

## The Role of Leadership and Organizational Culture Toward The Engagement of Millennial Employees Through Job Satisfaction at Pt Mory Industries Indonesia



Apud Abdul Aziz<sup>1</sup>, Bomer Pasaribu<sup>2</sup>, Partogi S Samosir<sup>3</sup>

<sup>1,2,3</sup>Universitas Krisnadwipayana, Campus Unkris Jatiwaringin PO BOX 7774/Jat CM Jakarta 13077, Indonesia

---

**ABSTRACT:** This study aims to determine the effect of leadership roles and organizational culture on millennial generation employee engagement simultaneously, determine the influence of leadership roles on millennial generation employee engagement partially, determine the influence of organizational culture on millennial generation employee engagement partially, determine the effect of job satisfaction on employee engagement millennial generation partially, knowing the influence of leadership roles on millennial generation employee engagement through job satisfaction variables, knowing the influence of organizational culture on millennial generation employee engagement through job satisfaction variables. The research was conducted at Pt Mory Industries Indonesia. The sampling technique used a random sample involving 58 millennial generation employees. Data analysis using path analysis.

Based on the results of data analysis, it shows that the role of leadership and organizational culture affect millennial generation employee engagement simultaneously. The leadership role variable partially affects millennial generation employee engagement. The organizational culture variable partially affects the millennial generation employee engagement. The job satisfaction variable partially affects the millennial generation employee engagement. The influence of the leadership role on millennial generation employee engagement through job satisfaction is greater than the direct effect, so it can be said that job satisfaction is an intervening variable. The influence of organizational culture on millennial generation employee engagement through job satisfaction is smaller than the indirect effect, so it can be said that job satisfaction is an intervening variable

**KEYWORDS:** Leadership Role, Organizational Culture, Job Satisfaction, Millennial Generation Employee Engagement

---

### INTRODUCTION

The role of leadership is important for the achievement of organizational goals in this case is the job satisfaction of employees. because in the workplace itself, of course, there is an interaction relationship between the role of members and the role of superiors/leader roles. therefore, if employees are satisfied with their work, employees will be bound and even be able to provide more value to the company. in widiasih's previous research (2017) that there is a significant positive relationship between the leadership role and employee engagement.

Another factor that influences job satisfaction is organizational culture in the research of Sari, Sampurno, Wahyono (2014) which states that "organizational culture also has an influence on job satisfaction. It can be understood because the organizational culture that is formed will ultimately affect employee perceptions and attitudes, one of which is job satisfaction.

In relation to job satisfaction, it will affect the employee engagement variable. In Anggreana's research (2015) that "Organizational culture and leadership roles affect engagement. This shows that the application of leadership has a positive effect on employee engagement, this shows that leadership has a significant effect on employee engagement. The existence of millennial generation employees who resign/change jobs with one of the reasons is employee dissatisfaction with the existing organization, this shows a link between the role of leadership and organizational culture on employee job satisfaction so that it affects employee engagement.

Millennial generation or generation Y is the largest contributor to the current workforce, known as the millennial generation or millennials. In other words, Generation Y is the generation that grew up in the booming internet era (Lyons, 2004). Lyons (2004)

## The Role of Leadership and Organizational Culture toward The Engagement of Millennial Employees through Job Satisfaction at Pt Mory Industries Indonesia

further revealed that the characteristics of Generation Y are: the characteristics of each individual are different, depending on where he grew up, the economic and social strata of his family, the communication pattern is very open compared to previous generations, fanatical social media users and social media users. Their lives are greatly affected by technological developments, more open to political and economic views, so they look very reactive to environmental changes that occur around them.

**Table 1. Generational Grouping According to Bencsik & Machova (2016:82)**

Veteran Generation (1925 – 1945)	Baby Boomer Generation (1946 – 1964)	X Generation (1965 – 1980)	Y Generation (1981 – 1994)	Z Generation (1995 – 2010)	Alpha Generation (2011 – 2025)
-------------------------------------	---	-------------------------------	-------------------------------	-------------------------------	-----------------------------------

Source: IPDN E Journal of Ideal Leadership in the Millennial Generation Era

From the experts related to the grouping of these generations, the researchers chose according to Bencsik & Machova (2016: 82), meaning that in this thesis research the author identifies the millennial generation for employees with a birth range from 1981 to 1994 resigned on the grounds of changing jobs) millennial generation employees, then the title of this study is related to knowing the role of leadership and organizational culture on millennial generation employee engagement) through job satisfaction at PT Mory Industries Indonesia.

### LITERATURE REVIEW

#### EMPLOYEE ENGAGEMENT

Engagement or what is often called engagement is stated by Vazirani (2007) as the level of commitment and involvement that employees have towards their organization and the values in it which are seen in the positive attitude of employees towards the organization and the values in it. Macey, Schneider, Barbera & Young (2009) say that employee engagement is a positive work-related psychological state characterized by a genuine desire to contribute to organizational success.

In the attachment there is a high emotional and intellectual relationship between employees and their work, organizations, managers and co-workers, thus influencing employees to put more effort into their work. Increased energy, doing work that exceeds expectations, forms of adaptive or innovative behavior for the company's success are indications of engagement behavior. According to Schiemann (2009), engagement describes how far employees are willing to go beyond the minimum requirements of their role to provide additional energy or advocate (defend) their organization against other companies as a good place to work or invest.

Kahn (1990) describes engaged employees as physically, cognitively and emotionally attached to fully connected to their work roles. Marciano (2010) defines employee engagement as the extent to which a person is committed, dedicated and loyal to the organization, supervisor, work and colleagues. This is shown by passion and enthusiasm for work, consistently exceeding goals and expectations, bringing new ideas to work, taking initiative, being curious, encouraging and supporting team members, optimistic and positive, persistent in overcoming obstacles and staying focused on tasks, trying actively develop yourself, others and the business and commit to the organization.

Based on the description above, it can be concluded that employee engagement describes a positive psychological state towards work and the organization as well as the values in it that lead to a willingness to go beyond the minimum requirements of the job and is reflected in a positive attitude to the organization through contributing to its best performance physically, cognitively and emotions for organizational success.

#### JOB SATISFACTION

Everyone who works expects to get satisfaction from his place of work. Basically job satisfaction is an individual thing because each individual will have a different level of satisfaction according to the values that apply to each individual. According to Kreitner and Kinicki (2005; 271) job satisfaction is "an effectiveness or emotional response to various aspects of work". Davis and Newstrom (1985; 105) describe "job satisfaction is a set of employee feelings about whether or not their job is fun". According to Robbins (2007) job satisfaction is "a general attitude towards a person's work that shows the difference between the number of awards received by workers and the amount they believe they should receive".

# **The Role of Leadership and Organizational Culture toward The Engagement of Millennial Employees through Job Satisfaction at Pt Mory Industries Indonesia**

An individual will feel satisfied or dissatisfied with his work which is something that is personal, that is, it depends on how he perceives the suitability or conflict between his desires and the output (which he gets). So it can be concluded that the notion of job satisfaction is a positive attitude of the workforce including feelings and behavior towards their work through the assessment of one job as a sense of appreciation in achieving one of the important values of the job

## **LEADERSHIP ROLE**

Each era has its own story, each generation has its own lifestyle, each of which is a natural characteristic. Technology has an important role in coloring and even changing the perspective of a generation. On the other hand, each generation may have a different view of leadership. Because once again there are many factors that influence the perspective of a generation on leadership.

The problem of leadership roles has emerged along with the beginning of human history, namely since humans realized the importance of living in groups to achieve common goals. They need someone or several people who have advantages over others, regardless of what form the human group is formed. This is undeniable because humans always have certain limitations and advantages. This means that human management in organizations is the key to improving organizational performance and readiness to face change in the 21st century (Alimuddin, 2002). Robbins (2007) defines leadership as an activity to influence the behavior of people to work together towards a certain goal that they want together. In other words, leadership is the ability to influence a group to achieve the group's goals.

## **ORGANIZATIONAL CULTURE**

Robbins (2007) states that organizational culture is "a system of shared meaning within an organization that determines at a higher level how employees act. "Organizational culture is a value system that is believed by all members of the organization and is studied and applied and developed on an ongoing basis that functions as a whole system. Robbins (2007) states "Organizational culture refers to a system of shared meaning held by members that distinguishes the organization from other organizations. This system of shared meaning is, on closer analysis, a set of key characteristics that the organization value". Robbins (2007) further argues that "Organizational culture as the dominant values disseminated in the organization which is used as an employee work philosophy that becomes a guide for organizational policies in managing employees and consumers."

## **RESEARCH METHODS**

### **OBJECT OF RESEARCH**

The time of this research is starting from April 2020 with the research location at PT Mory Industries Indonesia, which is located at Surya Cipta Industrial Estate, Jl. Surya Lestari Kav I-2G, Kutamekar, Ciampel District, Karawang Regency, West Java Province.

### **POPULATION AND SAMPLE**

The population is "a generalization area consisting of objects/subjects that have certain quantities and characteristics determined by researchers to be studied and then drawn conclusions (Sugiyono, 2008)." The sample is "pulling part of the population to represent the entire population (Surakhmad, 1990)".

The sample used in this study was the number of millennial generation office employees as many as 58 people. The number of samples was taken entirely (100%) based on the existing millennial generation population. This means that this sampling is called saturated sampling, which is a sampling technique when all members of the population are used as samples (Sugiyono, 2008) ".

### **DATA ANALYSIS TECHNIQUE**

Stages of data processing techniques in this study is to test the data which consists of validity test and data reliability test. The second classic assumption test consists of Normality, Linearity, Multicollinearity, Heteroscedasticity, and Autocorrelation. Test the model by using the path analysis model.

## **RESEARCH RESULT AND DISCUSSION**

### **Analysis of the Influence of Leadership Roles and Organizational Culture on Millennial Generation Employee Engagement Simultaneously**

Based on the results of data analysis, it is known that the structural equation  $Y=0.454X_1+0.803X_2$

## The Role of Leadership and Organizational Culture toward The Engagement of Millennial Employees through Job Satisfaction at Pt Mory Industries Indonesia

The calculated F value is 56.287 and the significance is 0.00. This value is smaller than 0.05. This means that the variables of leadership role and organizational culture have an effect on employee engagement simultaneously. The magnitude of the influence of the independent variable on the dependent variable can be seen from the r-squared value of 66.0%, meaning that the leadership role and organizational culture variables affect employee engagement by 66.0% while the rest is influenced by other variables not included in the equation model.

### 1) Analysis of the Influence of Leadership Roles on Millennial Generation Employee Engagement in Partial.

Based on the results of data analysis, it is known that the equation:  $Y=0.602 X_1$

Based on the results of data analysis, it is known that the leadership role coefficient is 0.602. The t value is 10,064. The significance value is 0.00. This significance value is smaller than 0.05. This means that the leadership role variable affects employee engagement partially. The magnitude of the influence of the leadership role on employee engagement is known to have an r-squared value of 0.413. This means that the influence of the leadership role variable on employee engagement is 41.3% and the rest is influenced by other variables that are not included in this equation model.

### 2) Analysis of the Influence of Organizational Culture on Millennial Generation Employee Engagement in Partial.

Based on the results of data analysis, it is known that the equation:  $Y=0.420X_2$

Based on the results of the analysis, it is known that the coefficient of organizational culture is 0.420. The t value is 10,706. The significance value is 0.00. This significance value is smaller than 0.05. This means that the organizational culture variable has a partial effect on employee engagement. The magnitude of the influence of organizational culture on employee engagement is known to have an r-squared value of 0.284. This means that the influence of the organizational culture variable on employee engagement is 28.4% and the rest is influenced by other variables that are not included in this equation model.

### 3) Analysis of the Effect of Job Satisfaction on Millennial Generation Employee Engagement in Partial.

Based on the results of data analysis, it is known that the equation  $Y = 0.879X_3$

Based on the results of the analysis, it is known that the coefficient of job satisfaction is 0.879. The t value is 13,823. The significance value is 0.00 which is smaller than 0.05. This means that the job satisfaction variable has a partial effect on employee engagement. The magnitude of the effect of job satisfaction on employee engagement is known to have an r-squared value of 0.773. This means that the effect of job satisfaction on employee engagement is 77.3% and the rest is influenced by other variables not included in the equation model.

### 4) Analysis of the Influence of Leadership Roles on Millennial Generation Employee Engagement through Job Satisfaction Variables

Based on the partial path analysis above, it can be described as follows. The analysis is a path analysis with the following sub-structure drawings.



Figure 1. Path Analysis of the Effect of X1 on Y Through X3

Based on the picture above, it can be seen that the influence of the leadership role on employee engagement is 0.602. The influence of the leadership role on employee engagement through job satisfaction is  $0.857 \times 0.879 = 0.753033$ . In this case, the indirect effect is greater than the direct effect, so it can be said that the job satisfaction variable is the intervening variable.

### 5) Analysis of the Influence of Organizational Culture on Employee Engagement Through Job Satisfaction Variables

Based on the partial path analysis above, it can be described as follows. The analysis is a path analysis with the following sub-structure drawings.

# The Role of Leadership and Organizational Culture toward The Engagement of Millennial Employees through Job Satisfaction at Pt Mory Industries Indonesia



Figure 2 Path Analysis of the Effect of X2 on Y Through X3

Based on the picture above, it can be seen that the direct influence of organizational culture on employee engagement is 0.420. While the influence of organizational culture on employee engagement through job satisfaction is  $0.895 \times 0.879 = 0.786$ . In this case, the direct effect is smaller than the indirect effect, so it can be said that the job satisfaction variable is the intervening variable.

## CONCLUSION

Variables of leadership role and organizational culture influence millennial generation employee engagement simultaneously. The calculated f value is 56.287 and the significance is 0.00. This value is smaller than 0.05. The value of r squared is 66.0%, meaning that the variables of leadership role and organizational culture have an effect on employee engagement of the millennial generation by 66.0%. While the rest is influenced by other variables that are not included in the equation model.

The leadership role variable partially affects millennial generation employee engagement. The t value is 10.064 and the significance value is 0.00. This significance value is smaller than 0.05. The value of r squared is 0.413. This means that the influence of the leadership role variable on millennial generation employee engagement is 41.3% and the rest is influenced by other variables that are not included in the equation model.

The organizational culture variable partially affects millennial generation employee engagement. The t value is 10,706. And the significance value is 0.00. This significance value is smaller than 0.05. The value of r squared is 0.284. This means that the influence of organizational culture variables on millennial generation employee engagement is 28.4% and the rest is influenced by other variables that are not included in the equation model.

The job satisfaction variable partially affects the engagement of generation employees. The t value is 13,823 and the significance value is 0.00. This significance value is smaller than 0.05. The value of r squared is 0.773. This means that the effect of the job satisfaction variable on millennial generation employee engagement is 77.3% and the rest is influenced by other variables that are not included in the equation model.

The influence of leadership roles on millennial generation employee engagement is 0.602. The influence of leadership roles on millennial generation employee engagement through job satisfaction is  $0.857 \times 0.879 = 0.753033$ . In this case the indirect effect is greater than the direct effect, so it can be said that the job satisfaction variable is an intervening variable.

The direct influence of organizational culture on millennial generation employee engagement is 0.420. While the influence of organizational culture on millennial generation employee engagement through job satisfaction is  $0.895 \times 0.879 = 0.786705$ . In this case the direct effect is smaller than the indirect effect. So it can be said that the variable job satisfaction as an intervening variable.

## SUGGESTION

### 1. Related to Leadership Role

It is necessary to increase the role of leaders as communicators, especially leaders to make the right business decisions, take the right actions for long-term success. This is contained in the tenth list of questions where out of 58 respondents with the smallest average score of 3.69, it means that the answer is close to agree.

### 2 Related to Organizational Culture

It is necessary to improve the organizational culture of relations and cooperation between members of the organization, especially what is expected by millennial generation employees is that colleagues can work well together to achieve common goals. This is found in the fifth list of questions where from 58 respondents with the smallest average score of 3.64, it means that the answer is agreeable.

## **The Role of Leadership and Organizational Culture toward The Engagement of Millennial Employees through Job Satisfaction at Pt Mory Industries Indonesia**

### **3. Related to Job Satisfaction**

It is necessary to increase job satisfaction in terms of work environment indicators, in order to feel satisfied with the work environment from superiors, colleagues, leaders in dealing with problems faced by millennial generation employees. This is contained in the fifteenth list of questions where from 58 respondents with the smallest average score of 3.53, it means that the answer is close to agree.

### **4. Related to Employee Engagement**

Lack of employee attachment to the Strive indicator (total work), namely by trying many new things even though it can lead to errors, understanding the relationship between work targets and company targets. This is contained in the eleventh list of questions where from 58 respondents with an average score of at least 3.83, it means that the answer is agreeable.

## **REFERENCES**

- 1) Alimuddin. 2002. Pengaruh Gaya Kepemimpinan terhadap Kinerja Pegawai Badan Pengawasan Daerah Kota Makassar. Yogyakarta: Universitas Gajah Mada.
- 2) Bencsik, A., Csikos, G., & Juhaz, T. 2016. Y and Z Generations at Workplaces. *Journal of Competitiveness*, 8(3), 90–106. <https://doi.org/10.7441/joc.2016.03.06>.
- 3) Davis and Newstrom.1985.Human Behavior at Work; Organizational Behavior, International Edition, Singapore; Mc Graw Hill Book Company.
- 4) Kahn, W.A. 1990. Psychological Conditions Of Personal Engagement And Disengagement at Work. *Academy of Management Journal*. Vol 33, pp 692- 724.
- 5) Kreitner, R & Kinicki, A. 2005. Perilaku Organisasi. Jakarta : Salemba Empat.
- 6) Lana Sari, Sampurno, & Djoko W., 2014. Pengaruh Kepemimpinan dan Budaya Organisasi Terhadap Kepuasan Kerja Karyawan Di Yogyakarta. *Jurnal Manajemen dan Pelayanan Informasi* Vol. 4 No. 1. Maret 2014.
- 7) Lyons, John. Pengantar Teori Linguistik. Jakarta: Gramedia Pustaka Utama. 1995.
- 8) Macey, W.H., Schneider, B., Barbera, K.M & Young, S.A. 2009 Employee Engagement, tools for analysis, Practice, and Competitive Advantage, Wiley-Blackwell, Chichester, West Sussex, United Kingdom.
- 9) Marciano, P.L. 2010. Carrots and Sticks Don't Work : Build a Culture of Employee Engagement with the Principles of Respect. Manhattan : McGraw Hill.
- 10) Puti Archianti Widiasih. 2017. Peran Kepemimpinan Profetik dan Pemberdayaan Psikologis dalam Membangun Keterikatan Kerja Karyawan. *Jurnal Ilmiah Penelitian Psikologi: Kajian Empiris & Non Empiris* Vol.3, No.1, 2017. Hal. 31-34. Universitas Muhammadiyah Prof. Dr. Hamka.
- 11) Robbins & Judge. 2007. Perilaku Organisasi, Jakarta : Salemba Empat.
- 12) Sari, Sampurno, Djoko. 2014. Pengaruh kepemimpinan dan budaya organisasi terhadap kepuasan kerja karyawan di Yogyakarta. *Jurnal manajemen dan pelayanan farmasi*. Vol 4 Nomor 1.
- 13) Schiemann, W. A. 2011. Alignment, Capability, Engagement-Penedekatan Baru Talent Management Untuk Mendongkrak Kinerja Organisasi. Jakarta: PPM.
- 14) Sugiyono, 2008. Metode Penelitian Kuantitatif Kualitatif dan R&D. Bandung Alfabeta.
- 15) Surakhmad, Winarno. 1990. Penelitian Ilmiah Dasar Metode dan Teknik. Bandung: Tarsito
- 16) Vazirani, N. 2007. Employee Engagement. Working Paper Series. Mumbai : SIES College of Management Studies.
- 17) Viqi Anggreana. 2015. Pengaruh budaya organisasi dan kepemimpinan terhadap keterikatan pada pegawai negeri sipil di kantor bupati bagian umum Setda Kabupaten Siak. *Jurnal Jom Fekon* Vol.2 No.2.