it can be said that OCB bridges the influence of employee engagement on company performance. However, without OCB, basically the management of employee engagement can also improve business performance directly. Based on empirical evidence and explanation above, the hypothesis that can be submitted is

H3. Organizational citizenship behavior (OCB) influences company performance

H4. Organizational citizenship behavior (OCB) mediates the effect of employee engagement on company performance

The research hypothesis proposed raises an explanatory model about the effect of employee engagement on business performance with organizational citizenship behavior as mediation, as shown in Figure 1.



3. Research method and analysis

This study is related to the effect of employee engagement on company performance with organizational citizenship behavior as a mediator. This research is a quantitative approach, a research that aims to develop knowledge through survey results so as to produce statistical data that can be used to test hypotheses in research (Creswell, 2014). Respondents used in this study are marketing agents Prudential Syariah in Malang City at the level of AD (Agency Director) as many as 7 people, SUM (Senior Unit Manager) as many as 14 people, and UM (Unit Manager) 42 people so that the total number of 63 people. The sample used in this study is a saturated sample (census), which is that all members of the population are used as research samples (Sugiyono, 2010).

The analysis used in this research is descriptive analysis and inferential analysis. Descriptive analysis is used for the purpose of describing trends and responses with the help of SPSS software. Inferential analysis is used to test hypotheses and produce viable models. The analysis technique uses Structural Equation Modeling with Partial Least Square (SEM-PLS) approach and the help of SmartPLS 3.0 software. Partial Least Square has the advantage of being a powerful analysis tool, because it does not assume the data must be of a certain scale measurement, can be applied at all data scales, the sample size does not have to be large (Ghozali, 2008).

4. Results and discution

Research Sample Collection Results

The respondents of this study are all active marketing agents Prudential Syariah in Malang City at the level of AD (Agency Director), SUM (Senior Unit Manager), and UM (Unit Manager). The survey was conducted privately with relevant marketing agents so that all questionnaires could be processed at a later stage. Table 1 is a descriptive result of a questionnaire that has been distributed with 1-5 years of service.

Table 1. Sample Descriptions

Characteristics of Respondents	Percentage (%)	Frequency
Gender		
Man	34.92	22
Woman	65.08	41
Age		
20 – 35 years old	63.49	40
36 – 50 years old	36.51	23
Last Education		
D3	23.81	15
S1	68.25	43
S2	7.94	5
Marital Status		
Single	49.21	31
Married	39.68	25
Widower/ Widow	11.11	7

Based on Table 1, shows that the marketing agent Prudential Syariah is dominated by women by 65.08% while men by 34.92%. This is because women are more suitable in the field of product marketing than Prudential Syariah. The age characteristics of the Prudential Sharia marketing agent are dominated at the age of 20-35 years with a percentage of 63.49%, while the age of 36-50 years with a percentage of 36.51%. This value indicates that the marketing agent enters the productive period, so that he is able to provide good service to customers in terms of negotiating and communicating. The marketing agent of Prudential Syariah is dominated by Bachelor with a percentage of 68.25% (Diploma 23.81% and Postgraduate

7.94), the value indicates that acceptance of the marketing agent is preferred by bachelor graduates because it is considered capable of carrying out work well. On the characteristics of marital status, unmarried has the highest percentage that is equal to 49.21% (married 39.68% and widower / widow 11.11%), the value indicates that the marketing agent has a soul for a higher career even though the agent agent who is married also has the same passion.

Measurement Model Evaluation Results

Evaluation of measurement results is a condition that must be passed in testing with Partial Least Square. Evaluation of this measurement model is used to measure the validity and reliability of the measurement results. Validity can be confirmed by seeing the results of outer loading values above 0.7, but values 0.5 - 0.6 can still be accepted (Ghozali and Latan, 2012); the results of the $\sqrt{\text{AVE}}$ value are greater than the correlation value between variables with the condition that the AVE value is above 0.5. Reliability can be confirmed by looking at Cronbach Alpha and Composite Reliability values above 0.7 (Abdillah and Hartono, 2015). The measurement results show that the validity and reliability can be confirmed properly. (Table 2)

Table 2. Evaluation of Measurement Models

Variable	Indicator	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE
Employee Engagement	Persistence	0.812	0.828	0.870	0.628
	Proactive	0.704			
	Role Expansion	0.774			
	Adaptability	0.870			
Organizational Citizenship Behavior (OCB)	Altruism	0.724	0.818	0.873	0.579
	Conscientiousness	0.719			
	Sportmanship	0.751			
	Civic Virtue	0.773			
	Courtesy	0.833			
Company Performance	Finance	0.805	0.744	0.851	0.655
	Customer	0.767			
	Learning and Growth	0.855			

Structural Model Evaluation Results

This study follows a three-stage approach proposed by Aldás (2016) to analyze structural models: 1) determinant coefficients (R² values) for variables; 2) Predictive Relevance Q²; 3) the path coefficient results to see significance. This study estimates the causal relationship between latent variables in the model, through the sign and the magnitude of the path coefficient, the structural model estimation results are summarized in Figure 2. R² on OCB shows a value of 0.302 which can be interpreted that OCB can be explained by employee engagement by 30.2% and the remaining 69.8 % is explained by other variables outside the model. R² value on company performance shows a value of 0.311 which can be interpreted that OCB can be explained by employee engagement and OCB is 31.1% and the remaining 68.9% is explained by other variables outside the model. Q² value of 0.519, meaning that the

diversity of data generated from the structural model examined in this study is 51.9% and the remaining 48.1% is explained by variables outside this research model, in addition this model also shows very good research because the value is close to one

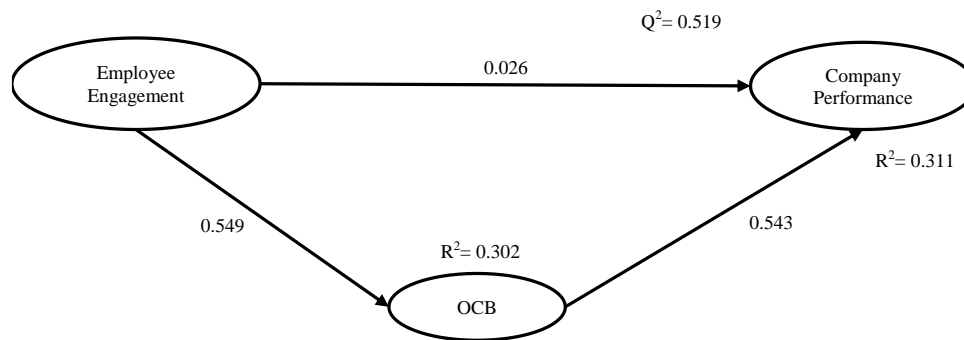


Figure 2. Structural Model Evaluation Results

Table 3 summarizes the results obtained on direct and indirect effects in the structural model, such as path coefficients, t-statistics and p-values.

Based on testing the hypotheses in Figure and Table 3, it was shown that employee engagement had no significant effect on company performance, so hypothesis 1 was rejected. Employee engagement has a significant effect on OCB, so hypothesis 2 can be accepted. OCB has a significant effect on company performance, so hypothesis 3 can be accepted. On indirect effects, OCB is able to provide an influence on employee engagement on company performance (hypothesis 4 is accepted).

Table 3. Structural Model

Relationship between Variables	Coefficient	T-statistic	P-value
Direct Influence			
Employee Engagement → Company Performance	0.026	0.191	0.849 (n.s)
Employee Engagement → OCB	0.549	8.197	0.000
OCB → Company Performance	0.543	3.401	0.001
Indirect Influence			
Employee Engagement → OCB → Company Performance	0.298	2.891	0.004

5. Discussion

Employee engagement has no effect on company performance at Prudential Syariah in Malang. This can be interpreted that employee engagement owned by marketing agents with UM, SUM, and AD levels has not been able to improve company performance. Hypothesis testing results show that employee engagement does not significantly influence company

performance at Prudential Syariah in Malang. In addition to theoretical contrast, the results of this study also conflict with previous empirical studies conducted by Mwangi and Jane (2015), Anbuoli and Devibala (2009), Ahmed et al. (2012), Watkin (2002), and Andrew and Saudah (2012) which stated that employee engagement had a significant effect on company performance. However, the results of this study support the study conducted by Pech and Bret (2006), Boonner and Rebecca (2014), Yu and Chris (2015), and Bronson (2015) which state that employee engagement has no significant effect on company performance.

Empirical research that supports the results of research by Pech and Bret (2006) found different results that there was no influence between employee engagement on company performance. Described in it employee engagement can have a negative effect depending on leadership, as well as the level of education of a worker. Workers who have a high level of education and awareness of global conditions will tend to give up their jobs, if not supported by an appropriate salary. It also depends on the organization or company, which is basic, performance standards in the company. The existence of global developments, speed, ambiguity, and level are the reasons for a company to have to survive. In defense, it is good for companies to strengthen economic factors, trust, innovation, and strong leadership. Based on the explanation above, the role of each employee engagement characteristic described through persistence, proactivity, role expansion, and adaptability needs to be optimized in relation to the correlation with Prudential Syariah company performance in Malang. Implementation related to external factors such as organization trust, motivation, work ethics, ability to do work, and work design can be another supporting alternative that can be used by companies to support or improve the performance of Prudential Syariah companies in Malang.

Employee engagement influences organizational citizenship behavior (OCB) on the Prudential Syariah marketing agent in Malang. This can be interpreted that employee engagement which is owned by marketing agents with UM, SUM, and AD levels is able to increase the OCB level of these employees. The results of hypothesis testing indicate that employee engagement has a significant effect on organizational citizenship behavior in Prudential Sharia in Malang. Findings from the results of this study are in line with previous empirical studies that support it, conducted by Ariani (2012); Sun (2012); Andrew and Saudah (2012); Watkin (2002); and Zang et al. (2017) which states that employee engagement has a significant effect on organizational citizenship behavior. The findings in this study, both based on the perception or thought of marketing agents and the actual conditions felt by marketing agents, have provided a different picture for the company. Basically these findings indicate that in Prudential Syariah in Malang City employee engagement marketing agents can have a good impact on organizational citizenship behavior. Vice versa, if employee engagement is bad then organizational citizenship behavior will be low.

Organizational citizenship behavior (OCB) influences company performance on Prudential Syariah marketing agents in Malang. This can be interpreted that the OCB level possessed by marketing agents with UM, SUM, and AD levels is able to improve company performance. In this study, an important parameter in creating organizational citizenship behavior is through the ability of marketing agents to maintain the good name of the company. This condition shows that the marketing agent of Prudential Syariah in Malang by maintaining the good name of the company, the company's image will improve. On the other hand, company performance is more indicated by indicators of learning and company growth. Thus, it can be said that

Prudential Syariah in Malang prioritizes the learning and growth of the marketer's agents owned, seeing that these agents are directly related to customers.

The findings in this study confirm some of the findings of previous studies such as Ahdiyana (2010); Bukhari et al. (2009); Bhatla (2016); and Nadem (2012), who found that organizational citizenship behavior has a significant effect on company performance, in addition, the findings of this study are also in accordance with existing theories and practices. Behavior: These benefits can increase co-worker productivity, manager productivity, save resources owned by management and the organization as a whole, help save energy scarce resources to maintain group functions, be an effective means to coordinate work group activities, improve organizational ability to attract and retain employees, improve the stability of company performance, improve the ability of organizations to adapt to changes in the environment. Based on the findings of this study note that organizational citizenship behavior marketers Prudential Sya hilariously in the city of Malang pushed the company's performance improvement. Thus, the high level of organizational citizenship behavior will have an impact on improving company performance. Vice versa, if the level of organizational citizenship behavior of employees is low then it will have an impact on decreasing company performance.

The role of organizational citizenship behavior is able to mediate the effect of employee engagement on the performance of Prudential Syariah companies in Malang. This finding is able to contribute to the relationship of employee engagement and company performance. Marketer's perception of the ability to maintain the good name of the company through actions taken has a dominant influence. Apart from some aspects of organizational citizenship behavior, companies must be able to provide freedom for employees to deal with colleagues and as a form of agency responsibility so as to be able to have an impact on the harmonious company conditions between coworkers and between employees and companies, so that with increasing organizational citizenship behavior the company's performance also improved. Good employee engagement in the company will make employees feel responsible for work and freedom of contact, creating high organizational citizenship behavior. With this attitude, it will indirectly affect increasing company performance.

The test results show that not all hypotheses are accepted. Practical implications for companies and related employees in a number of ways including, in the development of human resources in companies, especially in Prudential Sharia in Malang, the company is able to pay attention to employee engagement of marketing agents in every internal or external activity in order to influence the improvement of company performance by not ignoring organizational citizenship behavior, because the involvement is able to provide the perception that the individual is important in the company. Prudential Syariah in Malang needs to consider the form of employee engagement owned by marketing agents that are used as a reference in improving company performance. In addition, companies can increase employee engagement through indicators such as persistence, proactivity, role expansion, and adaptability with expectations through these indicators or other indicators that the company's performance will improve. For Prudential Syariah employees in Malang, this study was able to realize that the importance of employee engagement and organizational citizenship behavior for employees and company growth and development.

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