

The Effect of Employee Engagement and Job Involvement on Employee Performance with Job Satisfaction as an Intervening Variable At PT Pelni (Persero) Surabaya Branch

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ABSTRACT: The decline in employee performance has become a critical issue in many organizations and is often associated with low levels of employee engagement and job involvement. This study aims to examine the effect of employee engagement on employee performance, the effect of job involvement on employee performance, and the indirect effects of employee engagement and job involvement on employee performance through job satisfaction as an intervening variable. This research was conducted at PT Pelni (Persero), Surabaya Branch, involving 76 employees as respondents. Data were collected using a structured questionnaire and analyzed using the Partial Least Squares–Structural Equation Modeling (PLS-SEM) approach with the assistance of SmartPLS version 4. The results indicate that employee engagement has a positive and significant effect on employee performance. Job involvement also shows a positive and significant effect on employee performance. Furthermore, employee engagement positively and significantly influences employee performance through job satisfaction as an intervening variable. Similarly, job involvement has a positive and significant indirect effect on employee performance through job satisfaction. These findings highlight the importance of enhancing employee engagement and job involvement to improve job satisfaction and, ultimately, employee performance.

KEYWORDS: Employee Engagement; Job Involvement; Job Satisfaction; Employee Performance

I. INTRODUCTION

Human resources are widely recognized as a strategic asset that determines organizational competitiveness and sustainability, particularly in highly dynamic and service-oriented industries. In the context of global competition, organizations are increasingly required to enhance employee performance not only through technical competencies but also through psychological and behavioral factors that influence how employees engage with their work. Consequently, employee performance has become a central concern in human resource management, as it reflects the extent to which employees are able to achieve organizational goals effectively and efficiently (Dessler, 2019).

From a theoretical perspective, Social Exchange Theory (SET) posits that the relationship between employees and organizations is grounded in reciprocal exchanges. When employees perceive organizational support, fairness, and appreciation, they tend to respond with higher levels of engagement, involvement, and commitment, which ultimately enhance job satisfaction and performance outcomes (Blau, 1964). Employee engagement represents the degree of emotional, cognitive, and behavioral attachment employees have toward their work and organization, while job involvement refers to the extent to which individuals psychologically identify with their job and consider job performance as central to their self-concept (Herzberg, 1959; Lodahl & Kejner, 2019). These constructs are closely linked to job satisfaction, which functions as an affective evaluation of one's job experience and a key driver of performance.

The importance of these variables becomes particularly salient in state-owned enterprises (SOEs), where operational complexity, bureaucratic structures, and public service mandates often pose challenges to maintaining high employee performance. This study focuses on PT Pelni (Persero) Surabaya Branch, a state-owned maritime transportation company that plays a strategic role in supporting Indonesia's Sea Toll Program by operating logistics and passenger shipping services. Given the

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organization's critical role in national connectivity and logistics, employee performance is essential to ensure service reliability, operational safety, and organizational sustainability.

An initial assessment of employee performance at PT Peln (Persero) Surabaya Branch indicates that performance outcomes have not yet reached the expected standards. Table 1 presents the 2024 employee performance evaluation across departments based on five indicators: productivity, work quality, effectiveness, teamwork, and average performance score (scale 1–100). According to the company's performance classification, scores of 85–100 indicate excellent performance, 75–84 indicate good performance, 65–74 reflect moderate performance, and scores below 65 indicate poor performance.

Table 1 Employee Performance Evaluation at PT Peln (Persero) Surabaya Branch (2024)

Department	Number of Employees	Productivity	Work Quality	Effectiveness	Teamwork	Average Performance Score (1–100)
Human Resources	12	63	60	62	61	61.5
Marketing	10	70	68	73	67	69.5
Administration/Finance	22	64	66	70	63	65.75
Logistics/Shipping	18	72	69	75	74	72.5
Fleet Operations	12	60	58	63	65	61.5

Source: PT Peln (Persero)

As shown in Table 1, most departments recorded average performance scores below 75, indicating that employee performance generally falls within the moderate to poor categories. The Human Resources and Fleet Operations departments recorded the lowest average scores (61.5), reflecting weaknesses in productivity, work quality, and teamwork. Even departments with relatively higher scores, such as Logistics/Shipping (72.5), have not yet achieved the "good performance" category. These findings suggest systemic performance challenges rather than isolated individual issues, highlighting the need to examine underlying behavioral and attitudinal factors that influence performance.

Beyond performance outcomes, preliminary observations and internal interviews reveal several organizational conditions that may explain these results. Employees reported dissatisfaction with work schedules, limited job rotation, insufficient recognition and reward systems, and suboptimal training quality. These issues are likely to weaken employee engagement and job involvement, thereby reducing job satisfaction and performance. In addition, Table 2 illustrates mismatches between employee educational backgrounds and job placements in several positions. Such misalignment indicates a lack of person–job fit, which may further undermine employees' psychological attachment to their work.

Table 2 Mismatch Between Job Requirements and Employees' Educational Backgrounds at PT Peln (Persero) Surabaya Branch

No.	Position	Required Educational Qualification	Current Educational Background of Employees
1	Sales / Marketing Division	Bachelor's Degree (S1) / Diploma IV in Marketing or Management	Bachelor's Degree (S1) in Law
2	Bunker Administration Officer	Diploma III in Business Administration or Bachelor's Degree (S1) in Financial Management	Diploma III in Nautical Studies; Bachelor's Degree (S1) in Management
3	Human Resources / General Affairs Division	Bachelor's Degree (S1) in Management	Diploma III in Secretarial Studies; Bachelor's Degree (S1) in Law
4	Financial Administration	Bachelor's Degree (S1) in Finance	Bachelor's Degree (S1) in Sociology

Source: PT Peln (Persero) Surabaya Branch

Person–Environment Fit Theory suggests that employees are more likely to be engaged and satisfied when their skills, education, and values align with job requirements (Locke, 2022). Conversely, misfit conditions can lead to reduced job involvement, lower satisfaction, and suboptimal performance. In the context of PT Peln Surabaya Branch, the existence of educational and job placement mismatches (as shown in Table 2) may contribute to diminished engagement and involvement, reinforcing the performance issues observed in Table 1.

Previous empirical studies have reported inconsistent findings regarding the mediating role of job satisfaction in the relationship between employee engagement, job involvement, and employee performance. Some studies confirm that job satisfaction significantly mediates these relationships, while others find no significant mediation effect. These inconsistencies indicate the presence of a research gap, particularly in organizational contexts characterized by public ownership and maritime operations, which remain underrepresented in the literature.

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Based on these considerations, this study examines how employee engagement and job involvement influence employee performance, both directly and indirectly through job satisfaction, within the context of PT Peln (Persero) Surabaya Branch. By integrating objective performance data (Table 1), evidence of person–job mismatch (Table 2), and established theoretical frameworks, this research seeks to provide a more comprehensive understanding of the behavioral mechanisms underlying employee performance in state-owned maritime enterprises.

II. LITERATUR REVIEW

A. Social Exchange Theory (SET)

Social Exchange Theory (SET) provides a fundamental theoretical framework for understanding the relationship between employees and organizations. According to Blau (1964), social relationships within organizations are based on reciprocal exchanges, whereby favorable treatment from the organization generates positive responses from employees. When employees perceive that the organization provides adequate material and psychological support, they are more likely to reciprocate through higher levels of engagement, involvement, and commitment.

Within this framework, employee engagement reflects employees' emotional and psychological attachment to their work and organization, while job involvement represents the degree to which individuals cognitively identify with their job roles. These positive work attitudes foster feelings of being valued and respected, which subsequently enhance job satisfaction (Herzberg, 1959). Job satisfaction, in turn, functions as an affective–cognitive mechanism that strengthens the link between motivation and performance outcomes, as satisfied employees are more confident that their efforts will result in desirable performance (Vroom, 1964).

Empirical studies support the relevance of SET in explaining employee behavior. Septian Dwi (2021) and Ariel Dohan (2025) emphasize that organizational support significantly increases employees' motivation and performance, particularly among frontline workers. Similarly, Obi Septrianto (2021) and Melisa (2021) demonstrate that fair treatment and supportive work environments enhance emotional attachment, job involvement, and job satisfaction. Collectively, these findings position job satisfaction as a key psychological mechanism that mediates the effects of employee engagement and job involvement on employee performance. Accordingly, SET serves as the theoretical foundation of this study, explaining how reciprocal relationships within organizations translate into improved performance through job satisfaction as an intervening variable.

B. Employee Engagement

Employee engagement refers to a strong and positive connection between employees and their work roles. Mustika and Rahardjo (2020) define employee engagement as a condition in which employees develop a meaningful relationship with their work and colleagues, enabling them to derive personal value and pride from their contributions to organizational success.

Schaufeli (2021) conceptualizes employee engagement as a positive, fulfilling work-related psychological state characterized by three core dimensions: vigor, which reflects high levels of energy and mental resilience at work; dedication, which denotes enthusiasm, inspiration, and a sense of significance toward one's job; and absorption, which describes a state of deep concentration and immersion in work activities. Employees who exhibit high engagement are more likely to demonstrate persistence, proactive behavior, and superior performance outcomes.

C. Job Involvement

Job involvement is defined as the degree to which individuals psychologically identify with their jobs and regard work performance as important to their self-image (Kanungo, 2023). Job involvement extends beyond routine task execution and represents an expression of personal identity and commitment within the workplace.

The Job Characteristics Model proposed by Hackman and Oldham (2020) further explains that job involvement is influenced by core job dimensions such as skill variety, autonomy, and feedback. When jobs are designed to provide meaningful experiences and opportunities for growth, employees are more likely to become cognitively and emotionally involved in their work. Obi Septrianto (2021) emphasizes that job involvement reflects employees' physical, cognitive, and emotional investment in their tasks as a response to supportive organizational practices.

D. Job Satisfaction

Job satisfaction represents an employee's positive emotional response to various aspects of their job. Kreitner (2018) defines job satisfaction as an affective reaction to job characteristics, indicating that satisfaction is multidimensional rather than a single construct. Similarly, Hasibuan (2020) describes job satisfaction as a pleasurable emotional state resulting from an individual's evaluation of their work experiences.

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According to Hasibuan (2020), job satisfaction is influenced by several factors, including satisfaction with the job itself, opportunities for promotion, and relationships with coworkers. Employees who perceive fair rewards, career advancement opportunities, and supportive social environments tend to experience higher satisfaction levels, which positively influence their motivation and performance.

E. Employee Performance

Employee performance refers to the outcomes achieved by employees in carrying out their assigned tasks. Mangkunegara (2020) defines performance as the quality and quantity of work accomplished in accordance with assigned responsibilities. High employee performance is critical for organizational success, as it directly influences productivity, service quality, and competitiveness.

Mathis and Jackson (2019) suggest that employee performance can be evaluated using several key dimensions, including work quality, work quantity, timeliness, reliability, and teamwork. These dimensions provide a comprehensive assessment of how effectively employees contribute to organizational objectives.

F. Employee Engagement and Employee Performance

Employee engagement has been widely recognized as a key determinant of employee performance. Engaged employees demonstrate higher dedication, stronger organizational attachment, and greater persistence in task completion. Schieman (2020) argues that employees with high engagement levels are more likely to produce high-quality work and exhibit lower turnover intentions.

Empirical evidence supports this relationship. Studies by Septian Dwi Cahnyo and Vera Sylvia (2021) as well as Ariel Dohan et al. (2025) confirm that employee engagement significantly improves employee performance. Engaged employees tend to participate more actively in organizational activities, which enhances job satisfaction and performance outcomes.

H₁: Employee engagement has a positive and significant effect on employee performance.

G. Job Involvement and Employee Performance

Recent theoretical developments highlight job involvement as a crucial factor in shaping employee performance. May, Gilson, and Harter (2019) emphasize that job involvement increases when employees perceive their work as meaningful and psychologically safe. This perspective aligns with Self-Determination Theory, which posits that fulfillment of autonomy, competence, and relatedness needs fosters optimal motivation and performance (Deci & Ryan, 2023).

Empirical studies consistently demonstrate that high job involvement leads to improved performance. Research by Obi Septrianto (2021), Septiadi et al. (2017), and Alfajri (2019) shows that employees who are deeply involved in their work exhibit higher productivity and stronger commitment.

H₂: Job involvement has a positive and significant effect on employee performance.

H. The Mediating Role of Job Satisfaction

Job satisfaction plays a critical mediating role in explaining how employee engagement and job involvement influence performance. Employees who are emotionally and cognitively engaged tend to experience greater job satisfaction, which enhances their motivation and willingness to perform optimally. May, Gilson, and Harter (2020) emphasize that meaningful and psychologically safe work environments strengthen engagement and satisfaction simultaneously.

Empirical findings by Sarumpaet and Tajib (2023) and Diana Nurul et al. (2020) indicate that job satisfaction significantly mediates the relationship between employee engagement and performance. Similarly, Newstrom and Davis (2019) argue that employees with high job involvement experience stronger satisfaction, which translates into improved performance outcomes. Studies by Ni Kadek Intan Dwi Lestari and Dewa Nyoman Benni Kusyana (2024) as well as Qhoirunnisa Sajdah and Lukiyana (2021) further confirm the mediating role of job satisfaction.

H₃: Job satisfaction mediates the relationship between employee engagement and employee performance.

H₄: Job satisfaction mediates the relationship between job involvement and employee performance.

III. METHODOLOGY

This study adopts a quantitative research approach using an associative research design to examine the relationships among variables. Associative research aims to identify and explain the influence between two or more variables within a particular context (Sugiyono, 2019). In line with this objective, the present study analyzes the direct effects of employee engagement and job involvement on employee performance, as well as their indirect effects through job satisfaction as an intervening variable. The research design allows for both partial and simultaneous testing of the proposed relationships.

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Data were collected using a survey method by distributing structured questionnaires to employees of PT Peln (Persero) Surabaya Branch. The use of questionnaires is considered appropriate for capturing employees' perceptions and attitudes related to psychological and behavioral constructs. Given the relatively small population size, all 76 employees were included as respondents, thereby applying a census sampling technique to ensure comprehensive representation and reduce sampling bias.

The collected data were analyzed using the Partial Least Squares–Structural Equation Modeling (PLS-SEM) approach with the assistance of SmartPLS software (version 4). PLS-SEM was selected due to its ability to analyze complex models involving latent variables and mediation effects, as well as its suitability for predictive analysis with relatively small sample sizes. This method enables simultaneous assessment of the measurement model and the structural model in a single analytical procedure (Ghozali, 2016).

Evaluation of the measurement model focused on assessing the validity and reliability of the constructs and their indicators. Convergent validity was examined by observing factor loading values, with acceptable thresholds set above 0.70. Discriminant validity was assessed using cross-loading analysis to ensure that each indicator loaded more strongly on its respective construct than on other constructs. Reliability was evaluated using composite reliability and Cronbach's alpha, with minimum acceptable values of 0.70 and 0.60, respectively. In addition, Average Variance Extracted (AVE) values exceeding 0.50 were used to confirm adequate convergent validity.

Following the confirmation of a valid and reliable measurement model, the structural model was evaluated to test the hypothesized relationships among employee engagement, job involvement, job satisfaction, and employee performance. The analysis focused on examining path coefficients, the coefficient of determination (R^2), and the mediating role of job satisfaction to determine the strength and significance of both direct and indirect effects.

IV. RESULTS

Figure 1 illustrates the results of the Partial Least Squares–Structural Equation Modeling (PLS-SEM) analysis, which simultaneously presents the measurement model (outer model) and the structural model (inner model). The arrows connecting the latent variables represent the hypothesized relationships along with their corresponding path coefficients, while the arrows linking latent variables to their indicators display the factor loading values, indicating the contribution of each indicator in measuring its respective construct. In addition, the values displayed inside the endogenous constructs represent the coefficient of determination (R^2), which reflects the explanatory power of the model.

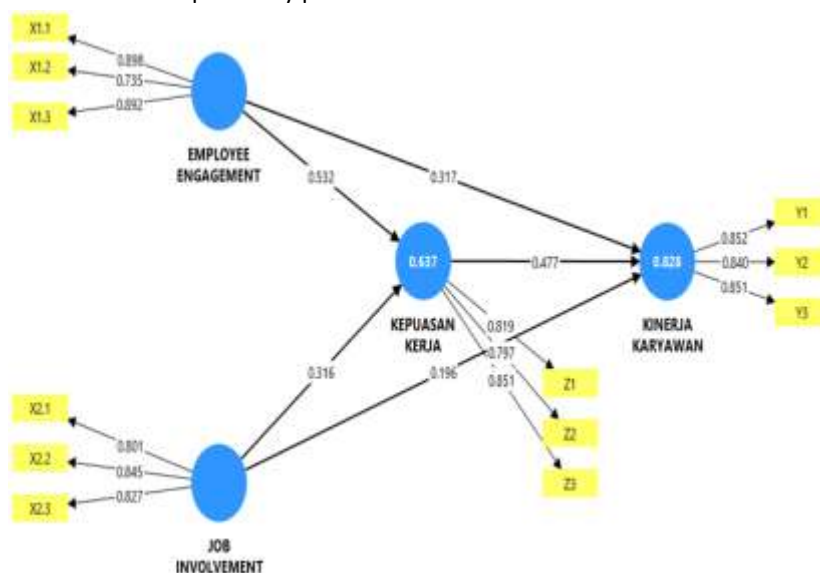


Figure 1 Structural and Measurement Model of PLS-SEM Analysis

Based on the PLS output, it can be observed that all indicators demonstrate adequate factor loading values, and all structural paths exhibit meaningful coefficients. This indicates that the proposed research model is empirically supported and suitable for further evaluation.

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A. Measurement Model Evaluation (Reflective Model)

The measurement model in this study employs reflective indicators for all constructs, including the exogenous variables Employee Engagement and Job Involvement, the mediating variable Job Satisfaction, and the endogenous variable Employee Performance. The evaluation of the reflective measurement model focuses on assessing convergent validity, discriminant validity, and reliability of the indicators.

1) Convergent Validity

Convergent validity assesses the extent to which indicators of a construct are highly correlated and represent the same underlying concept. This validity is evaluated using outer loading values, composite reliability, and Average Variance Extracted (AVE). An indicator is considered valid if its loading factor exceeds 0.50, with values above 0.70 being preferable.

Table 3 Outer Loadings

Indicator	Employee Engagement (X1)	Job Involvement (X2)	Job Satisfaction (Z)	Employee Performance (Y)
X1.1	0.898			
X1.2	0.735			
X1.3	0.892			
X2.1		0.801		
X2.2		0.845		
X2.3		0.827		
Z1			0.819	
Z2			0.797	
Z3			0.851	
Y1				0.852
Y2				0.840
Y3				0.851

The results presented in Table 3 show that all indicators have loading values greater than 0.50. This indicates that each indicator adequately represents its respective construct, thereby confirming satisfactory convergent validity. Consequently, the measurement model meets the minimum validity requirements and can be further evaluated.

2) Reliability Testing

Reliability reflects the consistency of the measurement instrument in producing stable and consistent results. Reliability in this study was assessed using Composite Reliability, rho_A, and Cronbach's Alpha. A construct is considered reliable if these values exceed the recommended threshold of 0.70.

Table 4 Composite Reliability and Cronbach's Alpha

Construct	Cronbach's Alpha	rho_A	Composite Reliability
Employee Engagement (X1)	0.799	0.833	0.881
Job Involvement (X2)	0.765	0.765	0.864
Job Satisfaction (Z)	0.762	0.773	0.862
Employee Performance (Y)	0.804	0.805	0.884

As shown in Table 4, all constructs exhibit composite reliability, rho_A, and Cronbach's alpha values above 0.70, indicating that the measurement instruments are internally consistent and reliable.

3) Average Variance Extracted (AVE)

AVE measures the proportion of variance captured by a construct relative to measurement error. A minimum AVE value of 0.60 is recommended to establish adequate convergent validity.

Table 5 Average Variance Extracted (AVE)

Construct	AVE
Employee Engagement (X1)	0.714
Job Involvement (X2)	0.680
Job Satisfaction (Z)	0.677
Employee Performance (Y)	0.718

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The AVE values for all constructs exceed 0.60, indicating that each construct explains more than half of the variance of its indicators. Thus, convergent validity is further confirmed.

4) Discriminant Validity

Discriminant validity evaluates the extent to which a construct is distinct from other constructs in the model. This study assesses discriminant validity using cross-loading analysis, where each indicator should load higher on its associated construct than on other constructs.

Table 6 Cross Loadings

Indicator	Employee Engagement (X1)	Job Involvement (X2)	Job Satisfaction (Z)	Employee Performance (Y)
X1.1	0.898	0.743	0.731	0.805
X1.2	0.735	0.350	0.530	0.512
X1.3	0.892	0.757	0.672	0.756
X2.1	0.709	0.801	0.600	0.724
X2.2	0.558	0.845	0.595	0.588
X2.3	0.591	0.827	0.580	0.601
Z1	0.558	0.539	0.819	0.729
Z2	0.602	0.548	0.797	0.591
Z3	0.728	0.673	0.851	0.790
Y1	0.664	0.588	0.729	0.852
Y2	0.677	0.644	0.764	0.840
Y3	0.775	0.743	0.700	0.851

The cross-loading results in Table 6 indicate that each indicator has the highest loading on its respective construct compared to other constructs. For example, indicators X1.1, X1.2, and X1.3 load more strongly on Employee Engagement than on any other construct. Similar patterns are observed for Job Involvement, Job Satisfaction, and Employee Performance indicators. These results confirm that the measurement model demonstrates adequate discriminant validity.

B. Structural Model Evaluation

The structural model evaluation aims to assess the relationships among latent variables, including direct and indirect effects, as well as the model's explanatory and predictive power. This evaluation is conducted by examining R^2 values, Q^2 predictive relevance, and path significance.

1) Coefficient of Determination (R^2)

The R^2 value represents the proportion of variance in the endogenous variables explained by the exogenous variables.

Table 7. R Square Values

Endogenous Variable	R Square
Job Satisfaction (Z)	0.637
Employee Performance (Y)	0.828

The R^2 value for Job Satisfaction (Z) is 0.637, indicating that Employee Engagement and Job Involvement jointly explain 63.7% of the variance in Job Satisfaction. Meanwhile, the R^2 value for Employee Performance (Y) is 0.828, meaning that Employee Engagement, Job Involvement, and Job Satisfaction explain 82.8% of the variance in Employee Performance. These values indicate a strong explanatory power of the proposed model.

2) Predictive Relevance (Q^2)

Predictive relevance was assessed using the Q^2 statistic. The calculated Q^2 value is 0.937, which is well above zero, indicating that the model has strong predictive relevance and fits the empirical data well.

C. Hypothesis Testing

Hypothesis testing was conducted using the bootstrapping procedure in SmartPLS to evaluate both direct and indirect effects. Statistical significance was determined using a 5% significance level ($\alpha = 0.05$).

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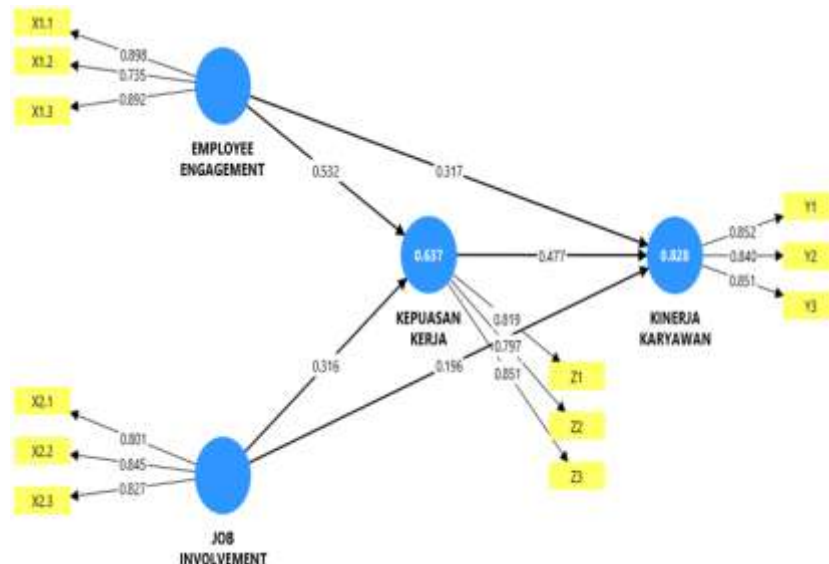


Figure 2 Bootstrapping Results with P-Values

1) Direct Effects

Table 8. Direct Effect Hypothesis Testing

Relationship	Path Coefficient (O)	Sample Mean (M)	STDEV	T-Statistics	P-Values
Employee Engagement → Employee Performance	0.571	0.533	0.121	4.712	0.000
Job Involvement → Employee Performance	0.350	0.359	0.163	2.146	0.034

The results indicate that Employee Engagement has a positive and significant effect on Employee Performance ($\beta = 0.571$; $t = 4.712$; $p < 0.001$), supporting H1. Additionally, Job Involvement also has a positive and significant effect on Employee Performance ($\beta = 0.350$; $t = 2.146$; $p = 0.034$), supporting H2.

2) Indirect Effects (Mediation Testing)

Table 9. Indirect Effect (Mediation) Testing

Relationship	Path Coefficient (O)	Sample Mean (M)	STDEV	T-Statistics	P-Values
Employee Engagement → Job Satisfaction → Employee Performance	0.254	0.253	0.103	2.473	0.015
Job Involvement → Job Satisfaction → Employee Performance	0.151	0.141	0.060	2.510	0.014

The mediation analysis shows that Job Satisfaction significantly mediates the relationship between Employee Engagement and Employee Performance ($\beta = 0.254$; $t = 2.473$; $p = 0.015$), supporting H3. Furthermore, Job Satisfaction also significantly mediates the relationship between Job Involvement and Employee Performance ($\beta = 0.151$; $t = 2.510$; $p = 0.014$), supporting H4.

V. DISCUSSION

A. The Effect of Employee Engagement on Employee Performance at PT Peln (Persero) Surabaya Branch

In this study, employee engagement is conceptualized as a strong psychological and emotional connection between employees, their work, and the people with whom they work. Engaged employees are able to derive personal meaning from their jobs and feel proud of their contributions to organizational success (Mustika & Rahardjo, 2020). This conceptualization underpins the hypothesis that employee engagement has a positive and significant effect on employee performance.

The empirical results confirm that employee engagement has a positive and significant influence on employee performance at PT Peln (Persero) Surabaya Branch. This finding indicates that higher levels of employee engagement are associated with higher levels of employee performance. Engaged employees demonstrate positive attitudes, high levels of energy and motivation, and a strong willingness to exert effort in performing their tasks. Moreover, they tend to persist in the face of work-related challenges and align their efforts with organizational goals and values.

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These findings are consistent with previous empirical studies conducted by Septian Dwi et al. (2021), Ariel Dohan et al. (2025), Obi Septrianto et al. (2021), and Melisa (2021), which consistently report a significant positive relationship between employee engagement and employee performance. The present study extends this evidence within the context of a state-owned maritime enterprise.

From a theoretical perspective, this result aligns with Social Exchange Theory (SET) proposed by Blau (1964). SET posits that workplace relationships are governed by reciprocal exchanges between employees and organizations. When employees perceive that they are valued, supported, involved in decision-making, and provided with opportunities for growth, they respond by increasing their level of engagement. This heightened engagement generates positive psychological states, such as a sense of meaningful work, emotional security, and perceived availability of resources, which ultimately translate into improved performance outcomes.

Overall, the findings confirm that employee engagement is a critical determinant of employee performance at PT Peln (Persero) Surabaya Branch. The stronger employees' attachment to their work, the greater their psychological and emotional investment in delivering optimal performance. This reinforces the fundamental principle of Social Exchange Theory, whereby positive organizational treatment elicits reciprocal performance-enhancing behavior from employees.

B. The Effect of Job Involvement on Employee Performance at PT Peln (Persero) Surabaya Branch

Job involvement in this study refers to the extent to which individuals psychologically identify with their work and perceive their job as an important component of their self-concept and personal identity (Hackman & Oldham, 2020). The results of this study demonstrate that job involvement has a positive and significant effect on employee performance, indicating that the proposed hypothesis is supported.

This finding suggests that employees who are deeply involved in their work tend to exhibit higher performance levels. When employees view their work as meaningful and integral to their personal identity, they are more likely to invest cognitive, emotional, and physical resources into task completion. Consequently, higher job involvement translates into improved work quality, productivity, and overall performance.

This result is consistent with Social Exchange Theory (Blau, 1964), which emphasizes that employees' willingness to become involved in their work emerges as a response to perceived organizational support and fair treatment. According to Kanungo (2019), employees who experience positive exchanges with their organization are more likely to demonstrate strong job involvement, which in turn enhances performance outcomes. The present findings support this argument by demonstrating that active engagement in work roles contributes directly to higher performance.

Empirically, these results corroborate prior studies by Septiadi et al. (2020), Alfajri et al. (2019), and Melisa et al. (2021), all of which report a positive and significant relationship between job involvement and employee performance. Thus, job involvement represents an important behavioral mechanism through which organizations can improve employee performance.

C. The Mediating Role of Job Satisfaction in the Relationship between Employee Engagement and Employee Performance

The PLS-SEM analysis reveals that employee engagement has a significant indirect effect on employee performance through job satisfaction, indicating that job satisfaction functions as a meaningful mediating variable in this relationship. This finding suggests that employee engagement enhances performance not only directly but also indirectly by increasing employees' satisfaction with their work.

When interpreted through the lens of Social Exchange Theory (Blau, 1964), this result provides important theoretical insight. Organizations that offer support, recognition, and a positive work environment initiate a favorable social exchange. Employees reciprocate this treatment by developing stronger engagement, which fosters higher levels of job satisfaction. This sense of satisfaction then motivates employees to reciprocate further through improved performance, dedication, and productivity.

The acceptance of this hypothesis highlights the critical role of job satisfaction as a psychological mechanism that translates engagement into tangible performance outcomes. This finding implies that organizations should not only focus on increasing employee engagement but also ensure that engagement is accompanied by positive work experiences that foster satisfaction.

This result is consistent with previous studies by Sarumpaet et al. (2023) and Diana Nurul et al. (2020), which demonstrate that job satisfaction significantly mediates the relationship between employee engagement and performance. Collectively, these findings indicate that employees who are emotionally and professionally engaged tend to experience higher job satisfaction, which subsequently enhances their performance.

The present study contributes to the Social Exchange Theory literature by empirically demonstrating that job satisfaction serves as a significant mediating mechanism, reinforcing the reciprocal dynamics between organizational support, employee engagement, and performance outcomes.

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D. The Mediating Role of Job Satisfaction in the Relationship between Job Involvement and Employee Performance

The results of the PLS-SEM analysis also confirm that job involvement has a positive and significant indirect effect on employee performance through job satisfaction. This indicates that job satisfaction plays a substantive mediating role in strengthening the relationship between job involvement and performance.

Employees who are highly involved in their work tend to experience a stronger sense of fulfillment and satisfaction, as they perceive their work as meaningful and aligned with their personal values. This heightened job satisfaction, in turn, motivates employees to perform at higher levels. Thus, job involvement contributes to performance both directly and indirectly by fostering positive emotional responses toward work.

These findings are consistent with previous studies by Kadek and Dewa (2024) as well as Qhoirunnisa and Lukiyana (2021), which report that job involvement significantly influences employee performance through job satisfaction. The present study further confirms that job satisfaction is a crucial psychological pathway linking job involvement to performance outcomes.

In line with Social Exchange Theory, this mechanism reflects a reciprocal exchange process in which employees respond to supportive organizational conditions by becoming more involved in their work, experiencing greater satisfaction, and ultimately delivering higher performance. Therefore, job involvement and job satisfaction jointly function as key drivers of sustainable employee performance.

VI. CONCLUSION

Based on the results of data analysis, hypothesis testing, and discussion, several conclusions can be drawn from this study.

First, employee engagement has a positive and significant effect on employee performance at PT Pelayaran Nasional Indonesia (Persero) Surabaya Branch. This finding indicates that higher levels of employee engagement are associated with better employee performance. Employees who are emotionally and psychologically engaged tend to demonstrate greater motivation, dedication, and effort in carrying out their work responsibilities.

Second, job involvement has a positive and significant effect on employee performance. This result suggests that employees who strongly identify with their work and perceive their job as an important part of their self-concept are more likely to exhibit higher performance levels. Increased job involvement encourages employees to invest more cognitive and emotional resources into their tasks, leading to improved work outcomes.

Third, employee engagement has a positive and significant indirect effect on employee performance through job satisfaction. This finding confirms that job satisfaction serves as an effective mediating mechanism in the relationship between employee engagement and performance. High levels of employee engagement contribute to increased job satisfaction, which in turn enhances employee performance.

Finally, job involvement also has a positive and significant indirect effect on employee performance through job satisfaction. This result indicates that job satisfaction plays a crucial mediating role in translating job involvement into improved performance. Employees who are highly involved in their work tend to experience greater satisfaction, which subsequently motivates them to perform more effectively.

Overall, the findings of this study emphasize the importance of employee engagement and job involvement in improving employee performance, both directly and indirectly through job satisfaction, within the context of a state-owned maritime enterprise.

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