

Factors Of Employee Engagement: The Role Of Spiritual Leadership As a Moderation Affecting Innovative Behavior

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Abstract - The study aimed to contribute to the theory; the conceptual model of employee engagement effect on innovative behavior, spiritual leadership as a moderation and consideration for directors for decision making. The number of samples collected in the study was 150 respondents of batik company designers in Central Java Indonesia. Purposive sampling technique was conducted on the data collection, the results of this study indicated that employee engagement had a positive and significant effect on innovative behavior with spiritual leadership as a moderation, the models of the analytical tool applied were SEM and AMOS.

Keywords – Employee engagement, innovative behavior, and spiritual leadership

I. INTRODUCTION

The study was supported by the antecedent theory of employee engagement which affected to innovative behavior model of the available theory. Besides, the inconsistent differences in results which triggered the researcher to do moderation its variables named spiritual leadership to strengthen relationships.

The study aimed to contribute theories and models as well as a consideration to company directors in making decisions, preceding studies examining employee engagement contributed an effect on performance but this antecedent study affected innovative behavior by using a moderating spiritual leadership variable to strengthen relationships.

II. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

It is necessary to discuss the definition before the correlation of employee engagement and innovative behavior by covering three things namely vigor, dedication and absorption, both employee engagement and work engagement have the same forming aspects and characteristics. In short, both are designed by several aspects in common, namely the existence of strength or energy (vigor), dedication or feeling of pride in work (dedication), commitment, and fully involved in work (absorption) (Cook, 2008; May, Gilson, & Harter, 2004; Bakker, Schaufeli, Leiter, & Taris, 2008).

Employee engagement is a term which is still relatively new discussed among human resource managements (Bhatla, 2011). Employee engagement is a condition of employees who are directly involved psychologically with their work. Employees will be involved physically, cognitively, or emotionally while showing their performance in work (Kahn, 1990). Employee engagement is viewed as a motivation for employees to improve performance at a higher level compared to the previous. These strengths are in the form of commitment (both for the company and at work) and ownership of work, feeling of pride, higher effort than normal, and enthusiasm in completing work (Wellins & Concelman, 2008). Employee engagement brings employees to a positive state of self-fulfillment, thus it fosters a sense of belonging and employees will finally find it difficult to escape from work (Righ; 2009; Schaufeli;

Salanova; Gonzalez, & Bakker; 2011). Employees with high levels of engagement (employee involvement) are not only being able to do their work with great strength or energy, they will also feel proud and totally immersed in their work. Engagement is not just hard work, active in work, or high involvement in work, but engagement (involvement) sees the extent to which employees can fully put themselves into work (Albrecht, 2010; Schaufeli et al., 2009). Employees with high engagement present positive behavior during work, thus whatever they do leads to the efforts to achieve company goals and success (Dicke; Holwerda; &Kontakos; 2007); The Institute for Employment, (Endres&Smoak; 2008; Kahn; 2010; Vazirani; 2007). Employees feel that their presence in the company is recognized, so they will give their best efforts to the company because they feel they have become part of the company. All they do is not as their way of showing themselves and getting praise from others, instead of they are very welcome in doing their work (Kahn, 2010; Perrin, 2003).

Based on the above definitions, the researcher concludes that employee engagement is a condition when employees are psychologically, physically, cognitively, and emotionally involved with their work, so that employees will give their best effort in completing work, and find it difficult to escape from work characterized by vigor, dedication, and absorption. The theory selected in this study in understanding an engagement was the theory of employee engagement according to Schaufeli and Bakker (2003) by emphasizing vigor, dedication, and absorption in. This theory was chosen because it was considered to have included a comprehensive and easily understood understanding. Besides, innovative behavior is the word innovative and cannot be separated from innovation concept. Getz, I., & Robinson, A.G. (2003) explained that innovative is an attitude which involves a series of processes. West (2002), King and Anderson (2003) describe innovative as a series of activities or businesses in facing work which involves new ways and ideas to complete their tasks. Luecke (2003) describes innovative as an introduction of something new or new methods of work which attempt to improve the preceding method.

Innovative behavior is closely related to innovation. Innovation and innovative behavior are social changes. The difference is only in emphasizing the characteristics of the change. Innovation emphasizes the characteristics of something that is observed as something new for individuals or society. Whereas, innovative behavior emphasizes the existence of a creative attitude so that there is a process of changing attitudes from traditional to modern, or from a stagnant attitude to innovative attitude. Someone who has innovative behavior is a person whose daily attitude is always thinking critically, trying to always make a change in his environment from traditional to modern, or from stagnant to innovative attitude and having benefit or added value. People who behave innovatively will always strive to make efforts to solve problems in different ways with the usual but more effective and efficient. According to (Inkeles, 2015), it interprets the process of modernization associated with innovative behavior as a process of changing people's lives, emphasized life changes due to innovative behavior of modernization followed by changes in attitudes, characteristics or lifestyles of individuals in society.

George and Zhou (2001), state that the characteristics of individuals who have innovative behavior are: 1) finding out new technologies, processes, techniques and new ideas, 2) producing creative ideas, 3) advancing and fighting for ideas to others, 4) researching and providing the resources needed to realize new ideas, 5) developing a mature plan and schedule to realize the new idea, and 6) being creative. Linking employee engagement and Innovative behavior, there are many previous empirical studies and published literature regarding these correlations. Human resource management experts state that employee engagement is the key to innovative behavior and competitiveness. Katz, D., & Kahn, R. (1978) have identified that not only involving and collaborating in organizations and having reliable behavior, employee engagement leads to innovative behavior where employees go beyond the role of individuals to collaborate with coworkers, give advice, improve the organization, and work to improve the position of the organization in the workplace. Paul Maku, Gichohi (2014), employee engagement assumes the role of workers for creativity and innovation in the workplace. They argue that Social Exchange Theory (SET) provides a theoretical basis for employees' involvement and creative behavior. According to SET, when employees are given value by empowerment and training, employees feel that they have a sense of belonging and they pay back the organization by showing their involvement in work.

The involving behavior of the employees motivates them to do more of their tasks and it yields a creativity and innovation in the organization. Besides, the employees involved are a source of creative performance and attract more talented people to the organization while the employees involved are responsible for an organization, arguing through their research in the company, employee engagement has a positive correlation with employee roles of innovative behavior which is directly related to work. According to Abraham (2012); Echols (2005) and Right (2009); employee engagement produces innovative behavior, along with better customer service, productivity, turnover, a dedicated workforce, a high sense of work commitment, willingness to give extra time to work, and pride in their work.

Employee engagement is one of the key antecedents of creativity and innovation (Langelaan; Bakker; Van Doornen; and Schaufeli, 2006), their research findings that focus on two major personality factors - neuroticism and extraversion reveal that the increased correlation between the two employees and their work triggers creativity and

innovation. Sundaray (2011) notes that engaged employees are very enthusiastic about their work and will often do maximally in their work resulting in creativity and innovation. Unsworth (2004) uses inductive methods to investigate the factors which affect employee engagement in innovative behavior, analyze the theory of component creativity (Amabile, 1983), he argues that employee engagement and innovative behavior are intentional actions and related to assignments. Mcewan (2012) reiterated in his research that creativity and innovation were the result of employee engagement and Employee engagement has a strategic role in increasing organizational outcomes in the form of positive behavior that benefits the organization (Trisninawati et al., 2017; Tusa'diah et al., 2017; Novianti et al., 2017; Zuhaena et al., 2018)

Organizations caring to human capital can verify the implementation of employee engagement through positive results obtained with the generation of innovative behavior, enabling predictions of employee turnover intentions, employee productivity, financial performance, customer satisfaction and so on (Richman, 2006; Getz & Robinson, 2003).

H1: Vigor has a positive and significant effect on innovative behavior

H2: Dedication has a positive and significant effect on innovative behavior

H3: Absorption has a positive and significant effect on innovative behavior

Spiritual leadership in this study roles as a moderating correlation between employee engagement and innovative behavior. Spiritual leadership is defined as spiritual leadership, spiritual leadership according to Fry & Ph (2003) includes the task of creating a vision where members of the organization experience feelings of awaken in life, finding meaning and making things different, building a social culture/organization based on love altruistic where leaders and followers truly care each other, caring and respecting one another to generate membership, feeling understood and valued. Researchers use spiritual leadership instruments adopted by (Fry & Ph, 2003)

H4: Employee engagement affects innovative behavior with spiritual leadership as a moderating variable

III. RESEARCH METHODS

The research techniques conducted in this study were identification, selection, and formulation of problems to the formulation of hypotheses and their correlation between theory and hypothesis testing. This study was a quantitative which examined the causality correlation between exogenous and endogenous variables. Exogenous variables in this study were vigor, dedication, and absorption. Endogenous variable was innovative behavior, while the moderating variable was spiritual leadership. The population in this study was in an area which met certain conditions related to research problems. Thus, designers of batik companies in Central Java Indonesia consisting of 4 593 populations were selected. The number of samples is 150 batik companies. Purposive sampling was carried out to select the sample in batik designers in Central Java, Indonesia.

This study obtained primary data from a questionnaire. The distribution of questionnaires was conducted by giving written answers to information on the research questionnaire list. It was done to respondents who had been selected according to certain criteria of the researcher of purposive sampling method..

3.1 Variables and sizes with operational definitions

Based on the above definition, a measurement tool was developed to measure aspects of vigor, dedication, and absorption called the Utrecht Work Engagement Scale (UWES) (Schaufeli & Bakker, 2004). Vigor (sincerity) was assessed from 6 questions which referred to high energy and endurance, willingness to try more, not easily tired and persistence in facing difficulties. Dedication was evaluated from 5 items of question which referred to the significance of work, feeling enthusiasm and pride in work, and inspired and challenged by his work. Absorption was measured from 6 question items which referred to the wholehearted and pleasure in working and found it difficult to escape from work so that time felt so quick and forgot everything around.

3.2 Data analysis technique

The analysis to evaluate models and hypotheses was AMOS program of Structural Equation Modeling (SEM) analysis. The first analysis was applied to test uni-dimensional. Indicators which formed a construct by considering the parameters obtained from goodness of fit. By applying a measurement model, convergence would be generated to test these indicators, whether it was valid in measuring what should be measured, and the significance of the indicator also needed to be tested, whether the indicators showed the same dimensions in forming latent variables. The next analysis applied was Structural Equation Modeling using the same stages, namely testing the parameters

produced by the goodness of fit and then directly testing the research hypothesis about the causality correlation developed in the model.

IV. RESEARCH RESULTS

4.1 Data analysis

Before conducting a statistical test, the first step was filtering the data. One of the assumptions of using parametric statistics was the assumption of multivariate normality. Multivariate normality is the assumption of all variables and all linear combinations of variables are normally distributed. If the assumptions are fulfilled, the residual value of the analysis is also normally distributed and independent, i.e. the difference between the predicted value and the actual value of the score or error will be distributed symmetrically around the mean value equal to zero. Therefore, one way to detect is to look at the value of skewness and kurtosis. The normality value can be seen from the value of skewness or the value of z compared to the critical value, namely for alpha 0.01, the critical value is ± 2.58 while the critical value of 0.05 is ± 1.96 . The results of screening data in the Normality test presented that the skewness value did not exceed ± 2.58 , so it could be concluded that the data was normally distributed.

4.2 Analysis of Confirmatory Factors

Descriptive model of confirmatory factor is a model intended to describe the situation or concept through indicators based on strong theory (Hair Jr. et al., 1998). Through this analysis, it will obtain a variable which can confirm a factor. Based on the results of AMOS data processing, it could be seen that each dimension showed an indicator with a critical ratio value of $c.r \geq 2.00$. It meant that all indicators implemented in the correlation between exogenous variables were accepted. Standardized estimation results also discovered that all indicators obtained scores above the loading factor of 0.5.

4.3 Full model analysis of Structural Equation Modeling (SEM)

The hypothesis testing in this study was assisted by AMOS Structural Equation Modeling (SEM) program. The results of Structural Equation Modeling (SEM) analysis in the full model illustrated the results of assumption tests in the development of Structural Equation Modeling (SEM). Confirmation results in the full model discovered good results which met the criteria of goodness of fit. The model structure was selected to describe the causality research model with tiered correlation. The test results described some goodness of fit as follows Table 1. Tests on the model suitability indicated that this model was appropriate or fit to the data used in the study. It could be viewed from the conformity index, namely: Chi-Square, Probability, CMIN/DF, GFI, AGFI, TLI, CFI and RMSEA, all of which were well received.

Table 1. Feasibility Test of Innovative Behavior Model

<i>Goodness of fit Index</i>	<i>Cut-off Value</i>	<i>Result Model</i>	<i>Note</i>
χ^2 - Chi-Square	Expectation Small	186,356	χ^2 with DF 183 is 215,563, so χ^2 obtained 186,356 or smaller than 215,563 (Good category)
<i>Probability</i>	$\geq 0,05$	0,417	Good
GFI	$\geq 0,90$	0,901	Good
AGFI	$\geq 0,90$	0,875	Marginal
CFI	$\geq 0,95$	0,999	Good
TLI	$\geq 0,95$	0,998	Good
NFI	$\geq 0,90$	0,931	Good
CMIN/DF	$\leq 2,00$	1,018	Good
RMSEA	$\leq 0,08$	0,011	Good
RMR	$\leq 0,05$	0,022	Good

4.3.1 χ^2 – Chi-Square Statistic

One of the test tools to measure overall fit is the likelihood ratio Chi-square statistic. Chi-Square is very sensitive to the number of the sample selected. The model will be considered as good or satisfying if the Chi-Square score is low. The smaller χ^2 is, the better the model is accepted based on probability with a cut-off value of $p > 0.05$ or $p > 0.10$ (Huland, et al 1996 in Ferdinand, 2005). In this study the chi-square value obtained was $186.356 < 215.563$ and the

value of $p = 0.417$, thus it could be concluded that the model in this study was very good fit because chi-square value was calculated smaller than the chi-square table and probability score $0.417 > 0.050$.

4.3.2 GFI - Goodness of Fit Index

GFI is a non-statistical measurement which ranges between 0 (poor fit) to 1.0 (perfect fit). A high value in the index indicates a "better fit" and a model can be considered to be very good if the GFI value is more than or equal to 0.90. The value generated in this study was 0.901 so that it indicated a very good fit since $0.901 > 0.90$.

4.3.3 AGFI-Adjusted Goodness-of Fit Index

AGFI is a criterion which considers the weighted proportion of variance in a sample covariance matrix. The recommended level of acceptance is if AGFI value obtains equal or greater than 0.90. The value of 0.95 can be interpreted as a good overall model fit level while the magnitude of the value between 0.90 - 0.95 indicates that adequate fit level. The value generated in this study was 0.875, thus it did not include into good overall model fit, since $0.875 < 0.90$.

4.3.4 CFI- Comparative Fit Index

The magnitude of this index is in the range of 0 (poor fit) up to 1.0 (perfect fit). Values which are higher or equal to 0.95 identify the highest level of fit or a very good fit (Arbuckle 1997, in Ferdinand, 2005). The CFI value generated in this study was 0.999 so it was categorized as a very good fit, since $CFI > 0.95$.

4.3.5 TLI - Tucker Lewis Index

TLI is an alternative incremental fit index which compares a tested model and a baseline model (Baumgartner & Homburg (1996) in Ferdinand, 2005). A very close to 1 or more than 0.95 Values indicate a very good fit (Arbuckle 1997 in Ferdinand, 2005). The TLI value generated in this study was 0.998 so it was categorized as including a very good fit, since $TLI > 0.95$.

4.3.6 NFI-Normed Fit Index

Normed Fit Index (NFI) is a comparison between the proposed model and the null model. The recommended value of NFI is > 0.90 . The NFI value generated in this study was 0.931 so it was defined as a very good fit, since NFI was > 0.90 .

4.3.7 CMIN / DF - The Minimum Sample Discrepancy Function

CMIN/DF is one of the indicators to measure the level of fit of a model (Ferdinand, 2005). In this case CMIN/DF is nothing but Chi-square statistics, χ^2 divided by DF so that it is called χ^2 relative. Relative χ^2 values less than 2.0 or less than 3.0 are indicative of acceptable fit between the model and data (Arbuckle 1997, in Ferdinand, 2005). The CMIN / DF value of this study model was 1.018. Thus this model includes a very good fit, because the value of $CMIN / DF = 1.018 < 2.0$.

4.3.8 RMSEA - The Root Mean Square Error of Approximation

RMSEA is another test tool which determine goodness-of-fit expected if the model is estimated in the population (Hair, et al 1995 in Ferdinand, 2005), smaller or equal RMSEA values to 0.08 is consideration to be accepted in close fit of the model based on degrees of freedom (Borwne & Cudeck, 1993 in Ferdinand, 2005). RMSEA value obtained in this study was 0.011. Thus, this model was considered as a very good fit since RMSEA value was $0.011 \leq 0.08$. see on Figure 1.

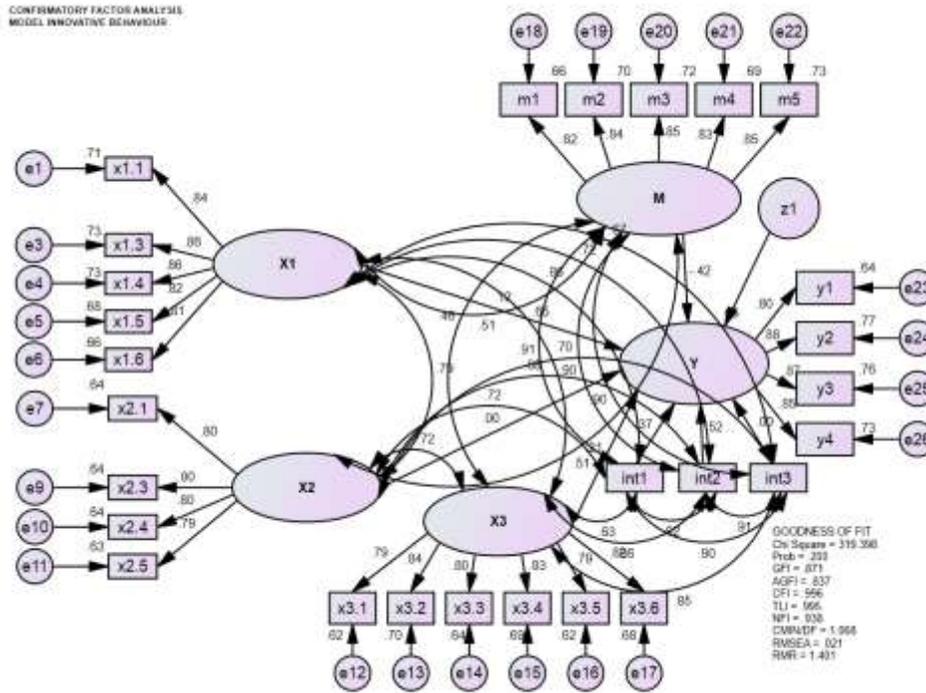


Figure 1. Confirmatory Factor Analysis Model Innovative Behaviour

Tabel 2. Combined Table before and After the Moderation Variable

Direction of Influence	Beforemoderating variable:		After the moderating variable	
	KoefisienRegresi	Signifikansi	KoefisienRegresi	Signifikansi
X1 Y	0,347	0,003	0,123	0,413
X2 Y	0,319	0,016	0,002	0,984
X3 Y	0,219	0,021	0,214	0,036
M Y	-	-	-0,420	0,000
I ₁ Y	-	-	0,374	0,249
I ₂ Y	-	-	0,523	0,025
I ₃ Y	-	-	-0,003	0,990

From the Table 2 above the research findings show that:

Before moderation:

1. Vigor has a significant and positive effect on innovative behavior.
2. Dedication has a significant and positive effect on innovative behavior.
3. Absorption has a significant and positive effect on innovative behavior.
4. R2 = 65.5

After the moderating variable:

1. Vigor does not affect innovative behavior and spiritual leadership does not strengthen vigor's relationship with innovative behavior.

2. Dedication has no significant and positive effect on innovative behavior, and spiritual leadership moderates the relationship of dedication to innovative behavior
3. Absorption has a significant and positive effect on innovative behavior, and spiritual leadership does not strengthen the relationship of absorption to innovative behavior.
4. $R^2 = 64.7$

A designer is an art worker, art is governed by taste, a sense that determines the expression of art. Because art is a form of expression poured out from within the human soul, delivered in various forms and accepted by the senses. While the assessment of the design is determined by the opinions of its users. Eli Meliah, 2006; Brady, 1998; A designer cannot work in interference or be motivated strictly by the management of the company or company leaders.

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