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The Effect of Motivation and Communication on Employee Performance with Employee Engagement as an Intervening Variable in The PT XYZ Contact Center

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Abstract: This study aims to determine the effect of Motivation and Communication on Employee Performance with Employee Engagement as an intervening variable at the PT XYZ Contact Center. The number of samples in this study was 103 people who were determined by the saturated sampling technique. This study uses quantitative methods and statistical analysis of Structural Equation Modeling and Partial Least Square (SEM-PLS) 3.3.9 software. The results of this study indicate that motivation has a positive and significant effect on employee engagement and employee performance. Communication has no significant effect on employee engagement and employee performance. Employee engagement has a positive and significant effect on employee performance. Motivation has a positive and significant effect on employee performance through employee engagement. And communication has no significant effect on employee performance through employee engagement.

Keywords: Motivation, Communication, Employee Engagement, Employee Performance.

INTRODUCTION

To survive in the face of business competition, where the growth of technology and information is rapidly increasing, every company is required to excel in its field. Industrial development is slowly moving into the era of industrial revolution 5.0. Moreover, since the Covid-19 pandemic began in 2019 in China, many business processes and ways of working have changed. Many company business processes are starting to shift towards digitalization. This requires companies to continue to adapt to the rapidly changing times. Human Resources (HR) or Human Capital in an organization is an important aspect for the success of an organization because HR plays a crucial role in the organization's efforts to meet the company's needs to achieve its goals. Therefore, HR management is very important in order to achieve employee performance that supports the company's vision and mission. There are many methods that we can use to measure

the growth of an industry or organization, and one way is to look at the results of evaluations or performance assessments. PT XYZ has a large number of participants, with an estimated 30 million actively registered participants by 2021. The entire number of active participants needs to be managed appropriately so that the company's strategy in managing customers is customer-oriented. Some of the media used by companies to provide information and/or handle customer complaints include branch offices, company websites, official letters, electronic mail, social media in the form of Facebook, Twitter, Instagram, YouTube, and the Contact Center. From the results of interviews conducted with PT XYZ management regarding employee performance, it is known that the level of employee performance achievement in the contact center section in the last four years has experienced a downward trend. The performance assessment of PT XYZ contact center employees in 2018 was 99.53%. Then the performance assessment decreased in 2019 to 92.11%. It then decreased sharply in 2020 to 49% and fell further again in 2021 to 27.87%.

To strengthen indications of any problems that affect employee performance at the PT XYZ Contact Center, the researcher distributed pre-survey questionnaires to 15 employees. The questionnaire contained material on Factor X, which influences variable Factor Y (Performance). Based on survey results, it was found that 33.3% of employees were not willing to spend more time on work, 33.3% of employees did not like challenging work, and 26.7% of employees stated that communication between departments in the office environment was not well-established. The pre-survey data has identified several indicators that suggest issues with the performance of PT XYZ Contact Center employees. From these indications, the researcher selected several variables to be studied, including employee engagement, motivation, and communication.

Apart from the description above, there are several differences in the results of previous research related to employee performance. These differences in research results are known as research gaps. For motivation variables, research conducted by Paais and Pattiruhu (2020), Sharmin (2023), Hatipoğlu (2020), and Saudi (2021) stated that motivation factors positively affect employee performance. However, this is contradicted by research conducted by Mariati (2018) and Herlambang (2022), which states that motivation has a negative effect on employee performance. Furthermore, differences in research results were also found in the communication variable. Research conducted by Sumarno (2022) and Ong Choon Hee (2019) states that communication has a positive effect on employee performance. Contrary to the results of this research, research conducted by Syukur (2019) stated that communication has a negative and significant effect on employee performance. Another variable, namely employee engagement, also has different research results. Based on research conducted by Buil (2019) and Abdullahi (2021), employee engagement has a positive and significant effect on employee performance. Contrary to the results of this research, research conducted by Sharmin (2023), Sumarno (2022), and Mahadika (2018) stated that employee engagement has no influence on employee performance.

METHOD

This research employs a quantitative approach with a type of causal research. The study focuses on the employees of the PT XYZ contact center as the population, which consists of 103 individuals. A saturated sampling method is utilized to select the research sample, which means the entire population is included. The questionnaire employs the Likert scale, which is a type of questionnaire measuring tool. SmartPLS version 3.3.9 is the software used to analyze data related to different variables..

RESULTS AND DISCUSSION

Outer Model Test Results

The Confirmatory Factor Analysis (CFA) technique was carried out to test the outer model, used to see the validity of each indicator and carried out to test the reliability of the construct. An indicator can be said to meet convergent validity if it has a loading factor value > 0.7. However, for research in the initial stages of development, a loading factor value of 0.5 to 0.6 is considered sufficient and is indicated by an Average Variance Extracted (AVE) value of above 0.50. Construct reliability is measured by Composite Reliability and Cronbach's Alpha. A construct is said to be reliable if it has a Composite Reliability and Cronbach's Alpha value above 0.70 (Ghozali, 2014).

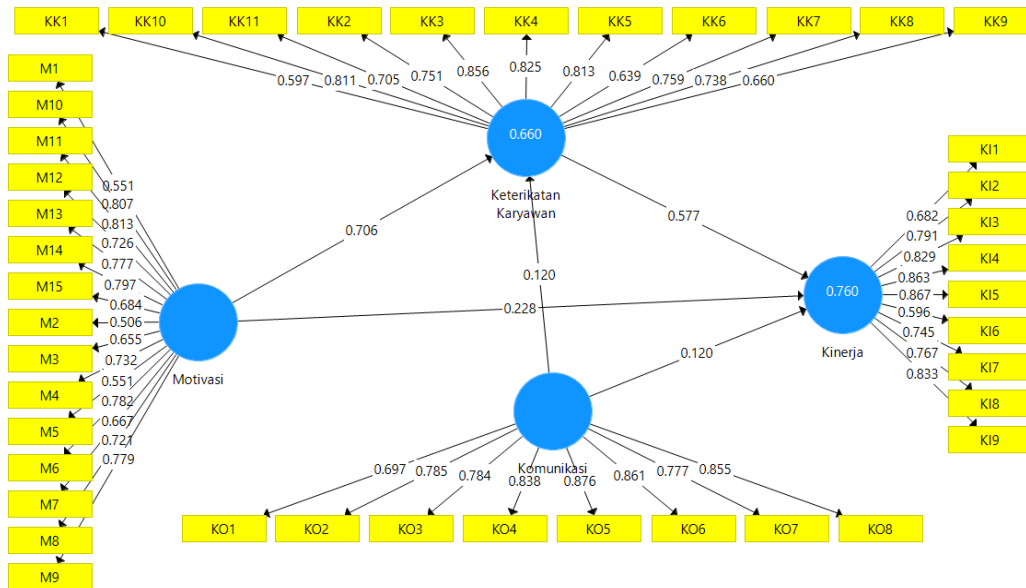


Figure 1. Outer Model Test Results

Figure 2 shows that the values of the existing instruments have met the required convergent validity criteria.

Table 1. Average Variance Extracted (AVE) and Cronbach's Alpha and Composite Reliability Values of Research Model Variables

Variable	AVE value	Cronbach's Alpha	Composite Reliability	Information
Motivation (X1)	0.504	0.928	0.937	Reliable
Communication (X2)	0.658	0.925	0.939	Reliable
Employee Engagement (Y1)	0.556	0.918	0.932	Reliable
Employee Performance (Y2)	0.607	0.917	0.932	Reliable

It can be seen from the results of the convergent validity test in Table 1 that the AVE value of the research model is greater than 0.5, meaning the model is reliable for measuring variables.

And the results of the Cronbach's Alpha and Composite Reliability values are greater than 0.7, which shows that the research model can be used to measure variables accurately.

Inner Model Test Results

Inner model testing is the development of a concept and theory-based model which functions to analyze the relationship between exogenous and endogenous variables which have been described in the conceptual framework.

Table 2 R Square (R2) Values for Research Endogenous Variables

Variable	R Square
Employee Engagement	0.660
Employee performance	0.760

Based on Table 2, it can be explained that the relationship between the constructs of the Employee Engagement variable is based on an R Square value of 0.660. It can be inferred that 66% of the employee engagement variable is influenced by motivation and communication, while the remaining 34% is influenced by other variables not examined in this research. Meanwhile, the value of the relationship between constructs based on the R Square value for the employee performance variable is 0.760. It can be inferred that 76% of employee performance is influenced by motivation, communication, and employee engagement, and the remaining 24% is influenced by other variables not examined in this research.

Goodness of Fit Model (GoF) Testing

To find out how much the measurement model (outer model) and structural model (inner model) match, a Goodness of Fit Index (GoF) test is carried out. This is done to calculate how well each model can predict the following data:

$$GoF = \sqrt{AVE \times R^2}$$

$$GoF = \sqrt{0.581 \times 0.71}$$

$$GoF = \sqrt{0.413}$$

$$GoF = 0.643$$

Based on these results, it can be concluded that the combined performance between the outer model and inner model as a whole is good because the Goodness of Fit Index (GoF) value is more than 0.36 (large GoF scale).

Hypothesis Test Results

Table 3 Hypothesis Test Results

Relationships Between Constructs	Original Sample (O)	T Statistics ((O/STDEV))	P-Value	Information
Direct Effect				
Motivation → Employee Engagement	0.706	5,723	0,000	Positive and Significant Influence
Communication → Employee Engagement	0.120	0.826	0.409	Not significant
Motivation → Employee Performance	0.228	2,015	0.044	Positive and Significant Influence

Communication → Employee Performance	0.120	0.994	0.321	Not significant
Employee Engagement → Performance	0.577	5,294	0,000	Positive and Significant Influence
Indirect Effect				
Motivation → Employee Engagement → Employee Performance	0.407	4,500	0,000	Positive and Significant Influence
Communication → Employee Engagement → Employee Performance	0.069	0.756	0.450	Not significant

Discussion

Testing the influence of the Motivation variable (X1) on the Employee Engagement variable (Y1) has a path coefficient of 0.706 with a T-statistic value of 5.723 and a P-value of 0.000. Because the T-statistic value > T table (1.661) and the P-value < 0.05, there is a significant positive influence between the Motivation variable (X1) on the Employee Engagement variable (Y1). Motivation that originates from within, such as through a sense of personal achievement or satisfaction, can encourage employees to perform their best at work. Employees who experience job satisfaction tend to feel more connected to the company and are more willing to contribute optimally. Moreover, motivation that stems from external factors, such as awards or promotions, can also have a significant impact on employee engagement. Employees who feel valued and perceive opportunities for career growth in the organization tend to feel more engaged and committed to continuing their work at the company. This is consistent with the findings of previous research carried out by Afkar and Sayekti (2020), which indicate that motivation has a positive and significant influence on employee engagement.

Testing the influence of the Communication variable (X2) on the Employee Engagement variable (Y1) has a path coefficient of 0.120 with a T-statistic value of 0.826 and a P-value of 0.409. Because the T-statistic value < T table (1.661) and P-value > 0.05, there is an insignificant positive influence between the Communication variable (X2) on the Employee Engagement variable (Y1). The insignificant influence of communication on employee engagement, as found in this research, may be attributed to high employee turnover. When an employee starts to have good communication with their superiors and colleagues, but for some reason decides to leave and is replaced by new employees, it becomes necessary for companies to start building new communications with the new members. This is in line with previous research conducted by Ramaditya (2020), which explained that communication has no effect on employee engagement. Companies are trying to start afresh with new employees to increase engagement.

Testing the influence of the Motivation variable (X1) on the Employee Performance variable (Y2) has a path coefficient of 0.228 with a T-statistic value of 2.015 and a P-value of 0.044. Because the T-statistic value > T table (1.661) and the P-value < 0.05, there is a significant positive influence between the Motivation variable (X1) on the Employee Performance variable (Y2). When employees feel motivated, they tend to perform better and achieve better results. When the results of the work produced are better, employee performance will improve. And indirectly it will help improve organizational performance. The same research results were also found in research conducted by Sharmin (2023) which stated that motivation had a positive effect on employee performance.

Testing the influence of the Communication variable (X2) on the Employee Performance variable (Y2) has a path coefficient of 0.120 with a T-statistic value of 0.994 and a P-value of

0.321. Because the T-statistic value $< T$ table (1.661) and P-value > 0.05 , there is an insignificant positive influence between the Communication variable (X2) on the Employee Performance variable (Y2). Better communication does not guarantee that it will affect employee performance. The insignificant influence of communication on employee performance found in this research may be caused by the work of the contact center agents themselves, where their daily work is to serve requests for information and complaints from participants who come via telephone, social media and email. Almost all of these agents' working hours are interacting and communicating with customers, communication at work with superiors or with other employees occurs when there is an escalation of problems that cannot be handled by the agents or when receiving training from the company. This is in line with research conducted by Syukur (2019) which states that communication has a negative and significant effect on employee performance.

Testing the influence of the Employee Engagement variable (Y1) on the Employee Performance variable (Y2) has a path coefficient of 0.577 with a T-statistic value of 5.294 and a P-value of 0.000. Because the T-statistic value $> T$ table (1.661) and the P-value < 0.05 , there is a significant positive influence between the Employee Engagement variable (Y1) on the Employee Performance variable (Y2). The better employee engagement, the more employee performance will improve, and vice versa, the worse employee engagement, the more employee performance will decrease. From direct observation it can be seen that PT XYZ Contact Center employees always try to give their best at work. This is certainly a positive thing for the company, because it will improve the performance of employees and will indirectly improve the company's performance. Additionally employees who feel connected to their company will be more likely to collaborate with their coworkers and share knowledge and information. They tend to work for the common good rather than personal interests. This can improve the quality and efficiency of team work, which in turn will improve the overall performance of the organization. The results of this research are in line with the results of research presented by Abdullahi (2021) that employee engagement has a positive and significant effect on employee performance.

Testing the influence of the Motivation variable (X1) on the Employee Performance variable (Y2) through the Employee Engagement variable (Y1) has a path coefficient of 0.407 with a T-statistic value of 4.500 and a P-value of 0.000. Because the T-statistic value $> T$ table (1.655) and the P-value < 0.05 , there is a significant positive influence between the Motivation variable (X1) on the Employee Performance variable (Y2) through the Employee Engagement variable (Y1). Employee engagement can be a source of motivation, when employees feel emotionally connected to the company, they will feel more valuable and valued as individuals. This will influence their motivation to work harder and be more productive. In addition, employees who feel they have high employee engagement will have a positive influence on their performance. This can increase a sense of pride and desire to do the best for the company. Employees who feel engaged are also more likely to engage in their work wholeheartedly and strive to achieve organizational goals. This is in line with the research results presented by Paramarta and Kasih (2018) stating that motivation influences performance through employee engagement.

Testing the influence of the Communication variable (X2) on the Employee Performance variable (Y2) through the Employee Engagement variable (Y1) has a path coefficient of 0.069 with a T-statistic value of 0.756 and a P-value of 0.450. Because the T-statistic value $< T$ table (1.655) and P-value > 0.05 , there is an insignificant positive influence between the Communication variable (X1) on the Employee Performance variable (Y2) through the Employee Engagement variable (Y1). This is based on routine work activities carried out by agents in the contact center, all carried out through the application system used. Even though it has more than one service

channel, the entire system is integrated with one another. So that if problems arise or requests for information and complaints from customers that cannot be handled, a resolution will be carried out by escalating the problem through a system that is integrated in one section or another section that has authority in this matter. The resolution of requests for information and complaints has a Service Level Agreement (SLA) for settlement, and the SLA for resolving these complaints is included in the employee performance assessment at the PT XYZ Contact Center. So one of the focuses of agents at the PT XYZ Contact Center is how to resolve complaints by meeting the SLA quickly through an integrated system. This is in line with the research results presented by Sumarno (2022), where the research results show that internal communication has no effect on employee performance through employee engagement.

CONCLUSION

Motivation has a positive and significant effect on Employee Engagement at the PT XYZ Contact Center. This means that the better the employee motivation in a company, the level of employee engagement with the company will increase or become higher.

Communication has a positive effect on employee engagement at the PT XYZ Contact Center but the effect is not significant. This shows that good communication has a positive influence on employee engagement, but this influence is not a significant factor that can increase employee engagement with the company.

Motivation has a positive and significant effect on employee performance at the PT XYZ Contact Center. This means that the better the employee motivation in a company, the employee performance in that company will increase or be higher.

Communication has a positive effect on employee performance at the PT XYZ Contact Center but the effect is not significant. This shows that good communication has a positive influence on employee performance, but this influence is not a significant factor that can improve employee performance in the company.

Employee Engagement has a positive and significant effect on Employee Performance at the PT XYZ Contact Center. This means that the better employee engagement in a company, the better the employee performance in that company.

Motivation has a positive and significant effect on employee performance through employee engagement at the PT XYZ Contact Center. This means that the better the motivation that employees have in a company, it will increase employee engagement and will influence the increase in employee performance.

Communication has a positive but not significant effect on employee performance through employee engagement at the PT XYZ Contact Center. This shows that good communication, even though it has been mediated by employee engagement, still does not make it a significant factor for employee performance.

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