Increasing Capability, Resilience, Self Leadership, and Employee Engagement on Employee Performance as Intervernal Variables at PT. IMR ARC STEEL

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ABSTRACT

This research was conducted to analyze IT Capability, Resilience, Self Leadership and Employee Engagement on employee performance as intervening variables at PT.IMR ARC STEEL. This study used the quantitative method of PLS version 3 and SPSS tools. Primary data sources using questionnaires or questionnaires. The population in this study were 70 employees. The sampling technique used is probability sampling technique. The analytical tools used include validity and reliability tests, normality tests, multicollinearity tests, heteroscedasticity tests, multiple linear regression tests, F tests, t tests, and tests of the coefficient of determination. The results of the statistical analysis explain that: (1) IT Capability has a negative effect on employee engagement on employee performance (2) IT Capability on employee performance at PT.IMR AMR ARC STEEL, which means that it has a significant negative effect if employees have good IT Capability, then employee performance will be higher. (3) Resilience has an effect on employees engagement at PT. IMR ARC STEEL. The researcher determines the effect of self-leadership on employee engagement that the variables of resilience and employee engagement have a weak but positive relationship, meaning that if resilience increases, employee engagement will increase. (4) Resilience affects employee performance at PT. IMR ARC STEEL resilience variable has a positive and significant impact on employee performance at PT. IMR ARC STEEL. (5) Self leadership influences employee engagement at PT. IMR ARC STEEL. Researchers established the effect of self-leadership on employee engagement that when employees have a high level of self-leadership, they will really feel excited and involved in their own work. (6) Self leadership has a significant positive effect on employee performance. (7) The significant negative effect of employee engagement on employee performance is proven.

Keywords: IT Capability, Resilience, Self Leadership and Employee engagement, Employee Performance.

INTRODUCTION

The human resources of a company must contribute to its success because they are an important asset for the development of the company (Khan et al., 2012). The performance of human resources that contribute can be evaluated. Employee performance will increase when the company can provide what it wants (Pritama, 2012). Employee performance is influenced by various elements, including commitment, enthusiasm, and access to company resources (Mahmudi, 2015).

The performance of human resources that contribute can be evaluated. Currently, work outsourcing is a method that is starting to be used frequently by businesses in an effort to increase efficiency. Using this system, businesses can spend money to finance their internal Human Resources (HR) department.

Facing difficult commercial competition and the development of the latest generation in order to create
engagement or employee engagement which has an impact on the sustainability of a company, companies must pay attention to the human resources that exist within the organization. This includes understanding technology and negative perspectives on the low level of engagement from previous generations. Without solid human resources that support the company’s vision and goals, the business cannot run. Companies must invest in managing their human resources departments and driving employee engagement.

According to Armstrong (2008), employee engagement is influenced by the nature of work, workplace culture, leadership, opportunities for personal growth, and opportunities to make a difference. Employee engagement is influenced by organizational culture and leadership factors, effectiveness of current organizational communication, use of management style, level of trust and respect in the workplace, and organizational reputation, according to Lockwood (2007) in Smith & Marwick (2009:29).

There are several factors that affect how well employees perform, including: (1) situational conditions, (2) job descriptions, job specifications, and performance standards, (3) performance appraisal objectives, and (4) employee and manager attitudes towards evaluation. Job satisfaction is one aspect that influences employee loyalty. Job satisfaction is an employee's emotional condition regarding what happens or does not happen between the value of employee compensation and the company or organization with the intended level of remuneration.

The motivation of his staff is another aspect that needs attention besides that. According to Robbins (2001), motivation is the desire to exert more effort to achieve organizational goals. It results from a desire to satisfy personal needs. Because he believes that with the success of the organization in achieving its various goals and objectives, the personal interests of the members of the organization will also be included, there is the right motivation for employees to act and carry out their duties as fully as possible. Commitment to what is their responsibility in completing each task will be created when motivation is high.

The drivers of job satisfaction, organizational commitment, and job performance (Hospitality Industry Employee Work Commitment satisfaction, Organization, and performance) were studied by Tsai, Cheng, and Chang in 2010. According to research, employee job satisfaction positively and directly influences the organization, commitment, but not directly performance. As organizational commitment is a more comprehensive and long-lasting response to job satisfaction than job satisfaction, organizational commitment.

While employees' dissatisfaction with their current position may be temporary, their continued dissatisfaction with the company is one that will never go away. However, there is a greater chance that these people will think about quitting if their dissatisfaction spreads throughout the organization. Dissatisfaction can be expressed by employees in a variety of ways, however, there is a greater chance that those individuals will think of quitting if their dissatisfaction spills over to the rest of the organization. Values that are internalized in people and organizational groups to work efficiently, react quickly to situations that are closely related to the role of self-leadership, and efforts to force oneself to work better (Manz and Sims, 2012).

In the current study that examines how digital transformation affects the relationship between IT capabilities and the enterprise by acting as a mediator. Understanding the main aspects that can affect digital transformation is very important considering that an adequate digital business plan cannot be formed without it. In previous studies (Mithas et al., 2013, Bharadwaj et al., 2013) have emphasized the need to create the right digital business strategy and the need to advance towards digital.

As a result, actual data related to the impact of digital transformation is still lacking. By examining these mediating factors, this study aims to close significant gaps in both the IT and management literature.

According to Thomsen (Marshudi, 2016), everyone has the potential for resilience. Corner (Dewi, Djoenaina & Melisa, 2004) emphasized that almost everyone has an inherent capacity for resilience. Self-esteem is one of many elements that influence resilience. Self-esteem, according to Santrock (2009), is related to the general view of a person. According to Burns and Covington (Owens, Stryker & Goodman, 2006), self-esteem is characterized as protecting people from the effects of illness and preventing various types of challenges in life. According to this fundamental theory, people with high self-esteem have a more respectable and responsible attitude in society. As a result, the person adapts more easily to life changes, generally displays better attitudes, and ultimately has better socioemotional functioning.
As with the process of adaptation to trauma, disaster, or other stressful situations, it is known as resilience (Mahmood & Ghaffar, 2014). In addition, resilience is described by Pidgeon, Rowe, Stapleton, Magyar, and Lo (2014) as the capacity to deal with challenges effectively, the capacity to overcome difficulties, and the capacity to have more hope in difficult situations. Resilience is the ability to bounce back from trauma or setbacks and to face and conquer life's challenges (Eley et al., 2013).

Self-leadership inspires researchers to expertly lead themselves while improving organizational performance. Thus, in practice, these capabilities offer sufficient power to support greater performance for organizations. This can be achieved because it gives space for everyone to do their job in their own way. In contrast to the research findings of Eva Rachmawati (2019). This suggests that self-leadership does not have a significant impact on organizational commitment, despite the study's findings. Self-leadership has an impact on how a person behaves, especially in motivating someone to be enthusiastic about completing a task.

Along with the changing times that are becoming fast-paced, educators must be able to keep up with developments, especially in the world of work. Employees in today's technology era not only have an obligation to come to the office but are also asked to master IT as a means of communication and self-development (Permendikbud Number 16 of 2007).

One of the variables that determine the success of the management of an organization is the capacity of its human resources. In order for resources to be used in a highly efficient way, organizational and technical capabilities are required. This shows that the output processed is balanced with the results produced, namely through various work improvement methods that reduce wastage of time and effort as well as various other inputs. Job satisfaction is a factor that needs to be taken into account in organizational action.

Without a proactive personality, employees show less behavior in taking advantage of opportunities, giving initiative, seeking challenging assignments and paying attention to company goals (Kanten, 2014). Proactivity is a source of innovation and creativity so that the application of job crafting can help teachers get positive results in large-scale changes (Berg, Dutton & Wrzeniewski, 2013). According to Tims, Bakker and Derks (2012) individuals who show aspects of increasing structural job resources they are able to acquire new responsibilities and knowledge about their work do not only depend on written job descriptions, whereas individuals who show aspects of increased job challenges refer to increased job demands for develop other competencies that exist in him.

PT. IMR ARC STEEL is a leading global sourcing partner company for the International Power and Steel Industry by continuously growing, continuously innovating and consistently delivering results. IT capabilities have the goal of developing the ability of employees to have broad insights. Resilience can be biased in order to remain objective in carrying out duties as an employee. If self-leadership is to maintain independence in implementing company rules. If employee involvement is found outside the rules of the company, it will generate resentment from external users of reports with questionable employee performance. Therefore, the reason is to find out what employees are doing.

In this case, PT.IMR ARC, a company engaged in the steel industry, became the location of the incident. PT.IMR ARC focuses on stainless distributors according to client needs and requests to increase value. Employees often follow their boss' instructions without exercising creativity or the urge to push. This is as a result of the mechanistic organizational structure used by PT. IMR ARC. Employee creativity decreases due to one-way communication from superiors. One manifestation of this problem among PT. IMR ARC staff struggled to adjust to training adjustments. As a result of this phenomenon, management offers several courses on change management. Therefore, There are several factors that affect how well employees perform, including through IT capability, resilience, and self-leadership on work engagement as an intervening variable and it is hoped that through research in this way, it can be known more deeply about resilience and is useful for further research.
Literature review

Human Resources

The most valuable resources that an organization can own are its people, and successful management is the secret to that success. Second, the realization of this success is highly possible if the rules, policies, and practices pertaining to the company's personnel are interrelated and support the accomplishment of corporate objectives and strategic planning. Third, organizational climate, managerial behavior, and business culture—all of which are generated from one another—will significantly impact the best achievement results. According to Tangkilisan in (Dahlan, Hasim, & Hamdan, 2017).

IT Capabilities

Komarasari (2017) stated that Information management is a function of information technology and electronic transactions to improve the performance of government organizations/agencies in improving services to the public and accelerating the implementation of e-government. Lamatenggo (2011) argued that information technology is a technology used to process data. Processing includes processing, obtaining, compiling, storing, manipulating data in various ways to produce quality information, namely information that is relevant, accurate and timely.

Resilience

Resilience, according to Lestari (2016), is the capacity of a person to overcome hardship; a person who possesses this trait will grow psychologically stronger and have access to more resources. Resilience is more than just the capacity to endure since it allows people to recover from painful wounds, take charge of their lives, and live on with love and compassion. According to VanBreda (2013) resilience is a strength and a system that allows individuals to continue to be strong in a downturn. Ozturk (2015) explains that it is very important to develop self-leadership for employees in the organization to build growth in motivation and job satisfaction in order to improve individual performance. and organization.

Definition of Self-leadership

Ho & Nesbit (2009), argued that self-leadership is a process of influencing oneself to direct cognition (feelings) and actions (behaviors) in order to achieve the desired goals. Leadership according to Robbins (2006) is the capacity to convince a group to follow an objective. Considering the criteria provided above, leadership is the to persuade, mobilize, harmonize, and guide and integrate an activity within a person or group such that they desire collaboration and efficient working towards a goal in a certain setting.

Employee Engagement

Employee engagement, also known as adverse employee engagement is a psychological condition in which workers are motivated by business success, driven to increase performance to a level that goes beyond the stated job requirements, Sembiring and Ramadan (2014). Employee engagement is the accessibility and capacity of employees to continue to contribute to the company's success. Many factors, including the emotional and cognitive aspects of the job and the overall work experience, have a significant impact on the sense of commitment to this business. Employee engagement is defined by Gallup in I Wayan Edi (2013) as involvement and excitement about work. Employee engagement according to Federman (in Wulandari, 2016) is the level of commitment that a person has towards the company, which affects how they act and how long they last in a certain role. Employee performance

Lebas & Euske (2004) “Performance is the sum of all processes that will lead managers to take appropriate actions in the present that will create a performing organization in the future (i.e., one that is effective and efficient)”. This means that performance is a set of processes that encourage a manager to take the right actions today so as to produce organizational performance in the future (ie organizational effectiveness and
efficiency). Performance is work that has a strong relationship with the organization's strategic goals, customer happiness, and has a positive impact on the economy, according to Wibowo (2013). The operational variable of employee performance, or the work outcomes that employee produces over a specific period of time in accordance with work standards, is Performance. Conceptually speaking, refers to the work outcomes attained by someone over the course of a specific amount of time depending on those outcomes. The bar has been set. The definition of performance (work achievement) is the outcome of work performed by an employee in carrying out his responsibilities in accordance with the authority delegated to him.

Performance of employees
According to Wibowo (2013), performance is defined as work that is closely related to the organization's strategic goals, promotes customer satisfaction, and benefits the economy. The operational variable known as employee performance, or the work results attained by an employee within a specific time frame based on work standards, refers to the work outcomes attained by a person within a specific time frame based on work outcomes. The bar has been set. The outcome of an employee's work in carrying out his duties in accordance with the power assigned to him is referred to as performance (work achievement). According to Mathis and Jackson (2009), according to Mangkunegara (2009), performance (performance) refers to what workers should do or not do. The subsequent general employee performance is comprised of the following elements: (a) quantity of results; (b) quality of results; (c) timeliness of results; (d) attendance; and (e) ability to cooperate.

METHOD
As the title suggests, using a quantitative methodological design, this investigation using PLS version 3. A quantitative research approach is a type of research whose findings are described using numbers and statistics. To identify, prove, and produce knowledge that can then be used to understand, solve, and predict problems in certain scientific disciplines, quantitative research techniques are scientific methods (Sugiyono, 2017). This research is an explanatory research, namely a method that describes the causality relationship between the dependent variable and the independent variable through hypothesis testing. Explain how employee performance through Employee Engagement and IT Capability, resilience, and Self-leadership on Work engagement as an intervening variable at PT. IMR ARC STEEL. Therefore, this study predicts the influence of one variable that proves whether there is a functional relationship between the independent variable X, namely IT Capability, resilience, and Self-leadership through Employee Engagement (Z) on variable Y, namely Employee Performance. Population, namely the total number of marketing employees to as many as 70 employees by calculating the sample size which was carried out using the Slovin technique according to Sugiyono (2011).

RESULTS AND DISCUSSION
Discriminant Validity is also a test of the validity of the research model with SmartPLS. Discriminant Validity describes the ability of each indicator to make a distinction between its construct and other constructs. The model is said to be valid if the value of each indicator in the construct has the greatest factor loading value when associated with other constructs. The discriminant validity of the test results is obtained as follows:
The outcomes of data analysis can be used to explain why the results of the research on the relationship between IT Capability research variables have an effect on Employee Engagement on Employee Performance of 0.011. This shows that the first hypothesis "There is a significant effect of employee engagement on employee performance" is proven. These findings are in agreement with those of Anitha (2014), Bakker & Matthijs (2010), Bakker, Tims & Derks (2012), and Lewiuci & Mustamu (2016) which found that employee engagement has a positive and significant effect on employee performance.
Figure 1. The inner model of IT Capability, Resilience, Self Leadership, Employee Engagement, on Employee Performance.

Figure 2. Outer IT Capability Model, Resilience, Self Leadership, Employee Engagement, on Employee Performance
Discussion

PT. IMR ARC STEEL, the impact of IT capability on employee engagement.

The direct effect on the IT Capability variable has a direct effect on employee engagement of -0.105. This result means that the direct effect on the IT Capability variable has a direct effect on employee engagement. Based on the results of data analysis, it can be explained that the results of the research on the relationship between IT Capability research variables have an effect on Employee Engagement on Employee Performance of -0.105. Employee Engagement is a situation at PT. IMR ARC STEEL where individuals in a job carry out work roles, jobs, and other responsibilities, then the concept of employee engagement is believed to be able to improve employee performance, meaning that the first hypothesis (H1) in this study is accepted. As long as their performance is in three different ways: physically (energy expended by employees when doing yes), cognitively (what employees know about the organization, its leaders, and working conditions), and emotionally (covering the feelings of employees towards the company and its leaders). This shows that the first hypothesis “There is a significant effect of employee engagement on employee performance” is proven. These findings support work by Lewiuci & Mustamu (2016), Anitha (2014), Bakker & Matthijs (2010), Bakker, Tims & Derks (2012), and Bakker, Tims & Derks (2013) which found that Employee Engagement has a positive and significant effect on employee performance.

The influence of IT Capability affects the performance of employees at PT. IMR ARC STEEL.

The direct effect on the IT Capability variable has a direct effect on employee engagement of -0.238. that his research discovered a detrimental and statistically significant connection between job satisfaction factors, employee performance. In this study, IMR ARC STEEL companies with superior IT capabilities were identified based on the data provided by the respondents. Meanwhile, company performance is measured using five measures, namely: Return on Assets (ROA). This study found that companies with superior IT capabilities showed higher IMR ARC STEEL company performance compared to control companies. This was also confirmed by Santhanam and Hartono (2003) who found that companies classified as IT Capability had higher performance than control companies. The third hypothesis (H2) in this research was approved.

The impact of adaptability on job satisfaction at PT. IMR ARC STEEL.

In this study to examine whether or not there is a relationship between resilience and employee engagement at PT. IMR ARC STEEL, researchers conducted the Pearson correlation test. This is because the data in this study are normally distributed. The results of the correlation data analysis between the variables related to resilience and employee engagement show a value of p=0.003. Therefore, it may be said that there is a connection between resilience and employee engagement. Meanwhile, the correlation coefficient between resilience and employee engagement shows a result of 0.072. This shows that resilience and employee engagement have a weak but positive relationship, meaning that if resilience increases, employee engagement will increase. And conversely, if resilience decreases, employee engagement will decrease, meaning that the study's second hypothesis (H3) is true. In line with Juda Steven's research, 2017 with the title "The Relationship Between Resilience and Work Engagement in Panin Bank Employees, Menara Imperium Kuningan Jakarta Branch". With the study findings demonstrating a strong and significant link between work and resilience engagement (r= 0.73, p < 0.001). The contribution of resilience to work engagement is 54.5%.

Resilience affects the performance of employees at PT. IMR ARC STEEL

The resilience variable has a positive and significant influence on the performance of employees at PT. IMR ARC STEEL. Based on findings from the hypothesis test, the connections between resilience
and employee performance at PT. IMR AMR ARC STEEL is negative \(-0.175\), which means that if employees have good resilience, employee performance will be higher. Conversely, if employees have poor resilience, employee performance will be low.

In line with Siti Mujanah's research, 2022 Multiple regression analysis was utilized to examine the impact of the independent variables on the dependent variable in this study. T-tests and f-tests were employed to test the hypothesis. The study's findings indicate that self-awareness, work ethic, and resilience all have a substantial impact on both individual and combined staff performance. This research is expected to be a consideration for developing better employee performance. This means that this research is expected to be taken into consideration for the development of human resources in companies in managing their employees. The Kee hypothesis (H4) in this study is accepted.

**Self leadership influences employee engagement at PT. IMR ARC STEEL.**

Researchers determined the effect of self-leadership on employee engagement 0.665 that when employees have a high level of self-leadership, they will really feel excited and involved in their own work. Individuals who are involved tend to do actual tasks outside of their routine work (Ningtyas & Yulianti, 2021). Given the millennial generation population which increasingly dominates the work force, millennial generation employees personally show the attitude of being leaders in influencing themselves to think and evaluate positive things about their work and have confidence and hope for success at work. Research that supports this from Rino Adilla, 2021 with the title "Organizational justice and work engagement with self-leadership as a mediating variable”. According to the study's findings, organizational justice has a favorable and significant impact on employee engagement at Grand Bunda Hotel Bukittinggi, the fifth hypothesis (H5) in this study is accepted.

**Self leadership affects the performance of employees at PT. IMR ARC STELL.**

Self leadership variable has a positive and significant effect of 0.186 on employee performance at PT.IMR ARC STEEL. Based on findings from the hypothesis test, the connections between self-leadership and PT.IMR ARC STEEL employee performance is positive, which means that if employees have good self-leadership, employee performance will be higher. Conversely, if the employee's self-leadership is poor, the employee's performance will be low. For this reason, the results of this study support the research results of Taufiqur Rachman et al. (2019), and Alfi Pratama Putra (2022) which state that self-leadership has a significant effect on employee performance. Self Leadership and Organizational Commitment on Employee Performance at Four Points By Sheraton Hotel. The results of the analysis show that self-leadership and organizational commitment partially and simultaneously have a positive and significant effect on employee performance. Based on the research results, it is necessary to create an atmosphere or working conditions that can meet the expectations of all employees. The sixth hypothesis (H6) in this study is accepted.

**Employees Engagement affects the performance of employees at PT. IMR ARC STEEL.**

based on statistics on how employee engagement affects productivity on employee performance at PT.IMR ARC STEEL it shows \(-0.105\). This shows that there is a significant effect of employee engagement on employee performance, it is proven that the study's seventh hypothesis, or H7, is correct. These results support the research by Albdour & Altarawneh (2014), Geldenhuyss et al. (2014), Simons & Buitendach (2013), and Lolitha & Jhonson (2015) who found employee engagement has a good relationship with organizational commitment. Subsequent studies using theory of Schaufeli & Bakker
(2004) which is also used in research Geldenhuys (2014). The contribution of this research is to modify the research framework, use of theory, and research locations that are different from previous studies. Referring to this research, it is proven that employee engagement can improve employee performance.

CONCLUSION

Based on the results of data analysis, several things become the conclusions of this study, namely: This result means that the direct effect on the IT Capability variable directly impacts the employee engagement. In light of the outcomes of data analysis, it can be explained that the research results of the relationship between IT Capability research variables have an effect on Employee Engagement on Employee Performance. This shows that the first hypothesis "There is a significant negative effect on employee performance" is proven. Based on findings from the hypothesis test, the connections between IT Capability and PT.IMR AMR ARC STEEL employee performance is formed, which means that it has a significant negative effect if the employee has good IT Capability, the employee's performance will be higher. Conversely, if employees have poor resilience, employee performance will be low. Resilience has an effect on employees engagement at PT. IMR ARC STEEL. The researcher determined that the effect of self-leadership on employee engagement is that the variable resilience and employee engagement have a weak but positive relationship, meaning that if resilience increases, employee engagement will increase. And conversely, if resilience decreases, employee engagement will decrease. Resilience affects the performance of employees at PT. IMR ARC STEEL resilience variable has a positive and significant impact on employee performance at PT. IMR ARC STEEL. Based on the results of the hypothesis test, the relationship between resilience and employee performance at PT.IMR AMR ARC STEEL is negative, which means that if employees have good resilience, employee performance will be higher. Self leadership influences employee engagement at PT. IMR ARC STEEL. Researchers established the effect of self-leadership on employee engagement that when employees have a high level of self-leadership, they will really feel excited and involved in their own work. Self leadership affects the performance of employees at PT. IMR ARC STEEL. Self leadership variable has a positive and significant influence on employee performance at PT.IMR ARC STEEL. Based on the results of the hypothesis test, the relationship between self-leadership and employee performance is positively significant. Based on the results of calculations about the effect of employee engagement on employee performance. This shows that there is a significant negative effect of employee engagement on proven employee performance.

Suggestion, advice for IMR ARC STELL, Based on data processing in the research that has been done, the researchers put forward some suggestions from the results of the analysis of respondents' responses showing that employee Engagement 0.9 has a very good reliability coefficient, resilience 0.9 has very good reliability, capability coefficient 0.9 has very good reliability, employee performance 0.85 has good reliability, and Self Leadership 0.95 has very good reliability. So, to improve employee performance in terms of discipline, it is hoped that it can create a better working atmosphere than the working environment conditions. Suggestions for Further Study, the results of this study contributed to previous research that stated that employee engagement has an effect on employee performance. The findings are expected to provide input for other researchers who wish to conduct further research on employee engagement and its effect on employee performance. Some suggestions that can be given to researchers who will continue this research are as follows: Further researchers are advised to conduct research with different or similar company research objects. This is because each company has different policies so that the employee engagement that occurs can be compared from one company to another. The results of the research will provide more effective input for companies to continue to increase the level of engagement of their
employees. Other researchers can conduct research by replacing the dependent variable that is different from this research.

REFERENCES


