The Role of Engaging Leadership on Work Engagement With Job Insecurity as Moderator Across Proximal Withdrawal States Situation

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ABSTRACT

Work engagement has an important role in employees’ performance. By having good engagement, employees will have enthusiasm, sense of pride, and positive feelings towards their works, hence it will bring positive implications for employees’ work performance, which can increase their productivity. In this study, work engagement is viewed from the leaders’ role in delivering engaging leadership and examined using job insecurity as the moderator variable. This study also considers the conditions of Proximal Withdrawal States (PWS) that divide the employees into four groups: enthusiastic stayers, reluctant leavers, enthusiastic leavers, and reluctant stayers. Using the cluster random sampling technique, 378 employees had been selected to participate in the research. The data was processed using multiple regression analysis with SPSS. The results show that job insecurity serves as a moderator for the relationship between engaging leadership and work engagement only in the enthusiastic leavers group (p < .05, R2 = .883). Nonetheless, the role of engaging leadership in work engagement is proven to influence the employees in the enthusiastic leavers and enthusiastic stayers groups.

Keywords: engaging leadership, work engagement, job insecurity, proximal withdrawal states

1. INTRODUCTION

Work engagement is a condition where employees have strong internal motivation that drives them to achieve higher performance [1-4]. Work engagement brings implications for the employees’ performance. Employees who are engaged in their work will have the energy and concentration on their work. This allows employees to mobilize all their potential when doing a job. This energy and focus will improve the quality of their primary work responsibilities. They will have the capacity and motivation to concentrate on the task at hand. Smythe [5] states that engaged employees will show enthusiasm and passion for their work and organization. Engaged employees will enjoy the work they do and are willing to provide all the help they can to be able to make the organization shine. In addition, engaged employees will also have a high energy level and are enthusiastically involved in their work [6].

PT X is a technology-based start-up company. Founded in 2014, PT X runs an e-commerce business, particularly in the field of fashion. PT X has a vision to provide high quality fashion at an affordable price to millions of customers. In 2016, PT X suffered a decline in its revenue that leads to the lay-off of some of its employees. PT X had an assumption that one of the reasons of the 2016 revenue drop was that PT X was not the customers’ choice as its brand did not represent fashion, and consequently, PT X did not become the customers’ top of mind.

According to Alina Wheeler [7], branding is one of the disciplinary processes that builds consumer awareness and extends consumer loyalty. Branding enlarges opportunities for consumers to use one particular brand rather than another, and the desire to be a market leader is the best way to reach consumers.

To prove this assumption, PT X conducted a brand-related survey, such as the company names, logos and taglines to customers. This survey aimed to investigate the customers’ perceptions of the current brand. The result showed that the name of the company was not affiliated with a fashion company. Many sista, nicknames for customers, stated that when hearing the name of the company, their mind associated it with finance or used goods companies. Finally, in January 2019, the company decided to do a rebranding, an effort made by the company to totally change or renew the existing brand to be better by maintaining the company's initial goal, which is profit-oriented [7].

The company rebranded by changing all of the company's external identities (name, logo and tagline), but did not make any changes to its internal identities (vision, mission, and company values). Although it did not make any changes to its internal identity, PT X made several changes to the organizational structure, including changes in the board of directors, the president director, and the creation of new subdepartments, followed by company downsizing. Rebranding is a new demand for companies that makes them ready to face all changes. With these changes, companies have to be able to adapt, such as adapting to the emerging technologies, new workplaces, financial pressures, regulatory regulations, and the growing labor force [8].

Rebranding may cause a sense of concern about the company's future that will also affect the future of
employees in the company. This concern is referred as job insecurity, which is an employee's psychological condition that shows confusion, concern, and insecurity feeling due to the changing environmental conditions [9]. The term job insecurity is used because the perceived psychological condition is a concern related to the future of employees in the company, whether the employees will be able to continue working in the company or not [10]. This concern makes employees feel uncomfortable at work due to the threats related to their future in the company. Job insecurity can have a greater negative impact than the loss of work itself because it can affect the employees physiologically, psychologically, and socially [11]. As a result, job insecurity will affect the employees by reducing their work engagement [12].

The results of Bosman, Buitendach, & Rothman [13] research show that job insecurity is associated with the decreasing level of employees’ work engagement. Job insecurity causes psychological contract violations and decreases work attachment because these violations diminish the crucial reciprocity in maintaining employee welfare.

According to Demerouti (in Tooren et al) [14], job insecurity is one form of job demands. Job demands can be a moderator variable [15]. Moderator variable is a variable that determines the strength of the relationship between the independent variable and the dependent variable. According to the research results of De Cuyper & De Witte [16], job insecurity is a moderator for work engagement; job insecurity can weaken the relationship of independent variable and work engagement.

Work engagement can be affected by various things, but according to Schaufeli [17], leaders have an essential role in increasing employees’ engagement. Work engagement is directly affected by the supervisors’ leadership [18]. In 2008, Alimo-Metcalfe et al. created a concept called engaging leadership. Engaging leadership is a leadership style that shows respect to others and pay attention to their development and well-being coupled with the ability to bring various stakeholder groups together in developing a shared vision, in supporting a culture of development, and in performing delegation that empowers and develops individual potential, along with the encouragement to ask questions and to think constructively and strategically [19].

Based on the research results of Decuyper and Schaufeli [20], leaders may affect their followers’ work engagement in various ways. First, engagement may be enhanced indirectly by altering job demands and job resources as well as by elevating the psychological need satisfaction of the employees, which can be achieved by developing interventions aimed for increasing autonomy, competence, and interrelation. Second, leaders may want to augment their own levels of engagement, since this may impact their leadership, as well as followers’ engagement through emotional contagion, role modeling, and social exchange process.

Schaufeli's research results [21] show that in order to increase the corporates’ work engagement, it is better to invest in increasing the quality of the human resources, to, among others, develop an engaging leadership style rather than reducing the job demands. According to Schaufeli [17] engaging leadership can fulfil the basic needs of employees at work. This, in turn, can increase the work engagement of one’s company. Therefore, in order to investigate the rebranding effects toward its employees, PT X conducted an annual survey called Employee Satisfaction Survey to 551 people from all of its departments. The company measured employees’ turnover and attrition rates for several months after rebranding and compared it with the data from January 2019, before the rebranding. After calculations, the results showed that the employees’ attrition rate continued to increase, especially the white-collar employees.

Focus Group Discussion and one-on-one interviews were also conducted by the company, and the results showed that many employees were doubtful of the sustainability of the company after rebranding. On the other hand, the increasing work load had also made the employees feel overloaded, hence they felt that they experienced work stress and burnout.

Related to the condition of PT X, the phenomenon that occurred among PT X employees is a condition called Proximal Withdrawal States (PWS). In the PWS concept, the intention of employees to leave or continue working is not the major cause of the turnover occurring in organizations. According to Horn [22] employees’ intentions only contribute a maximum of 25% to the total turnover rates and there are other factors that must be considered further. PWS consists of two dimensions that are related with each other, namely desired employment status (employees’ preferences to keep working in the company or to leave it) and perceived volitional control (employees’ perception of the ability to control the decision to continue working in the company or to leave it). Both dimensions divide the employees into four types, namely enthusiastic stayers, reluctant leavers, enthusiastic leavers, and reluctant stayers.

This study aims to identify the extent to which the role of engaging leadership affects employees’ work engagement at a company that has recently undergone rebranding by looking at job insecurity as a moderator. This will also be seen from the situations of the Proximal Withdrawal States where employees will be surveyed on how much they want to leave or to stay in the company. The research questions for this study were : (1) Does engaging leadership has a role in work engagement in Proximal Withdrawal States conditions; and (2) Does job insecurity moderate the relationship between engaging leadership and work engagement in Proximal Withdrawal States conditions.

1.1. Our Contribution

This paper aims to identify the role of Engaging Leadership in employees’ engagement with job insecurity as the moderator variable that is categorized based on Proximal Withdrawal States conditions. The results of this study are expected to provide an input for companies to improve and develop individual work engagement,
especially for companies experiencing rebranding, which include restructuring, based on an evaluation of the Proximal Withdrawal States conditions.

1.2. Paper Structure

The rest of the paper is organized as follows: Section 2 describes the theory and hypothesis of the study. Section 3 explains the method of the study. The result of the study will be explained in Section 4 and the discussion will be presented in Section 5. Finally, Section 6 concludes the paper with explanation of the strengths and limitations of the study. It also presents direction for future research.

2. THEORY AND HYPOTHESIS

2.1. Work Engagement

Work engagement was first conceptualized by William Kahn in his research published in 1990 [23]. He defines it as the empowerment of organizational members to perform their job roles. In good engagement, individuals will express themselves physically, cognitively, emotionally, and mentally while working. Employees who are attached to their work will put a lot of effort into their work as they identify themselves as a part of the job. Demerouti et al. [24] state that employees who have an engagement will have enthusiasm, a sense of pride, and positive emotions in their work, thus affecting their work performance, commitment, and health. Schaufeli et al. [23] define work engagement as a positive state of mind which is characterized by the presence of vigor (spirit), dedication (enthusiasm), and absorption (concentration) while working. According to Saks [25], work engagement is a construct which consists of the related cognitive, emotional, and behavioural components while doing tasks and work. In general, work engagement is explained as a psychological state of employees possessing a desire to contribute to the company’s success and to continue to be part of the company [26].

Based on the theory and the descriptions of work engagement, the definition of work engagement that will be used in this study is employees’ positive engagement state with their work that is characterized by the elements of vigor, dedication, and absorption. In addition, it can also be concluded that work engagement is a state where employees have high enthusiasm and joy in their work and are more committed to the company. The existence of high work engagement will bring a positive impact on the company’s performance by making the employees’ performance better than before.

2.1.1. Components of Work Engagement

Schaufeli [26] reveals that there are three dimensions of work engagement: vigor (spirit), absorption (concentration), and dedication (enthusiasm). Vigor is the endurance and resilience that are shown by employees at work. Vigor is demonstrated by the willingness to give more effort at work, and the ability to face difficulties and challenges that arise in their work. Dedication is the employees’ involvement in their work. Dedicated employees will have enthusiasm, sense of challenge and pride in their work, and have a feeling that their work is meaningful for their lives. Absorption is an employee’s condition that is characterized by having full concentration while working. Employees will feel that the time goes very fast and find it difficult to stop when they are working.

2.1.2. Factors Affecting Work Engagement

Studies on work engagement [27] show that there are several factors that affect work engagement. According to Schaufeli [23], these factors can be classified into internal and external factors. Internal factors consist of age, gender, and personal resources. Schaufeli and Bakker [27] in the UWES (Utrecht Work Engagement Scale) manual state that older employees will be more engaged in their work. Age has a significant relation with emotional regulation and career identity which lead to the increase in resources. As the resources increase, employees will be able to deal with job demands better and make them feel more engaged.

Schaufeli and Bakker [27] state that male employees have higher total UWES scores than female employees, which means male employees are more easily engaged with their jobs than female employees. This is because female employees sometimes feel that they are less useful in the company compared to male employees because the organization values male employees more. Personal resources are positive self-evaluations related to the ability to adapt to and control the surrounding environment especially when facing challenging situations [28]. According to Bakker and Demerouti [1], employees who have high personal resources will have positive self-esteem and clarity of the goals to be achieved, hence it will motivate employees to achieve their goals and to bring better work performance.

Furthermore, the external factors consist of career management, job-demand resources, and relationship between leaders, or leaders and employees. Career management aims to improve and develop the ability, knowledge, and competence of employees. Career management will bring a positive impact on the employees’ careers. A good career development of the company will make employees more productive and engaged in their jobs [29].

Job demands and resources are also one of the factors that affect work engagement. The rationale of the JD-R model is two psychological processes that take roles in work pressure and motivation [1]. Job demands are considered
as the cause of employees’ depressed feeling at work, while job resources are considered to be able to motivate employees to complete their job demands. Job demands are demands related to work that must be done by employees such as overloaded works, high work pressure, unpleasant work environment, insecurity in maintaining work (job insecurity), and emotional demands as a result of interaction with others. On the other hand, the forms of job resources include social support and performance feedback. In the JD-R model, job resources play a role in reducing the negative impacts of high job demands, such as burnout. The quality of the relationship between employees and their leaders can also affect the attitudes and behaviour of the subordinates [24]. A good relationship between leaders and employees can have a positive effect on the work engagement of employees, namely increasing the job resources and a sense of worth in employees.

2.2. Engaging Leadership

Engaging leadership is a style of leadership that shows respect to others and pay attention to their development and well-being coupled with the ability to bring together various stakeholder groups in developing a shared vision, in supporting a culture of development, and in performing similar delegations that empower and develop individual potential, along with the encouragement to ask questions and to think constructively and strategically [19]. Engaging leadership is a leadership style based on integrity, openness and transparency, and sincere appreciation to the employees and their contribution, along with the ability to solve complex problems. Engaging leadership is also flexible, allowing organizations not only to cope with changes, but also to be proactive in dealing with rapid changes. It is also a situation where individuals are always guided by ethical principles and a desire to cooperate with each other to achieve a shared vision. An attractive leadership product has been defined as "a measure of the extent to which employees make discretionary efforts in their work". Alimo-Metcalfe [19] states that leaders can improve their employees’ performance by showing simple behaviour that involves other people. Those who fail to appreciate their impact on others have always wasted their talent and potential. Engaging leadership describes a set of behaviours, values, and attitudes that, when adopted by a leader, can maximize the potential of their team work. According to Schaufeli [21], there are four components of engaging leadership in which all four can assist in fulfilling the basic psychological needs of their subordinates, namely the need for autonomy, relatedness, competence, and meaningfulness. The four components are: (1) empowering, (2) connecting, (3) strengthening, and (4) inspiring. Leaders provide an opportunity for subordinates to voice and express opinions. With this, leaders have fulfilled the employees’ need for autonomy. Leaders connect one employee to the others, with which the leaders have fulfilled the subordinates’ need of connection with the whole team. Leaders trust their subordinates and delegate tasks and responsibilities, and give challenging work to their subordinates to fulfil the subordinates’ need of self-competence. Leaders inspire and recognize their employees’ personal contribution to the main goals of the team or organization to satisfy the employees’ need for meaningfulness. As a result, subordinates will feel that they are doing a meaningful work and bringing an impact on the company. Therefore, the fulfilment of every basic needs can increase the component of work engagement [17]. By having a sense of autonomy, it will increase the employees' will to work because they have greater freedom to do their jobs. As a result, employees can integrate their work goals with their personal goals, thus increasing the pride and enthusiasm of their work (dedication). By satisfying their relational needs, employees will feel comfortable to express themselves to their team and to connect with others, which will contribute to the team’s positive spirit (dedication, absorption). In addition, a study by Mäkikangas, Bakker, and Schaufeli [30] has found that aspects related to engaging leadership also encourage the teams’ crafting behaviour. Workmanship is also known to be an aspect which is also beneficial for the employees’ work involvement [31-32]. By fulfilling the employees’ competence need, employees will gain self-control, which will motivate them to invest extra effort in their work (enthusiasm). By satisfying the employees’ need for meaningfulness, employees will feel that their work is useful and important, not only for themselves but also for their colleagues, customers, organizations, and the whole community. Later on, it will foster the employees’ strong identification with their work, and make it hard for them to get away from it (dedication, absorption).

2.3. Job Insecurity

Greenhalgh and Rosenblatt (in Barling & Cooper) [33] define job insecurity as the incapability to maintain the desired continuity to work while working in a threatening work condition. Job insecurity is also perceived as the emergence of threats to the continuity of the current job. Therefore, if there is a change in the company that is considered detrimental to employees, then it is considered as a threat [11]. Klandermans and Van Vuuran (in Witte) [11] explain that the onset of job insecurity is someone’s subjective estimate of the chances or possibility of losing their job due to downsizing, organizational depreciation, or temporary employment contracts. Witte [11] explained that job insecurity is a condition of feeling insecure caused by various factors at work, such as job loss, the uncertainty of the company’s conditions and future, job status, and other conditions that are considered as threats for the employees. In the current study, job insecurity will be defined as a job insecurity condition that is caused by the uncertainty of the company’s future, the restructuring of the company, and
threats related to the employee’s work continuity that causes a psychological disorder to the employees while doing their job.

2.3.1. Components of Job Insecurity

Witte (in Bosman, Buitendach, & Rothman) [12] states that the components or dimensions of job insecurity consist of cognitive and affective components. Cognitive component is the individual’s perceptions or thoughts related to the possibility of job loss. On the other, the affective component is related to the feelings that an individual has toward job insecurity or job loss.

2.3.2. Factors Affecting Job Insecurity

Job insecurity can be caused by conditions that create uncertainty. Witte [11] says that the factor that triggers job insecurity is the work environment, which includes the physical and psychological work environment, namely the external working environment and the individual’s internal conditions. Greenhalgh and Rosenblatt (in Kinnunen et al) [34] state that the factors that lead to the emergence of job insecurity are: (1) Environmental and organizational conditions, such as organizational communication and organizational changes that occur (e.g. downsizing, restructuring, and mergers); (2) Individual characteristics and employees’ positions, which consist of age, gender, seniority of education, employees’ position in the company, cultural background, socioeconomic status, and work experience; (3) Personal characteristics of workers which are comprised of locus of control, self-esteem, and optimistic or pessimistic feelings in individuals.

2.4. Proximal Withdrawal States

Hom et al. [22] define Proximal Withdrawal States (PWS) as the initial mental or cognitive state experienced by an individual before he leaves an organization. This cognitive state describes the extent to which individuals participate in organizations or otherwise withdraw from the organizations.

There are two components or dimensions in PWS, namely desired employment status and perceived volitional control. Desired employment status is an individual’s intention to measure the extent to whether he wants to continue working or to leave the organization. Meanwhile, perceived volitional control is the perception of the ability to control the decision to continue working in the company or to leave the organization that depends on its own will or is affected by external factors [22].

Both dimensions produce four types of employees, namely: (1) Enthusiastic Stayers, namely employees who have a preference to keep working and he has control of the decision to stay in his current workplace. This employee also feels that there are no external factors that require him to leave his workplace; (2) Reluctant Leavers, namely employees who have a preference to keep working but they lack the control to stay in their current workplace. They are forced to leave the workplace because they are compelled by external factors which are beyond his control; (3) Enthusiastic Leavers, namely employees who have preferences and control over the decision to leave their workplace. This kind of employee has a high probability of leaving his workplace immediately; (4) Reluctant Stayers, namely employees who have a preference to leave their work, but they lack the control to make this happen. The employee still stays at his current work because he feels that he could not leave the job.

2.4.1. Factors Affecting Proximal Withdrawal States

According to Hom et al. [22], PWS has two components or dimensions, namely desired employment status and perceived volitional control. Both of these dimensions have factors that influence them. Desired employment status is influenced by several driving factors, namely: (1) Affective force, which is an impulse that is formed when an individual feels satisfied when working because he feels suitable to work and complete tasks that are important to the organization. This will increase the positive identification of the organization and the preference to continue to work for the organization; (2) Calculative force, which is the encouragement obtained from cumulative individual satisfaction when joining an organization that increases the preference to keep working. This force makes the individuals who are not fond of their work willing to stay with the organization and wait for the opportunities for promotion or mutation; (3) Constituent force, which is an encouragement that increases the preferences to keep working because of their affective relationships with colleagues or leaders. If the individual has a positive relationship with his colleagues and leaders, then the individual will have a higher intention to stay in the organization. Conversely, if an individual has a negative relationship, then he will have a higher intention to leave the organization; (4) Moral force, namely the encouragement obtained from the compatibility of the work with the values that he adheres to. Individuals will survive in an organization if they have values that are similar to their work and the organization as a whole. Meanwhile, the second component, namely perceived volitional control, can be influenced by organizational policies and external factors of the individual. Organizational decisions or policies are often the determining factors of these external factors. Often the individual feels that he will be laid off by the organization. The absence of trade unions, unclear tenure, or unclear future of the organization forces individuals to leave the organization. Individual control over the decision to stay or leave the organization is also affected by external normative impulses, such as family conditions.
2.5. Hypothesis

According to Schaufeli [17], engaging leadership could play a role in employee engagement. Engaging leaders could motivate employees so that employees will become more attached to the company. Gutterman et al. [35] state that engaging leaders positively affect the relationship between leaders and team members which will boost the organization’s work engagement and employees’ performance. According to Schaufeli [21], leaders who have engaging leadership are leaders who inspire, strengthen, empower, and connect their team members with other members so that they have a sense of belonging. Engaging high leadership will increase employees’ engagement so that employees will have morale, dedication, and absorption at work. According to De Cuyper et al. [16], job insecurity is a moderator for each of these, and he can do so without any hesitation. Job insecurity will be the moderator for each of these groups, which will either strengthen or weaken the role of engaging leadership in employees’ work engagement. The relationship between these variables will be seen in the four Proximal Withdrawal States groups, namely enthusiastic stayer group, where employees want to stay in the company and feel that they have the control over their decision to continue working; reluctant leaver, which is a condition where an employee wants to stay in the company but there are conditions that cause him to leave the company; reluctant stayer, which is a condition where an employee wants to leave the company but there are factors that cause him to stay in the company so he does not have the control to leave; and enthusiastic leaver, which is a condition where an employee wants to leave the company and he can do so without any hesitation. Job insecurity will be the moderator for each of these groups, which will either strengthen or weaken the role of engaging leadership in employees’ work engagement. The above description can be illustrated by the following framework:

3. METHOD

3.1. Participants

This research involved white and blue collar employees from all of PT X branches in Indonesia. The total number of PT X employees is 715 people. The sampling used a probability sampling technique, which is a sampling technique that provides equal opportunities for each element (member) of the population to be selected as sample members [36]. The probability sampling technique that was carried out was a cluster random sampling (area sampling) technique, which is a technique used when the population does not consist of individuals, but groups of individuals or clusters. PT X is divided into clusters based on departmental division. There are seven departments in PT X, namely FALGA, Marketing, People, Commercial, Logistics, Service, and Engineering. A sample of 378 people from the seven departments was chosen to become the present study’s respondents.

3.2. Research Design

This research uses quantitative and non-experimental research methods. Researchers used four variables, namely work engagement, engaging leadership, job insecurity, and Proximal Withdrawal States. The independent variable in this study is engaging leadership, while the dependent variable is work engagement. Job insecurity is the moderating variable that influences the relationship between the engaging leadership and work engagement.
Moderator variables are variables that will strengthen or weaken the relationship between the independent variables and the dependent variable [37]. On the other, the Proximal Withdrawal States (PWS) variable is a condition that divides the participants into four groups.

Firstly, the researchers identified the PWS groups of the employees at PT X. The researchers grouped employees based on PWS categories, namely enthusiastic leavers, reluctant stayers, reluctant leavers, and enthusiastic stayers. After the first procedure was conducted, the researcher examined the role of engaging leadership in work engagement by looking at job insecurity as the moderator in the PWS groups of PT X.

3.3. Measurement

The data in this study was obtained by collecting questionnaires that were distributed to all departments at PT X in various locations in Indonesia. The data was collected in October 2019 with a period from October 19 to 28, 2019. The questionnaire was provided in two forms: Google form and hardcopy using A4 size HVS paper.

Work engagement is measured using the Utrecht Work Engagement Scale 9 (UWES-9) measuring 9 items. This measuring instrument was developed by Schaufeli and Bakker [27]. The dimensions measured were vigor, dedication, and absorption. An example of questionnaire item in UWES is “I feel excited when working”, which is an item to measure vigor. Another item example is “I feel the work I do has a clear meaning and purpose”, which is an item to measure dedication. While the item “I feel happy when working intensively” is an item to measure absorption.

The vigor, dedication, and absorption dimensions consist of three indicators each. This measurement tool uses a Likert scale with six options, namely 1 = Never, 2 = Almost Never, 3 = Rarely, 4 = Sometimes, 5 = Often, and 6 = Always. The six answer choices indicate the intensity of the participants’ experiencing the statement in the items in the questionnaire.

The reliability test of 378 participants showed a Cronbach alpha's value of .941, which meant that the measuring instrument had high reliability. The construct validity test was carried out by performing a CFA, which resulted in a loading factor for each item above 0.5. There was one item that had a value below 0.5, which was equal to 0.48. According to Sharma [38] and Ferdinand [39], the minimum loading factor was 0.40. With a p value of 0.0001 and RMSEA of 0.052, it meant the model was fit.

Measurement of job insecurity variables was conducted using the Job Insecurity Scale developed by Witte (in De Cuyper & Schaufeli) [20]. The measuring tool consists of 8 statement items (4 positive and 4 negative items). An example of positive items was “I am a little worried that I will be terminated from my current job.” While an example of the negative items was “I am sure that I will continue to work on my current job.” To evaluate each statement, the researcher used a Likert scale of 1 = Strongly Disagree, 2 = Disagree, 3 = Doubtful, 4 = Agree, and 5 = Strongly Agree.

The reliability test of 378 sample participants was carried out using SPSS and the result of the Cronbach alpha's value was 0.666, showing that the measuring instrument was quite reliable or consistent. Meanwhile, the construct validity test was carried out using CFA and the loading factor for each item was above 0.40 with a p value of 0.06674 and RMSEA of 0.038, which meant the model was fit and valid.

The measurement of this situation was carried out using the Proximal Withdrawal States Questionnaire. In the initial stages of the study, participants were asked to choose one of the four work situations they were experiencing. The choices were “Situation 1: I want to leave this company and I feel like I can do it anytime”, “Situation 2: I feel like leaving this company, but I feel I can't do it (not yet)”, “Situation 3 : I actually want to stay in this company, but my condition makes me have to leave,” and “Situation 4: I want to stay in this company until whenever I want”. After selecting one of these situations, participants were asked to fill in 4-5 additional statements. Participants who had an average value of more than 2.5 in the supplementary statement were considered to have consistency in the selection of the PWS situation. Their data were included in this study. Whereas, participants with an average value of less than 2.5 were not included in this study.

A reliability test was done to see the consistency of the quality of the measuring instrument. The reliability test conducted on 378 sample participants resulted in a Cronbach alpha's value of .143 for 12 participants who chose enthusiastic leavers, .114 for 82 participants who chose reluctant stayers, .190 for 48 participants who chose reluctant leavers, and .550 for 236 participants who chose enthusiastic stayers. The reliability test showed that in the enthusiastic stayers group, the items in the measuring instrument had moderate reliability or consistency. While in other groups, the reliability was below 0.20, which meant that the items of measuring instruments had very low reliability. This also meant that items in the measuring
instrument tended to be less consistent in predicting PWS groups. According to Li et al. [40], this can happen because in the reluctant stayers and reluctant leavers groups, there is a mismatch between employee preferences and control over the decision to keep working or to leave the company. While in the enthusiastic leavers group, the number of participants who belonged to the group was below 30 people, so it was not considered as a good reference for reliability.

The validity test was also performed with SPSS using the Pearson Correlation test. The results of the r count value of each item were greater than 0.3, so the measuring instrument items were valid in measuring PWS.

### 3.4. Analysis Technique

The data processing was performed using multiple regression analysis on the SPSS program. The test normality, validity, and reliability were calculated using the SPSS program. The measuring items were tested by Confirmatory Factor Analysis (CFA) using Lisrel. Confirmatory factor analysis (CFA) is a multivariate statistical procedure that is used to test how well the measured variables represent the number of constructs.

### 3.5. Procedures

Before the data collection was carried out, firstly, the researchers gave the data collection permit to the company management, which was represented by the Head of the People (Human Resources) department. After permission was granted, the researchers discussed with the Analyst team to distribute the questionnaire to all employees of PT X.

The data was collected in the October 19th until 28th, 2019. Questionnaires were given to participants in the form of online and hardcopy submissions. The questionnaire was accompanied by work instructions. The online questionnaire that had been filled in was automatically sent directly to the researcher to be re-examined to define whether all statements had been filled in correctly and the informed consent has been approved. The hardcopy questionnaire was collected by the researchers through company representatives in each department. The researchers then inputted the data, and combined them with the results of the online questionnaire. The data processing was performed using SPSS and Lisrel.

### 4. RESULT

#### 4.1. Role of Engaging Leadership in Work Attachment

| Table 1 Regression Test. The Role of Engaging Leadership in Work Engagement seen from PWS |
|---|---|---|---|---|---|---|
| PWS | F | Sig. | R² | t | Sig (Coef) |
| Enthusiastic Leavers | 20.161 | .000<sup>a</sup> | .883 | 3.895 | .005 |
| Reluctant Stayers | 3.612 | .017<sup>a</sup> | .122 | -1.130 | .262 |
| Reluctant Leavers | 4.843 | .005<sup>a</sup> | .248 | -1.015 | .316 |
| Enthusiastic Stayers | 33.760 | .000<sup>a</sup> | .304 | 2.456 | .015 |

Based on the regression test above, the results showed that for participants who belong to enthusiastic leavers and enthusiastic stayers, engaging leadership variables have a significant impact on work engagement. That means engaging leadership could predict the employees’ work engagement at PT X. Conversely, for participants in reluctant stayers and reluctant leavers groups, the participants’ work engagement couldn’t be predicted by the engaging leadership variables.

#### Table 2 Engaging Leadership Regression Coefficient on Work Attachment

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<tr>
<th>PWS</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
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<td></td>
</tr>
<tr>
<td>Enthusiastic Leavers</td>
<td>1 (Constant)</td>
<td>-21.991</td>
<td>7.274</td>
<td></td>
<td>-3.023</td>
</tr>
<tr>
<td></td>
<td>EL Total</td>
<td>8.353</td>
<td>2.145</td>
<td>5.549</td>
<td>3.895</td>
</tr>
<tr>
<td>Enthusiastic Stayers</td>
<td>1 (Constant)</td>
<td>.181</td>
<td>2.025</td>
<td></td>
<td>.090</td>
</tr>
<tr>
<td></td>
<td>EL Total</td>
<td>1.171</td>
<td>.477</td>
<td>.910</td>
<td>2.456</td>
</tr>
</tbody>
</table>
As shown in table 2, the regression equation from the regression test is as follows:

- Enthusiastic Leavers: \( Y = -21,991 + 5,549 \). For Enthusiastic Leavers employees, if other variables do not change, the average value of work engagement will increase by 5,549. The value of R² in the Enthusiastic Leavers group is .883, where in this group the independent variable can predict work engagement of 88.3%.
- Enthusiastic Stayers: \( Y = .181 + .910 \). For Enthusiastic Stayers employees, if other variables do not change, the average value of work engagement will increase by .910. The value of R² in the Enthusiastic Stayers group is .304, where in this group the independent variable can predict work engagement of 30.4%.

### 4.2. Job Insecurity Test as a Moderator Variable

Based on the results of the regression calculation, the results show that job insecurity only becomes a moderator in the enthusiastic leavers group as shown by the significance value (< 0.05).

### Hypothesis Test Results

Table 3 Regression Test of Job insecurity as a moderator variable on the role of Engaging Leadership in work engagement seen from PWS

<table>
<thead>
<tr>
<th>PWS</th>
<th>T</th>
<th>Sig (Coef)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enthusiastic Leavers</td>
<td>-3.258</td>
<td>.012</td>
</tr>
<tr>
<td>Reluctant Stayers</td>
<td>1.563</td>
<td>.122</td>
</tr>
<tr>
<td>Reluctant Leavers</td>
<td>1.254</td>
<td>.217</td>
</tr>
<tr>
<td>Enthusiastic Stayers</td>
<td>-.976</td>
<td>.330</td>
</tr>
</tbody>
</table>

Table 4 shows the role of job insecurity as a moderator. From the regression test results above, it can be seen that job insecurity acts as a moderator variable but has a negative role. That means if job insecurity is high, it will weaken the role of engaging leadership in creating work engagement. Nonetheless, the nature of this moderator variable is partial, because if job insecurity variable does not exist, engaging leadership would still play a role and predict the employees’ work engagement.

Table 4 The Role of Job Insecurity as Moderator in Enthusiastic Leavers Group

<table>
<thead>
<tr>
<th>Model</th>
<th>Coefficientsa</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>-21.991</td>
<td>7.274</td>
</tr>
<tr>
<td></td>
<td>ELTOTAL</td>
<td>8.353</td>
<td>2.145</td>
</tr>
<tr>
<td></td>
<td>JITOTAL</td>
<td>8.580</td>
<td>2.913</td>
</tr>
<tr>
<td></td>
<td>MOD</td>
<td>-2.755</td>
<td>.845</td>
</tr>
</tbody>
</table>

a. Dependent Variable: WETOTAL

Hypothesis test results can be seen in the following table.
Table 5 Summary of Hypothesis Test Results

<table>
<thead>
<tr>
<th>No</th>
<th>Hypothesis</th>
<th>H₀</th>
<th>H₁</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Engaging Leadership plays a role in work engagement in the Enthusiastic Leavers group</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>2</td>
<td>Job insecurity is a moderating variable for the role of Engaging Leadership in work engagement in Enthusiastic Leavers group</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>3</td>
<td>Engaging Leadership has a role in work engagement in the Reluctant Stayers group</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Job insecurity is a moderating variable for the role of Engaging Leadership in work engagement in the Reluctant Stayers group</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Engaging Leadership has a role in work engagement in the Reluctant Leavers group</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>6</td>
<td>Job insecurity is a moderating variable for the role of Engaging Leadership in work engagement in the Reluctant Leavers group</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Engaging Leadership has a role in work engagement in the Enthusiastic Stayers group</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Job insecurity is a moderating variable for the role of Engaging Leadership in work engagement in the Enthusiastic Stayers group</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

5. DISCUSSION

Hypothesis test results show that in enthusiastic leaver and enthusiastic stayer groups, engaging leadership can predict work engagement of the participants. According to Li et al. [40], preliminary research on PWS indeed focuses on both groups where employees have a preference to leave or stay in the company and feel that they have the control to decide on when they will leave the company. Hypothesis test results also show that job insecurity only acts as a moderator in enthusiastic leavers group. This means, in the situation where an employee wants to leave a company and has the control to leave immediately, job insecurity can affect the relationship between the engaging leadership and work engagement.

Based on the results of this study, engaging leadership has an effect toward the work engagement, but only when employees have control over their decision to leave or remain in the company. The fulfillment of every basic need can increase the component of work engagement [17]. By having a sense of autonomy, it will increase the employees' will to work because they have greater freedom to do their jobs. As a result, the employee can integrate their work goals and their personal goals, thus increasing the pride and enthusiasm of their work (dedication). By satisfying their relational needs, employees will feel comfortable to express themselves to their team and to connect with others, which will contribute to the team’s positive spirit (dedication, absorption). In addition, a study by Mäkikangas, Bakker, and Schaufeli [30] has found that aspects connected to engaging leadership also encourage the teams’ crafting behaviour. Workmanship is also known to be an aspect which is also beneficial for the employees’ work involvement [31-32]. By fulfilling the employees’ competence need, employees will gain self-control, which will motivate them to invest extra effort in their work (enthusiasm). By fulfilling the employees’ need for meaningfulness, employees will feel that their work is useful and important, not only for themselves, but also for their colleagues, customers, organizations, and the whole community. Later on, it will foster the employees’ strong identification with their work, and make it hard for them to get away from it (dedication, absorption).

The results of the hypothesis testing show that in the groups of enthusiastic leavers and enthusiastic stayers, engaging leadership plays a significant role toward the employees’ work engagement. This means that the roles of engaging leaders—empowering the subordinates, ensuring a good relationship between his team, and inspiring them—can have a significant effect on employee work engagement. As a result, employees will be more eager to work, proud of their work, and willing to do their best to increase productivity.

However, in the groups of reluctant leavers and reluctant stayers, the role of leaders is not that significant towards the employees’ work engagement. This means that even though the employer has tried to motivate the employees, the employees will still remain unaffected to be more enthusiastic and dedicated to their work. In the situation of reluctant stayers, employees already have a preference to leave the company, so leaders would not affect their working spirit. While in the reluctant leavers group, employees still have a preference for staying in the company, but an external situation causes them to leave the company immediately and look for a new job. The insignificance of the role of engaging leadership in employee work engagement can be caused by the fact that they feel that they have to leave their work immediately, which means the enthusiasm, dedication, and absorption of employees for their work are not affected by the role of the engaging leaders.

Furthermore, job insecurity becomes a negative moderator variable in the enthusiastic leavers group; if the employee's job insecurity increases, the role of leaders in increasing employee engagement will be less effective. Conversely, if the inconvenience or insecurity in employees’ work decreases, the role of leaders in increasing employee engagement will increase. This finding is similar to Maslach et al [41], who states that job insecurity has an impact on the engagement of employees. Job insecurity will be perceived as a threat and potentially become employees’ stress resource [42].

In the enthusiastic leavers group, the reliability of the measurement tools is very low. This might be caused by
the small number of participants, which is less than 30, so it does not produce a good reliability score. The lack of participants also makes the calculations difficult. In fact, there are only 3% of the employees who are in the enthusiastic leavers group and believe that they can leave their company immediately. It is necessary to examine the reasons why they are in this situation. It is possible that certain jobs might have bored them or the salaries are less competitive. However, another possible cause of this problem is because they are in the leader’s position (3 people or 25% of the sample employees in the enthusiastic leavers group hold the position of a manager). If the leaders feel worried, it will also have an impact on their leadership and consequently, the team.

In enthusiastic leavers group, leaders who have high engaging leadership will play a role in increasing their employees’ work engagement. If leaders are supportive and continue to embrace the team, employees will still be eager to work despite having the desire to leave. In such a situation, a high sense of job insecurity becomes a negative moderator, meaning that when the work insecurity felt by employees increases, the role of engaging leadership in increasing employee’s work engagement will be weakened. For this reason, companies have to find a way to reduce the job insecurity of their employees, even though they realize that the employees have the desire to leave the company.

On the other hand, the majority of participants are in enthusiastic stayer group, in which they are still comfortable and having the desire to continue to grow with the company. For these employees, it is necessary to analyse the factors why they want to stay in the company. Companies need to give appreciation so that employees continue to feel comfortable and loyal to the company and deliver the best performance.

In the enthusiastic stayer group, leaders significantly affect their employees’ work engagement, so that if the leader uses a leadership style that inspires his team members, strengthens them, empowers them, and connects them with other members, this will increase the employees’ work engagement so they will have a high working spirit, dedication, and absorption in work. A suggestion for further research is to increase the number of research participants not only in the enthusiastic leavers group, but also in all of the groups so that researchers can explain the influence of variables with more specifics. Another suggestion is that further research can utilize demographic data and link it with research results to enrich the discussion. Researchers can also carry out qualitative data collection, such as an interview to provide a more comprehensive picture related to the participants’ conditions.

6. CONCLUSION

This study aims to examine the role of engaging leadership variables on work engagement by seeing whether the job insecurity variable can be a moderator for the relationship between the two. This study also looks at the role of the three variables in the Proximal Withdrawal States situations which are divided into four groups, namely enthusiastic leavers, reluctant stayers, reluctant leavers, and enthusiastic stayers. The study was conducted in PT X, which is a start-up company with a type of e-commerce business. Employees are eligible to become research participants. The analysis was carried out using multiple regression.

Based on the hypothesis testing, it can be concluded that the engaging leadership variable contributes significantly to employees’ work engagement in enthusiastic leavers and enthusiastic stayers groups, but the job insecurity variable is merely a moderator variable in the enthusiastic leavers group. Based on the results of this study, engaging leadership affects their subordinates’ work engagement, but only when employees have control over their decision to leave or stay in the company.

ACKNOWLEDGMENT

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