Antecedents and consequences of employee engagement

Sample on generation Y hospitality employees

R. UTAMININGSIH¹, R. PURNOMO²

¹,²,³ Department of Management, Faculty of Economics and Business, Jenderal Soedirman University, Indonesia

Abstract

This research is a study of the antecedents and consequences of employee engagement that is focused on the sample which is a generation Y. This study was conducted on operational employees working in the field of hospitality. This study takes the title: "Antecedents and consequences of employee engagement (sample on generation Y hospitality employees)." This research is an associative modeled study that investigates the causal relationship with quantitative approach. The population in this study is all hotel employees who work on five hotels listed. The number of respondents taken in this research is 130 respondents. and using questionnaires to obtained the data. Respondents from this study are workers who work in the operational section who have jobs to serve hotel visitors directly. Purposive sampling method is used in the determination of respondents. Based on the results of research and data analysis using multiple regression analysis and simple regression analysis showed that: (1) Perceived Organizational Support has a positive effect on Employee Engagement, (2) Organizational Justice has a positive effect on Employee Engagement, (3) Employee Engagement has a positive effect on Job Satisfaction, (4) Employee Engagement has a positive effect on Job Performance.

Keywords

Employee engagement; Perceived Organizational Support; Organizational Justice; Job Satisfaction; Job Performance; Generation Y

INTRODUCTION

Recently, firms are harder to compete with other firms especially in this highly competitive business environment. In facing this environment, they need to enhance their strategy to attain the sustainable competitive advantage for further growth and sustainment for the firm. Human resources is one of the factors that becomes important source in gaining the competitive advantage (Luthans and Peterson, 2002). As a part of the growing and developing business service sector that needed a special attention regarding their competitiveness in the business is in this case the hospitality industry.

The hospitality industry around the world are concerns on the issue of human resource as the number one item of for hotel and restaurant operators (Enz, 2004; Enz, 2001). Hospitality employees is very important in delivering the service given from the company to their customers. The work performed by hospitality employees obliges them to provide excellent service for their customers (Jung and Yoon, 2015), which later would bring the good performance for the company and end up with positive business outcome. This indicates the study of human resource management (HRM) in hospitality is so crucial where service organization’s human resources are its potential for competitive advantage.

Through their needs for competing in the business sector however also has been challenging for the firm itself. Mostly the challenge is comes from the human capital that works in the hospitality industry. The employee is often untrained and unskilled. Also, the demand of long working hours, low payment and unclear career path makes the employees only seen their jobs in the hospitality as a stepping stone to other careers which make high rate of turnover,
stress, and also low job performance (Pornmit, 2016).

A very significant aspect to be taken into consideration when discussing present human resources management challenges is the existence of three different generational workforce that are currently active (Mihaela and Cristina, 2016). They are baby boomers (1946-1964), generation X (1965-1979) and generation Y (1980-1999) (Crampton and Hodge, 2011). Within the difference era of these generations they have different perception and values. In an organizational context, generational characteristics may lead to formulating distinct generational perceptions and values which are challenging for the managers. Individuals of each generation are influenced by the political, economic or cultural context in which they evolve and the historic events that shape their values (Mannheim, 1952).

This present study focuses on the generation Y as a sample because right now they began to fill up the workforce and also the baby boomers are beginning to leave the workforce. Consistently, Milne and Ateljevic (2001) argued that the timing of Gen Y’s entrance is combined with the rise of tourism as the world’s largest and fastest growing industry. Generation Y brings a unique values and needs that differ from their former generation and expectations that employers have not had experience hiring and managing (Fernandes et al., 2011).

The generation Y in the literature often identified to have a cultural clash with older generations which make it challenging to understand their work-related behavior in organizations. Generation Y are thought to be very demanding that they have certain work value, attitudes and perception that are very different with the previous generation and they are doubted about how engaged they are to the organization (The Society for Human Resources Management, 2015).

Infact, the performance is determined by many factors, and one variable that has been increasingly receiving attention as the key determinant of performance is employee engagement (Macey et al., 2009). Employee engagement is an emerging and evolving concept in the business, management, industrial and organizational psychology, and human resource fields (Wollard and Shuck, 2011). An engaged employee will perform better than the others who aren’t engaged. An engaged employee often experience positive emotions, and the positive emotions such as joy and interest that will urge the capacity to expand people’s thought (Fredrickson, 2003). From the research, it clearly seems that employee engagement matters.

**LITERATURE REVIEW**

**Employee Engagement**

Engagement is the harnessing of organization members’ selves to their work roles. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances (Kahn, 1990). Employee engagement also developed from positive psychology that emphasizes human strengths and optimal functioning rather than malfunctioning and weaknesses (Seligman and Csikszentmihalyi, 2000). According to Saks (2006), employee engagement itself is a distinct and unique construct consists of cognitive, emotional, and behavioral components associated with individual role performance. Engagement is not an attitude whether it is the degree to which an individual is attentive and absorbed in the performance of their roles. Engagement has to do with how individuals employ themselves in the performance of their job.

**Perceived Organizational Support**

POS refers to an employee’s perception that the organization values their work contributions and cares about the welfare, which is important benefits for employees and employers (Eisenberger et al., 1986). Perceived organizational support reflects the organization’s overall expectations of its members and recognition of personal value and their contribution in a subjective perception way. POS provides employees with a simple way to understand their valuation by the organization and may vary from the view that the organization regards them very positively (Rhoades and Eisenberger, 2002).

**Organizational Justice**

Organizational justice is a term developed by organizational psychologists refers to the just, fair and ethical manner in which organizations treat their employees (Cropanzano, 1993). Where, Justice refers to perceptions of employees about fair treatment received from an organization and their behavioral reaction to such perceptions (James, K 1993).
**Job Satisfaction**

Job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of someone’s job or job experiences, or could be explained as the extent to which employees like their jobs (Locke, 1969). Robbins (2005) defined job satisfaction as a collection of feelings that an individual holds towards their job.

**Job Performance**

Viswesvaran and Ones (2000) defined job performance as an outcomes that employees undertake which contribute to organizational goals. behaviours. Sarmiento et al. (2007) stated job performance as the result of two elements, which consist of the abilities and skills (natural or acquired) that an employee possesses, and their motivation to use them in order to perform a better job. Job performance is typically conceptualized as an actions and behaviors that are under the control of the individual that contribute to the goals of the organization (Rotundo and Sackett, 2002, p. 66).

**Generation Y**

Generation is a group of individuals of a similar age who share historical experience history from the perspective of the same phase of life (Bickel and Brown, 2005). There is no general consensus within the academic and literature regarding the age span of the different generations (Ringer and Sharma 2006). Different studies identified different time periods and characteristics, depends on the source.

While differences exist among studies in the precise years of birth that define the different generations, it is generally agreed that there are four generations (Anantatmula and Shrivastav, 2012). These classifications are the veterans, baby boomer generation, generation X and generation Y. This study uses the theory from Crampton and Hodge (2011) as the divided time periods as follows:

a. Veterans (also known as Traditionalists or Silent Generation); (1925-1945).


c. Generation X (also known as Baby Busters) (1965-1979).

d. Generation Y (also known as Nexters, Millenials, or Trophy Generation) (1980 to 1999).

Diversities among generations that has the relevance of identifying different managerial solutions for different groups of workers as well as organizational architectures that enable integrating (and hopefully making full use of) their diverse preferences and behaviours (Eisner, 2005).

**HYPOTHESIS DEVELOPMENT**

Developed from the study by Kahn (2006) Karatepe (2013) the hypothesis can be formulated as follows:

H1: Perceived organizational support will effect positively to employee engagement.

H2: Organizational justice will effect positively to employee engagement.

H3: Employee engagement will effect positively to job satisfaction.

H4: Employee engagement will effect positively to job performance.

![Figure 1. Research Model](image)

**METHODS**

**Type of Research**

Type of research is a associative model which investigate the causal relationships with quantitative approach.

**Location of The Study**

Held in five hotels in Banyumas residency namely: Java Heritage Hotel, Hotel Santika Purwokerto, Queen Garden Hotel Baturaden, Meotel Purwokerto, Atrium Hotel & Resort.

**Research Object**

The research objects are generation Y hospitality employee staff from operational job (e.g Frontline, Food and Beverage Service, Food and Beverage Product, etc).
Population and Sample
Population in this present study is a generation Y hotel employees. The sample that are needed to be taken are those generation Y where according to Crampton and Hodge (2011) generation Y are those who were born from 1980 to 1999. In this research the sample are generation Y with age range from 22-37 years old and also the sample taken to an operational staff hotel employee. Because they plays an important role for the organization. Means, that they will give service given from the company directly to the customer. The representative for regression analysis techniques is the appropriate sample size between 100 – 200 (Suliyanto, 2006). In this research, uses 130 respondents to anticipate the questionnaire which is not valid.

Type and Resource Data
This research will be using primary data which obtained from questionnaire that directly come from respondents

RESULTS AND DISCUSSION
This present study uses a multiple regression analysis and simple regression analysis. The first and second hypothesis analyzed with the multiple regression analysis, then the third and fourth hypothesis was analyze with simple regression analysis. Measurement results will reported on table 1 in the summary of Regression Results.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Employee Engagement</th>
<th>Job Satisfaction</th>
<th>Job Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>POS</td>
<td>0.613*</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Organizational</td>
<td>0.168*</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Justice</td>
<td></td>
<td>0.349*</td>
<td>0.347*</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*P < 0.05

First Hypothesis Testing
From the results summary of regression results in Table 4.13, it has got the .(0.000) < (0.05). Thus, the Ho is rejected and Ha is accepted, it can be seen that perceived organizational support has a positive and significant effect on employee engagement. Therefore, the first hypothesis which states that perceived organizational support has a positive effect on employee engagement is accepted.

Second Hypothesis Testing
From the results summary of regression results in Table 4.13, it has got the .(0.000) < (0.05). Thus, the Ho is rejected and Ha is accepted, it can be seen that organizational justice has a positive and significant effect on employee engagement. Therefore, the second hypothesis which states that organizational justice has a positive effect on employee engagement is accepted.

Third Hypothesis Testing
From the results summary of regression results in Table 4.13, it has got the .(0.000) < (0.05). Thus, the Ho is rejected and Ha is accepted, it can be seen that employee engagement has a positive and significant effect on job satisfaction. Therefore, the third hypothesis which states that employee engagement has a positive effect on job satisfaction is accepted.

Fourth Hypothesis
From the results summary of regression results in Table 4.13, it has got the .(0.000) < (0.05). Thus, the Ho is rejected and Ha is accepted, it can be seen that employee engagement has a positive and significant effect on job performance. Therefore, the fourth hypothesis which states that employee engagement has a positive effect on job performance is accepted.

CONCLUSION
Based on the result of multiple regression analysis and simple regression analysis, it can be concluded as follows:

1. Perceived organizational support has a significant influence on generation Y hospitality employee. It means that,
for the generation Y hospitality employee the higher level of perceived organizational support will make the employee engagement getting stronger. In other words, the relation of both perceived organizational and employee engagement are positive.

2. Organizational justice had a significant influence on generation Y hospitality employee. It means that, for the generation Y hospitality employee the higher level of organizational justice will make the employee engagement getting stronger. In other words, the relation of both organizational justice and employee engagement are positive.

3. Employee engagement had a significant influence on generation Y job satisfaction. It means that, for the generation Y hospitality employee the higher level of employee engagement will make the employee’s job satisfaction getting stronger. In other words, the relation of both employee engagement and job satisfaction are positive.

4. Employee engagement had a significant influence on generation Y job performance. It means that, for the generation Y hospitality employee the higher level of employee engagement will make the employee’s job satisfaction getting stronger. In other words, the relation of both employee engagement and job satisfaction are positive.

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