# The Influences of Psychological Capital and Job Resources Towards Work Engagement

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## ABSTRACT

This study aims to investigate how work engagement of the employees of PT X in Jakarta, Indonesia, may be influenced and promoted by psychological capital and job resources. Work engagement is a unique, positive, satisfying, work-related state of mind characterized by vigor, dedication, and absorption that eventually will lead to positive outcomes, such as work performance. Bakker & Demerouti (2016) [1] conceptualized that psychological capital and job resources consist of factors that may predict the work engagement. In this research, the influences of psychological capital and job resources will be measured partially and simultaneously to find out how significant the influences that both of the two variables cause towards work engagement. Applying the non-experimental quantitative research method, data is collected by distributing the questionnaires to the employees and being analyzed by using single regression and multiple regression analysis method. The result of this research shows that both variables contribute significantly towards work engagement (p= 0.039 < 0.05, and job resources p= 0.014 < 0.05), and partially psychological capital and job resources yield contribution as many as 8.5% while proving that it is also significant while being developed together ( $R^2 = 0.085$  and p = 0.014 < 0.05).

Keywords: Work Engagement, Psychological Capital, Job Resources, Employee

## **1. INTRODUCTION**

The contribution of psychology has been widely recognized in several fields, including interpersonal relations, education, health, sports, military, business and enterprise, and life in general. Specifically, in the industrial and organizational setting the development of the company is influenced by employees who are important assets of the company. Therefore, human resources management has to become the center of company's attention. Companies need to manage their human resources so that the company remains stable because employees can work optimally and eventually the employees will contribute with their work performance. The effectiveness of the company may decrease if the employees as the important assets are not managed properly. Effective utilization of employees' resources in the workplace and the level of cognitive and emotional involvement of employees in their work have been shown to be some of the key factors in organizational success. Enhancing the psychological well-being of employees is a strategic long-term importance (Kotze, 2018) [2].

Schaufeli and Bakker (in Kotze, 2018) argued that burnout (fatigue) and work engagement are the main indicators of the psychological well-being of employees and mediators in the motivational process. Therefore, optimization of the psychological state of employees is very important to obtain

results from productive work, especially from elements of work engagement.

Maiß (2014) [3] wrote an article that focuses on the phenomenon of low performance. He mentioned the name of a CEO of an overseas company named Jack Welch theorized that a company's workforce could be divided into a 70:20:10 gratuity ratio. 70% for those who worked on the normal average, 20% were high-performing and key workers, and 10% are removable and low-performing workers. Their minimum level of performance can burden the employer economically and can lead to dissatisfaction for the workforce if other employees are allowed to do the work that is left of their underperforming co-workers. Then he explained how to define a low-performing worker, as well as the possibilities where employee dismissal is possible. Maiß concluded that underperforming employees can constitute a real distraction in the work environment. He emphasized the importance of recognizing underperformance at an early stage as well as the actions that need to be taken in individual cases. From this point of view, we can see that the description of the phenomenon of low performance in a work environment is very influential, especially on employees who are not in the low-performing category to complete tasks that are occupied by lowperforming employees.

In the book written by Bakker & Leiter, an article published by Demerouti and Cropanzano (2010) [4] explained the correlation between performance and work engagement. It is written that the empirical evidence of these two variables is less integrated and is sometimes limited in crossconceptual distances. Bakker and Demerouti (2016) provide an in-depth study review of the Job Demand-Resources (JD-R) framework model introduced in the international literature about 15 years ago (Demerouti, Bakker, Nachreiner, & Schaufeli, 2001) [5]. Importantly in this literature they showed how the current concept of JD-R is to find evidence for causal and inverse causal effects between job, resource, and welfare demands.

Schaufeli (2013) [6] explains from his point of view that when taken from a purely scientific perspective, work engagement can be defined as a state of mind that is positive, satisfying, and is unique to work characterized by vigor, dedication, and absorption. However, at the same time - although supported by abundant international empirical research - this perspective on engagement is rather narrow in that it does not include its drivers or consequent behaviors.

The current core construction of psychological capital, (more commonly known by the acronym PsyCap), is taken from positive psychology in general and Positive Organizational Behavior (POB) in particular. The goal of positive psychology is to apply scientific methodology to discover and promote the factors that enable individuals, groups, organizations, and communities to thrive. The firstorder positive psychological resource is named psychological capital, consisting of hope, efficacy, resilience, and optimism. They also shared the common theme of "positive assessments of circumstances and probability of success based on motivated effort and persistence" (Luthans et al. 2007, p. 550) [7].

In a publication by Schaufeli (2017) [8], he mentioned that job resources are "good things" which are defined as "those aspects of a job that can do things as follows; (a) functional in achieving work goals, (b) reduce job demands and associated psychological and physiological costs, (c) stimulate personal growth and development". Some examples of job resources are support from others (which can help achieve job goals), job control (which may reduce job demands), and performance feedback (which can enhance learning). Job resources refers to the physical, psychological, social, or organizational aspects of a good job or (1) reducing job demands and the associated physiological and psychological costs (2) functional in achieving work goals; (3) stimulate personal development, learning and growth. Hobfoll (in Schaufeli, 2004) [9] stated that job resources are not only needed to face job demands and to get things done, but job resources also have an interest in developing, in this case, the three aspects of these job resources.

In research conducted by Xanthopoulou, Bakker, Demerouti, & Schaufeli (2009, in Bakker and Demerouti, 2016), found that job resources predict personal resources (self-efficacy, optimism, and self-esteem) and work engagement, but they also found evidence for the inverse causal effect of personal resources and work engagement to job resources. This study showed that attached individuals are motivated to stay engaged in work and create their own resources (eg, autonomy, feedback, support) over time. Based on this study, we can understand that the JD-R framework has a causal impact that can predict personal resources (psychological capital) and work engagement, then how these two concepts can re-influence one's job resources.

A study was conducted by Kotze (2018) which understands the effect of psychological capital on work engagement mediated by job resources. From the results of this study, it was found that psychological capital had a significant positive effect on satisfaction with job resources and led to an increase in the work engagement of an employee. The research conducted by Kotze had not clearly explained how job resources can directly affect work engagement, including the direct effect of psychological capital. The most important thing of these studies is the results obtained are also focused on the burnout construct and did not mention of the positive results of work engagement, such as work performance. Similar research has been sought on the demographics of Indonesian background, but not much has been done. Thus, based on the description of some of the research results above and the available phenomena, it is found that the results of previous studies are very diverse, so that we are interested to conduct another research about the role of psychological capital and work resources on work engagement.

Hypotheses proposed in this study are:

H<sub>1</sub>: Psychological capital contributes significant impact towards work engagement

H<sub>2</sub>: Job resources contribute significant impact towards work engagement

H<sub>3</sub>: Both psychological capital and job resources contribute significant impact towards work engagement

### 2. RESEARCH METHODOLOGY

The participants of this study are 99 employees of PT X and hold permanent employee status. PT X is located in Jakarta, Indonesia. The characteristics of the participants are divided into five demographic categories, namely gender, age, educational level, marital status, and years of service. The table below describes a complete data of all respondents.

	Characteristics	N (99) Percentag	
Gender	Male	30	30.3
	Female	69	69.7
Age	24-28	17	17.2
	29-33	43	43.4
	34-38	19	19.2
	39-44	14	14.1
	46-50	6	6.1
Educational	High School	46	46.25
Level	Diploma	15	15.25
	Under Graduate	34	34.25
	Graduate	4	4.25
Marital	Single	12	12.1
Status	Married	85	85.9

 Table 1 Subjects Description from Demographics

	Divorced	2	2
Years of	5 years $\leq$	42	42.4
Service	6-10 years	44	44.4
	11-15 years	7	7.1
	16-19 years	4	4.1
	$\geq$ 20 years	2	2

### 2.1. Scale of Work Engagement

To measure work engagement, the authors use the Utrecht Work Engagement Scale (UWES) to measure the three components of work engagement, namely vigor, absorption and dedication. This is due to research evidence from recent studies which states that vigor, absorption, and dedication are the core components of work engagement (Schaufeli & Bakker, 2004; Taris et al., 2017) [10]. This instrument consists of 17 items to measure the level of these three components. This instrument has a reliability coefficient of 0.935, and the dimensions have a reliability coefficient of 0.841 (vigor), 0.908 (dedication), and 0.732 (absorption).

## 2.2. Scale of Psychological Capital

To measure psychological capital, the authors use The Psychological Capital Questionnaire (PCQ-24) (Luthans et al., 2007). This shorter version is then simplified by Avey, Avolio, & Luthans (2011) [11] to 12 items (PCQ-12). The 12 items version of this questionnaire consists of four subscales, namely, hope, efficacy, resilience and optimism. Each dimension is also divided into items (hope has 4 items, optimism has 2 items, resilience 3 items, and efficacy has 3 items) (Avey et al., 2011). This instrument has a reliability coefficient of 0.815. Moreover, each of the dimensions has a reliability coefficient of 0.605 (hope), 0.766 (efficacy), 0.650 (resilience), and 0.359 (optimism). For the dimension of optimism, it happens to have a low level of reliability coefficient, but as proven in the research of Santana-Cárdenas, Viseu, López-Núñez, and Jesús (2018) [12] who also used the PCQ-12, it showed a Cronbach Alpha of 0.81 in all models tested in the study. Based on this statement, this measuring tool remains reliable based on the principle of external validity.

### 2.3. Scale of Job Resources

To measure job resources, a Questionnaire on the Experience and Assessment of Work (QEAW) was used. It was developed and validated in the Netherlands by van Heldhofen et al in 1997 (Lequerre, Gillet, Ragot, & Fouquereau, 2013) [13]. This measuring tool functions in assessing seven (7) job demands and job resources of each. The items in the questionnaire include the amount of work, mental and emotional content, and physical effort. And in this questionnaire, there are also several questions about job characteristics, the relationship between workers and superiors, emotional reactions at work, the various results of a job, and conditions at work. But in this research, only the components of job resources are applied. This

measuring instrument has a level of reliability coefficient of 0.925. Each of the dimensions has a reliability coefficient of 0.823 (information), 0.684 (communication), 0.902 (participation), 0.717 (relationship with colleagues), 0.869 (relationship with superiors), 0.839 (remuneration/payroll), and 0849 (independence in the work).

## **3. RESULTS**

To test the hypotheses, the multiple linear regression test is carried out. It's found that the two independent variables, namely psychological capital and job resources, contribute a significant effect on work engagement. Partially, psychological capital significantly affects work engagement with t = 8.197 and p = 0.039 (< 0.05), and job resource also affects significantly on work engagement with t = 16.222 and p = 0.006 (< 0.05). Then simultaneously, psychological capital and job resources contribute a positive and significant impact towards work engagement with t = 8.108 and p = 0.014 (< 0.05). Below is the summary of the processed data:

**Table 2** Test Results from Proposed Hypotheses

Regression	$\mathbb{R}^2$	Adjusted R <sup>2</sup>	t	Sig (p)
Psychological Capital → Work Engagement	0.043	0.033	8.197	0.039
Job Resources → Work Engagement	0.077	0.067	16.222	0.006
Psychological Capital & Job Resources → Work Engagement	0.085	0.066	8.108	0.014

There are also several findings from additional data from the post-hoc of the demographics and the influences of the dimensions of psychological capital and job resources towards work engagement.

# 3.1. Difference of Work Engagement from Educational Level

After being processed, it is found that educational level contributes significant impact towards work engagement between the employees graduated from high school and the ones graduated from the undergraduate level. Below is the result:

Educational Level		Mean Difference (I-J)	р	95%	
(I)	(J)	6.532	.015	Lower Bound	Upper Bound
High School	Under- graduate			.96	12.10

# Table 3 Post-Hoc Test of Work Engagement from Educational Level

It is also found that marital status contributed significant influences towards work engagement. Below is the result:

 
 Table 4 Post-Hoc Test of Work Engagement from Marital Status

Marital Status		Mean Difference (I-J)	р	95%	
(I)	(J)	-8.765	.009	Lower Bound	Upper Bound
Single	Married			-15.68	-1.85

# 3.2. Influences of Psychological Capital Dimensions towards Work Engagement

The dimensions of independent variables are also tested to figure out which of the dimensions contribute significantly towards work engagement. The first process is the dimensions of psychological capital that includes hope, efficacy, resilience, and optimism. The linear regression output shows that there's a clear distinction that only resilience stands out to show significant contribution towards work engagement (p = 0.003) and  $R^2 = 0.090$ . This shows that resilience of an employee is one of the most important factors that may enhance the work engagement. Below, is the full display of all the results of the test.

**Table 5** Dimensions of Psychological Capital and their

 Influences towards Work Engagement

Decreasion	R	Durbin-	Mean	F	р
Regression	Square	Watson	Square	Г	
Hope $\rightarrow$					
Work	.035	1.872	1.117	3.471	.065
Engagement					
Efficacy $\rightarrow$					
Work	.004	1.858	.119	.358	.551
Engagement					
Resilience					
$\rightarrow$ Work	.094	1.866	2.911	9.598	.003
Engagement					
Optimism					
$\rightarrow$ Work	.021	1.857	.687	2.105	.150
Engagement					

# 3.3. Influences of Job Resources Dimensions towards Work Engagement

The linear regression output also shows that only three dimensions of job resources contribute significant impact towards work engagement. The dimensions are information, remuneration, communication, and participation. Information has  $R^2 = 0.077$  (7.7%) and p = 0.005, remuneration has  $R^2 = 0.069$  (6.9%) and p = 0.009, communication has  $R^2 = 0.065$  (6.5%) and p = 0.011, and lastly participation has  $R^2 = 0.043$  (4.3%) and p = 0.040. This proves that without being used as a mediator, job resources can stand on its own to being closer as conceptual model and a research variable to be studied upon. Below are the results:

 Table 6
 Dimensions of Job Resources and their

 Influences towards Work Engagement

Regression	R Square	Durbin- Watson	Mean Square	F	р
Information → Work Engagement	.077	1.793	2.505	8.148	.005
Communication → Work Engagement	.065	1.899	2.089	6.701	.011
Participation → Work Engagement	.043	1.837	1.377	4.314	.040
Relationship with Colleagues → Work Engagement	.008	1.845	.272	.822	.367
Relationship with Superior → Work Engagement	.018	1.838	.582	1.777	.186
Remuneration (Payroll) → Work Engagement	.069	1.828	2.230	7.185	.009
Independency in the Work → Work Engagement	.025	1.854	.801	2.463	.120

## 4. CONCLUSION

Based on the results of data analysis for the research hypothesis, it can be concluded that psychological capital and job resources have various influences in the development of employee's work engagement. Furthermore, it can be seen that the two variables have different levels of contribution in influencing work engagement. Job resources are seen to be a more important influence than psychological capital. On the other hand, both variables will simultaneously contribute a greater influence than partially when only one of the independent variables affects work engagement. It indicates that both variables can be developed and must be nurtured to ensure that the employee may grow and benefit the company they worked in. Based on the above statement, it can be concluded that all hypotheses can are accepted.



#### 4.1. Discussion

The results indicate that there is a significant effect on work engagement when it is influenced by psychological capital and job resources. The higher the psychological capital and job resources experienced by the employees, the higher their level of work engagement.

Psychological capital, which has a partial effect on work engagement, is found to have similar results in research by Alessandri et al. (2018) [14]. Psychological capital is likely to have an effect on work engagement in which it concluded that psychological capital influences work performance as a mediator.

Then in the second hypothesis where job resources is assumed to have a significant effect as well, it is found to be in line with the findings of Hawkes et al.'s research (2017) [15], which also examines the role of several scientific concepts of study on work engagement, one of which is job resources. As the results of their research, Hawkes et al. found that job resources were significantly correlated with work engagement.

It should also be noted that the third hypothesis is also accepted. The simultaneous effect of these two variables on work engagement has a fairly high level of influence (8.5%). Based on the results of the partial and simultaneous influence of job resources, it can be stated that job resources are constructs of external resources that are obtained by an employee and are not limited as subjectivity / things that are perceived by employees.

Moreover, it is also found that only the resilience dimension of psychological capital contributes significant influence on work engagement. From this finding, it can be understood that the resilience possessed by an individual can help them to accept failure, persevere in work and rise again to maintain this psychological element so that he/she can develop their work engagement.

Further finding in the dimensions of job resources found that the dimensions of information, remuneration (payroll), communication, and participation are the dimensions that can affect work engagement directly. In the information dimension, the employee perceives this as a resource to evaluate his work performance and by receiving the evaluation, he/she can develop their work behavior. As for the dimension of remuneration, it can be understood that salary acts as a motivator for an employee from a subjective perception. If they feel that the compensation they receive from their hard work is appropriate or inappropriate during their work, it can affect their work engagement so that he/she is likely to increase the behavior or feel demotivated because they feel that is unsuitable. Then as for the communication dimension, it is shown the importance of communication as a process for an employee to understand the scope of their work, including with whom he/she will interact with and, in the end, it will help them to work more efficiently. For the dimension of participation, how the employee feels that he/she is involved in the decision making of the company policies is seen as a factor affecting their work performance.

#### 4.2. Suggestion

The limitation of this study is that it does not cover other aspects of demographics such as the level of employee's position. Some of the obvious shortcomings of this research are that this research only focuses on one location, namely the Head Office of PT X. The data collected by the researcher were only 99 respondents, which is not representing the size of the company. This is understandable because the conditions and situations that took place at the time of the research were not able to accommodate the things that could be done to maximize the opportunity for data collection. Also, this research is also limited to one job status, namely permanent employees. It is highly recommended for the future researchers to find the counteraction that may overcome the limitation of this study.

In this study, there were 99 subjects who could be processed according to the research provisions that had been determined previously. Another factor that affects the limitation of this research is the permission given by PT X that allows the authors to conduct the data collection only at the head office of PT X so the result of this research cannot provide a more accurate outcome and does not represent a bigger picture of the employees that work for PT X. Suggestion for further research is to examine another company with a larger size of respondents.

Further suggestions for future research are to implement the theoretical concept of job resources developed by Parker and Hyett (2011) [16] along with their measuring tools as conducted by Kotze (2018). The consideration of this suggestion is to see the the concept of job resources from a different point of view, to provide alternatives in the conceptual variables and its unknown understanding of the concept, and the use of another job resources scale so that a more diverse and more constructed variable learning model can be developed.

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