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# The Influence of Organizational Climate on OCB and Employee Engagement with Job Satisfaction as An Intervening Variable

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### **ABSTRACT**

This research aims to determine the effect of organizational climate on OCB and employee engagement with job satisfaction as an intervening variable for permanent employees at middle management level of cement industry in Bogor. The research method uses mixed method with questionnaire for quantitative research and Delphi method for qualitative research. The research sample was 183 people from 334 permanent employees at middle management level. The conclusion in this research is there is a significant positive effect with the coefficient value  $Z_1 = 0.551$  organizational climate on OCB. There is a significant positive effect with coefficient value  $Z_2 = 0.578$  organizational climate on employee engagement. There is a significant positive effect with the coefficient value xy = 0.939 organizational climate on job satisfaction. There is a significant positive effect with coefficient value  $yz_1 = 0.413$  job satisfaction on OCB.

**Keywords:** Employee Engagement, Intervening, Job Satisfaction, OCB, Organizational Climate

#### **INTRODUCTION**

Worker behavior can be categorized into task-dependent behavior (in-role) and discretionary behavior (extra-role). Extra-role behavior, also known as Organizational Citizenship Behavior (OCB), plays a crucial role in achieving organizational goals and success. Employees with high OCB contribute significantly to efficiency, productivity, and innovation by fostering adaptability and resource optimization. OCB is recognized in organizational behavior as a personality-driven trait characterized by teamwork, willingness to help others, dedication to work, and concern for colleagues. Employees with strong OCB also demonstrate a positive attitude toward company policies and actions.

The benefits of OCB include improved employee morale, increased job satisfaction, optimized performance, higher productivity, enhanced social interactions, reduced stress levels, a stronger sense of togetherness, and better company branding. The development of OCB is influenced by two key factors: internal factors such as motivation, morale, job satisfaction, positive attitude, and commitment, as well as external factors like corporate culture, leadership style, and management systems. Employee engagement is a critical aspect of organizational performance, as employees are a driving force behind a company's success. Engaged employees exhibit characteristics such as proactiveness, passion, and dedication, investing time and effort in company activities. Employee engagement directly impacts both individual and overall organizational productivity (Wasilowski, 2018). It represents an employee's effort to optimize their potential for better performance.

Efforts to enhance employee engagement can be conducted internally and externally. Internally, employees can self-motivate to maximize their abilities and adopt an integrated intervention program that fosters a positive perception of the organization. Externally, companies can provide training programs utilizing both internal and external trainers to strengthen various dimensions of employee engagement. Human resources are the most valuable assets in any organization, as they play a central role in managing and utilizing all other resources (Sinambela, 2016). One of the most critical factors influencing OCB is job satisfaction. Satisfied employees are more likely to speak positively about their company, assist coworkers, and exceed job performance expectations. Additionally, they tend to be more committed to their responsibilities, as they seek to replicate positive workplace experiences (Robbins, 2017).

The cement industry in Indonesia has been significantly affected by the COVID-19 pandemic, leading to economic slowdowns and delays in business expansion due to social distancing measures. Two major cement companies, PT ITP and PT SBI, are based in Bogor. Despite the pandemic, both companies continued to generate profits in 2020. PT ITP set a production target of 18.773 million tons in 2019 but achieved 18.127 million tons (-3.4%). In 2020, actual

production was 16.5 million tons, compared to a target of 18.1 million tons (-8%). Similarly, PT SBI set a production target of 11.7 million tons but produced 11.08 million tons (-5.3%). A unique aspect of the cement industry is its operational and technical demands, requiring factories to run 24/7, with a minimum of 320 operating days per year. Major maintenance is only scheduled twice a year, lasting no more than 20 days per session.

Given the continuous operation of cement factories, high OCB and employee engagement are essential. OCB facilitates cooperation between departments (electrical, mechanical, and production) during machine malfunctions, leading to faster troubleshooting. For example, experienced engineers often assist junior engineers in solving technical issues, boosting their morale and engagement. To maintain production efficiency, minimizing errors in a 24-hour operational environment is crucial. A strong organizational climate fosters job satisfaction, which, in turn, enhances OCB, employee engagement, and overall company performance.

This study aims to analyze the impact of organizational climate on OCB and employee engagement, with job satisfaction as an intervening variable, among permanent middle-level employees in the cement industry in Bogor Regency.

#### LITERATURE REVIEW

# The Characteristic of Organizational Citizenship Behavior (OCB)

According to Colquitt (2019), organizational citizenship behavior refers to employees who voluntarily contribute to company activities to enhance overall performance. This behavior is influenced by several dimensions. Altruism refers to employees who willingly help their coworkers with work-related or personal issues. Courtesy involves maintaining good relationships by being respectful and friendly, thereby preventing conflicts. Sportsmanship reflects employees' ability to tolerate minor inconveniences without unnecessary complaints. Voice represents employees who actively provide constructive suggestions for company improvement. Lastly, civic virtue describes employees' engagement in company-related activities that support organizational policies and branding.

# The Definition of Employee Engagement

Robbins (2017) states that employee engagement refers to an individual's involvement, satisfaction, and enthusiasm for their work. It encompasses both emotional and cognitive (rational) motivation, the ability to perform their job, a clear understanding of the company's vision and their specific role, and confidence in their ability to complete tasks. The key dimensions influencing employee engagement include emotional involvement, cognitive (rational) motivation, job performance ability, a clear vision, and confidence in task completion.

#### **Job Satisfaction**

Colquitt (2019) states that job satisfaction is a pleasurable emotional state resulting from the evaluation of one's job or work experiences. The key dimensions influencing job satisfaction include pay (high salary, job security), promotion (frequent and merit-based promotions), supervision (positive supervisory relationships, recognition for good work), coworkers (enjoyable and responsible colleagues), work itself (skill utilization, autonomy, intellectual stimulation, creative expression, sense of achievement), altruism (helping others, moral contributions), status (prestige, authority, recognition), and work environment (comfort, safety). Employees experience job satisfaction when they feel their job provides fair compensation, career growth, good supervision, supportive colleagues, and meaningful work.

Based on these theories, organizational climate can be synthesized as the shared perception of organizational members regarding their work environment. The influencing dimensions include management styles, participation in decision-making, challenging job assignments, autonomy, personnel policies, and career development opportunities.

Ghanbari (2020), in the study "Organizational Climate, Job Motivation, and Organizational Citizenship Behavior," found a positive correlation between organizational climate and organizational citizenship behavior (r = 0.245, p < 0.01, N = 250). This suggests that a higher level of organizational climate is associated with higher organizational citizenship behavior. Deskli (2020), in "Organizational Climate and Employee Engagement," concluded that organizational climate positively correlates with employee engagement (R<sup>2</sup> = 0.565, p < 0.0001). This indicates that a stronger organizational climate predicts higher employee engagement. Hamid (2020), in "Person-Organization Fit and Organizational Citizenship Behavior: Modeling Work Engagement as a Mediator," found that employee engagement positively correlates with organizational citizenship behavior (OCB) (R<sup>2</sup> = 0.545, t-value = 21.45). This suggests that higher employee engagement leads to higher OCB.

The findings from these studies support the problem formulation of this research, which examines the influence of organizational climate and job satisfaction on OCB and employee engagement.

#### RESEARCH METHODOLOGY

This study is designed as quantitative research supported by a qualitative approach. Qualitative research focuses on understanding a research question from a humanistic or idealistic perspective (2013). The study combines explanatory research with descriptive research and hypothesis testing. The research method employs a survey with a multi-analytical approach, including descriptive analysis, simple regression testing, and partial least squares (PLS). To analyze the

theoretical framework in social science research, confirmatory factor analysis, path analysis, and statistical analysis are used. PLS analysis measures the effect of exogenous variables on endogenous variables. The independent variable in this study is organizational climate, the intervening variable is job satisfaction, and the dependent variables are organizational citizenship behavior (OCB) and employee engagement.

This research is classified as correlation research. According to Creswell (2012), correlation is a statistical test used to determine the tendency or pattern in which two (or more) variables or data sets vary consistently. This study was conducted to examine the effect of organizational climate on OCB and employee engagement, with job satisfaction as an intervening variable.

# RESULT AND DISCUSSION

The description of the research findings begins with the results of descriptive statistical analysis to characterize the data for each variable, followed by the prerequisites for statistical analysis and hypothesis testing using the PLS-SEM technique. Data was collected by measuring the variables of Organizational Citizenship Behavior (OCB), Employee Engagement, Job Satisfaction, and Organizational Climate. The data was gathered from 183 permanent employees at the middle management level from a cement factory in the Bogor district. The majority of respondents (90.7%) were male, which aligns with field conditions where most employees are male. Regarding education level, 80% of the middle management had a Bachelor's degree (S1), and for job type, 55.7% worked at the plant (factory) while 44.3% were in non-plant (support) roles. The majority of respondents were aged 31-35 years (35%), and the highest tenure was 6-10 years, accounting for 33.9%.

# **OCB** (Organizational Citizenship Behavior)

#### **Quantitative Data**

The sample in this research consisted of 183 respondents. Of these, 100 respondents (54%) were permanent employees at a cement factory in the Bogor district, holding middle management positions, and exhibited high Organizational Citizenship Behavior (OCB) with scores ranging from 131 to 157. Meanwhile, 71 respondents (38%) had moderate OCB, with scores ranging from 113 to 130. The remaining 12 respondents (8%) exhibited low OCB, with scores ranging from 86 to 112.

# The Influence of Organizational Climate on OCB

The coefficient value with  $Z_1 = 0.551$ ,  $t_{count} = 6.759$ , while  $t_{table} = 1.973$  at a significance level of 0.05. Since  $t_{count} > t_{table}$ ,  $H_0$  is rejected and  $H_1$  is accepted. This indicates that the organizational climate (X) has a direct positive effect on

OCB ( $Z_1$ ), suggesting that strengthening the organizational climate is expected to increase OCB.

The results of the qualitative research align with the findings of the quantitative research, meaning the qualitative research supports the quantitative results. Previous research by Ghanbari (2020) in an international journal stated a significant positive relationship between organizational climate and OCB. The multiple regression results showed organizational climate components (r=0.245, p<0.01, N=250). Similarly, Maus (2018) in his dissertation found a positive and significant relationship between organizational climate variables and OCB behavior (r=0.403, p<0.05, N=217). Thus, this study supports previous research with similar relationships, positive influences, and significance levels.

# The Effect of Organizational Climate on Employee Engagement

The coefficient value with  $Z_2 = 0.578~t_{count} = 8.830$  while  $t_{table} = 1.973$  at a significant level = 0.05 and  $t_{count} > t_{table}$ , then  $H_0$  is rejected and  $H_1$  is accepted. Thus, it can be said that organizational climate (X) has a direct positive effect on employee engagement ( $Z_2$ ). Then, the strengthening organizational climate is predicted to increase employee engagement.

The results of qualitative research have similarities with quantitative research results, it means that the results of qualitative research is support the quantitative research results. The previous research by Mejali (2020) in his dissertation stated that there was a positive and significant relationship between organizational climate and employee engagement with  $R^2 = 0.565$  p-value < 0.0001. Likewise, Chaudhary (2014) in his research journal states that organizational climate is the most significant predictor of employee engagement with  $R^2 = 0.700$ ; p < 0.01. Then, this study is supports previous research which has similarities in relationship or positive influence as well as in the significance level.

# The Effect of Organizational Climate on Job Satisfaction

The coefficient value with XY = 0.939,  $t_{count} = 101.158$  while  $t_{table} = 1.973$  at a significant level = 0.05 and  $t_{count} > t_{table}$ , then  $H_0$  is rejected and  $H_1$  is accepted. Thus, it can be said that organizational climate (X) has a direct positive effect on job satisfaction (Y). Then, the strengthening organizational climate is predicted to increase job satisfaction.

The results of qualitative research have similarities with the results of quantitative research, it means that the results of qualitative research is support the results of quantitative research. The previous research by Adenike (2011) showed that organizational climate has a positive and significant relationship with job satisfaction with  $r=0.671\ p<0.01$ . Likewise, Borne (2008) stated that organizational climate has a positive correlation with job satisfaction with r=0.638; p<0.01. Then, this study is supports previous research which has

similarities in relationship or positive influence as well as significance level.

#### The Effect of Job Satisfaction on OCB

The coefficient value with  $YZ_1 = 0.413$ ,  $t_{count} = 5,005$  while  $t_{table} = 1,973$  at a significant level = 0.05 and  $t_{count} > t_{table}$ , then  $H_0$  is rejected and  $H_1$  is accepted. Thus, it can be said that Job Satisfaction (Y) has a direct positive effect on OCB (Y), then the strengthening of Job Satisfaction is predicted to increase OCB.

The results of qualitative research have similarities with quantitative research result, meaning that the results of qualitative research are support the quantitative research result. The previous research by Bommer (2003) states that there is a positive and significant influence between job satisfaction and OCB. Then, the higher the effect of job satisfaction on employees, the higher of OCB level with (r = 0.70, p < 0.01). Narzary (2020) states that job satisfaction has a significant and positive effect on OCB behavior with a coefficient = 0.39  $R^2 = 0.15$  T-values = 5.58. This study is supports previous research which has similarities in the relationship or positive influence as well as in significance level.

# The Influence of Job Satisfaction on Employee Engagement

The coefficient value with  $YZ_2 = 0.390 \ t_{count} = 6.010$  while  $t_{table} = 1.973$  at a significant level = 0.05 and  $t_{count} > t_{table}$ , then  $H_0$  is rejected and  $H_1$  is accepted. Thus, it can be said that Job Satisfaction (Y) has a direct positive effect on Employee Engagement ( $Z_2$ ). Then, the strengthening of Job Satisfaction is predicted to increase Employee Engagement.

The results of qualitative research have similarities with quantitative research result, meaning that the results of qualitative research are support the quantitative research result. The previous research by Harter (2002) stated that job satisfaction has a positive and significant effect on employee engagement variables with  $r = 0.77 \ p < 0.01$ . Then, this research is supports previous research which has similarities in the relationship or positive influence as well as significance level.

#### The Influence of Organizational Climate on OCB through Job Satisfaction

The coefficient value with  $XYZ_1 = 0.388$   $t_{count} = 5.039$  while  $t_{table} = 1.973$  at a significant level = 0.05 and  $t_{count} > t_{table}$ , then  $H_0$  is rejected and  $H_1$  is accepted. When compared with its effect, it can be said that Job Satisfaction (Y) does not mediate the influence of organizational climate variables on OCB. It is said not to mediate since the influence of organizational climate variable on OCB is bigger, called it has a coefficient value with  $Z_1 = 0.551$ . The coefficient values  $XYZ_1 = 0.388$  and  $Z_1 = 0.551$ . When it converted into Sugiyono table, it including in strong category with 0.622 and 0.741. Both values are included in strong category, it means that it is possible to implement both of the strategy.

# The Effect of Organizational Climate on Employee Engagement through Job Satisfaction

The coefficient value with  $XYZ_2 = 0.367$   $t_{count} = 6,000$  while  $t_{table} = 1,973$  at a significant level = 0.05 and  $t_{count} > t_{table}$ , then  $H_0$  is rejected and  $H_1$  is accepted. When compared with the effect, it can be said that Job Satisfaction (Y) does not mediate the influence of organizational climate variables on Employee Engagement since the influence of organizational climate variable on Employee Engagement is bigger, it has a coefficient value with  $Z_2 = 0.578$ . The coefficient values  $XYZ_1 = 0.367$  and  $Z_1 = 0.578$ . When converted into Sugiyono table, it including in strong category with 0.600 and 0.760. Both values are included in strong category, it means that it is possible to implement both of the strategy.

# **CONCLUSION**

The value comparison of direct and indirect effects of  $0.388 < Z_1 = 0.551$ , it can be concluded that job satisfaction variable does not mediate as an intervening variable on organizational climate effect of OCB. It is said not to mediate since the influence of organizational climate variable on OCB is better, it has a coefficient value with  $Z_1 = 0.551$ . The coefficient values  $XYZ_1 = 0.388$  and  $Z_1 =$ 0.551 when converted into Sugiyono table it including in strong category with 0.622 and 0.741. There is a significant positive effect with the coefficient value  $(\beta xyz_2=0.367)$  between organizational climate and employee engagement through job satisfaction. The value comparison of direct and indirect effects of  $0.367 < Z_2$ = 0.578, it can be concluded that job satisfaction variable does not mediate as an intervening variable on organizational climate effect of employee engagement. It is said not to mediate since the influence of organizational climate variable on Employee Engagement is bigger, it has a coefficient value with  $Z_2 = 0.578$ . The coefficient values  $XYZ_1 = 0.367$  and  $Z_1 = 0.578$ . When converted into Sugiyono table, table it including in strong category with 0.600 and 0.760. Both values are included in strong category, it means that it is possible to implement both of the strategy

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