The Effect of Social Responsible Human Resource Management,Work Engagement Towads Employee Innovation Performance, With The Mediating of Person Organization-Fit in Companies

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Abstract.

Human resource management oriented towards social responsibility increases competitiveness among companies in the civil engineering field, and attention to employee innovation performance is increasing. The purpose of this study is to examine the effect of human resource management on employee innovation performance, as well as the effect of human resource management on individual-organization fit, and human resource management on work engagement. It also examines the mediating effect of individual-organization fit. It also aims to provide a comprehensive understanding of how human resource management can improve employee innovation performance. Data was obtained through a g-form and using the Structural Equation Modeling - Partial Least Squares (SEM-PLS) method with the help of the SmartPLS 4.0 application, with a total of 181 private employees from civil engineering consulting companies in Greater Jakarta as respondents. The results of this study indicate that Socially Responsible Human Resources, Individual and Organizational Fit, and Work Engagement have a significant impact on Employee Innovation Performance. The mediating role of Individual and Organizational Fit on Employee Innovation Performance also has a significant impact. Recommendations include expanding the respondent area and focusing more on civil engineering consultant employees in Indonesia, as well as paying attention to sampling methods that are more representative. This study has managerial implications, namely encouraging employees to improve employee innovation performance in companies.

Keywords: *Employee innovation performance; person organization-fit; socially responsible human resource management and work engagement.*

I. INTRODUCTION

As an important element in contemporary society, businesses and their activities have an impact on many stakeholders, so it is not surprising that the concept of Corporate Social Responsibility (CSR) has grown in management studies over the past few years [1]. In line with the company's goal of achieving sustainable performance and more significant and meaningful social outcomes, the demand for Socially Responsible Human Resource Management (SRHRM) practices within organizations is increasing [2]. Intrinsic motivation has been linked to increased work efficiency, employee participation, and employee innovation. This type of motivation is maintained by conditions that support the fulfillment of basic psychological needs [3]. Human Resource Management (HRM) plays a crucial role in addressing current global challenges, such as climate change, resource depletion, and social injustice, evolving from a mere administrative function to a strategic driver in integrating sustainability into an organization's core values, working methods, and long-term goals [4]. Several studies indicate that training and performance evaluations do not have a significant impact on employee creativity. This raises questions about which human resource management practices are truly effective and which may need to be improved in the design of human resource systems to support innovation [5].

It was also found that flexible work had a positive impact on work participation, and that work participation was a significant link between flexible work and professional performance [6]. Previous research shows that socially responsible human resource management (SRHRM) plays a role in improving the specific performance of corporate social responsibility (CSR) among employees through impression management motivation, as well as encouraging extra-role CSR performance through prosocial motivation

[7]. The compatibility between individuals and organizations, as well as the harmony between individuals and the work environment, has a positive influence on individuals' dedication to the company [8]. The ability to adapt in one's career has a positive relationship with employee engagement levels [9]. Although there have been several studies that have examined socially responsible human resource management (SRHRM) and its effects, including on employee innovation performance (EIP) and employee morale. However, there are still not many studies that directly investigate the overall impact of human resource management (HRM) or socially responsible human resource management (SRHRM) on employee innovation performance. This study aims to fill this gap by examining the direct relationship between human resource management and innovation performance in the civil engineering consulting industry in Jakarta, Indonesia.

II. METHODS

This study applies a quantitative approach, with samples and populations that meet certain criteria. The process of selecting the population and samples was conducted comprehensively among private employees working in the field of civil engineering [10]. This study focuses on private civil engineering employees who filled out questionnaires using g-form. A five-point Likert scale was used to assess all variables, with one indicating strongly disagree, two indicating disagree, three indicating neutral, four indicating agree, and five indicating strongly agree [11].The population of this study consists of private civil engineering employees aged 23-57 years, with a minimum of 2 years of work experience, and residing in the Greater Jakarta area. This study uses purposive sampling. In this study, there are 33 questions that will be distributed by the author. Based on the criteria by [12] the minimum number of respondents that the author must obtain is 100 people. However, the author plans to increase this number to 33x5 = 165 respondents in order to reduce the possibility of invalid respondents or those who do not meet the criteria. A preliminary test (pre-test) was conducted on 30 respondents to evaluate the reliability and validity of the questionnaire to be used.

The results of this preliminary test were analyzed using SPSS software, while paying attention to the Kaiser-Meyer-Olkin (KMO) value and Measurement System Analysis or Sample Suitability Measure (MSA). KMO and MSA values greater than 0.5 indicate that factor analysis can be performed appropriately. Instrument reliability was tested by measuring Cronbach's Alpha, where a value greater than 0.6 is considered sufficient [13]. In this research paper, we began with a cleaning and filtering process to evaluate incomplete data and extreme values. Using the Structural Equation Modeling - Partial Least Squares (SEM-PLS) method, we applied Smart-PLS 4.0 to test the existing hypotheses. The measurement model (outer model) was evaluated through outer loadings >0.5 to >0.7, AVE >0.5, Cross Loadings, Composite Reliability (CR), and Cronbach's Alpha >0.7. The second step was to analyze the inner model. This measurement can be seen through the Heterotrait Monotrait (HTMT) ratio. An HTMT value that is much lower than 0.900 indicates that the construct is able to differentiate concepts effectively. The structural model (inner model) is assessed with R-Square, where values of 0.75, 0.50, and 0.25 are considered good. Hypothesis testing is performed using path coefficients, T-statistics, and p-values through bootstrapping, where the hypothesis is accepted if the T-statistic is >1.96 and the p-value is <0.05. The analysis includes the direct effect between variables and the mediating role of Person Organization-Fit [12], [14].

III. RESULT AND DISCUSSION

The survey response rate shows that of the 181 valid responses, the majority of employees were private sector employees, accounting for 97.8%, while 4 respondents, or 2.2%, were invalid. 97.3% (180 respondents) of valid respondents resided in Greater Jakarta, while 2.7% (5 respondents) were invalid.

The majority of respondents were aged 23 to 27 years old, accounting for 98.4% (182 respondents), while 1.6% (3 respondents) were invalid. The gender was dominated by males, accounting for 58.9% (109 respondents), while females accounted for 41.1% (76 respondents). This was followed by those aged 23-28 years old at 43.8%, those aged 29-34 years old at 24.9%, those aged 35-41 years old at 16.8%, those aged 42-48 years old at 7.6%, and those aged 49-57 years old at 7%. In terms of work experience, the majority of respondents stated that they had worked for more than 2 years (67.6%) and 2 years (32.4%).

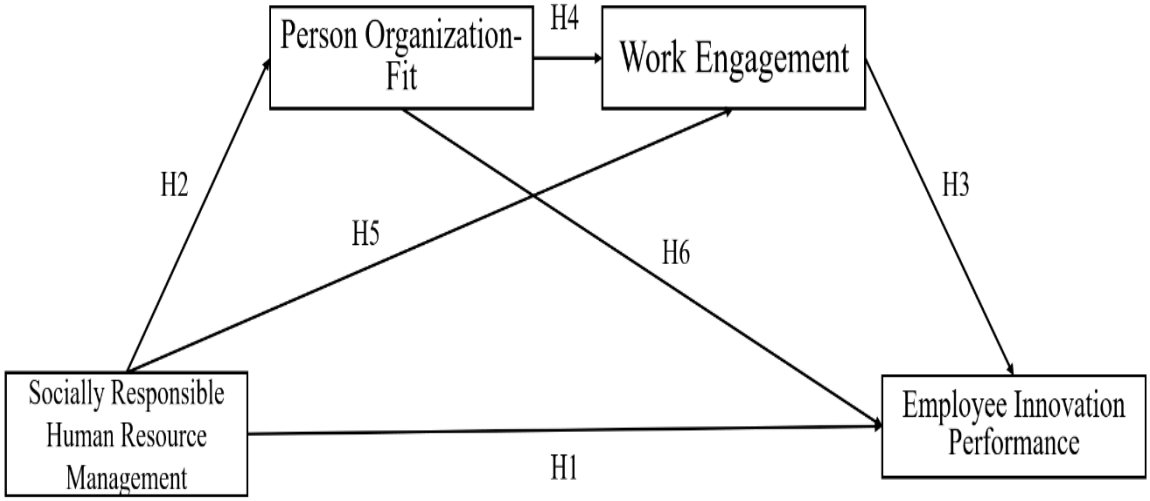

Fig 1. Model Modification

Variable	Item	Loadings	Average Variance Extracted	Composite Reliability
Socially Responsible Human Resource Management	SRHRM1	0.684	0.514	0.863
	SRHRM2	0.771		
	SRHRM3	0.763		
	SRHRM4	0.682		
	SRHRM5	0.732		
	SRHRM6	0.662		
Person Organization-Fit	PO-Fit1	0.819	0.663	0.937
	PO-Fit2	0.800		
	PO-Fit3	0.828		
	PO-Fit4	0.778		
	PO-Fit5	0.821		
	PO-Fit6	0.864		
	PO-Fit7	0.816		
	PO-Fit8	0.816		
	PO-Fit9	0.781		
Work Engagement	WE1	0.771	0.613	0.922
	WE2	0.798		
	WE3	0.769		
	WE4	0.745		
	WE5	0.791		
	WE6	0.711		
	WE7	0.808		
	WE8	0.824		
	WE9	0.821		
Employee Innovation Performance	EIP1	0.749	0.504	0.878
	EIP2	0.718		
	EIP3	0.669		
	EIP4	0.537		
	EIP5	0.744		
	EIP6	0.705		
	EIP7	0.781		
	EIP8	0.746		
	EIP9	0.714		

Table 2. Results of Measurement Model Evaluation

Furthermore, the results of the discriminant validity analysis refer to cross loading. These findings indicate that each construct in this study has met the criteria for reliability, convergent validity, and discriminant validity. Thus, these constructs are considered suitable for inclusion in the structural model being analyzed.

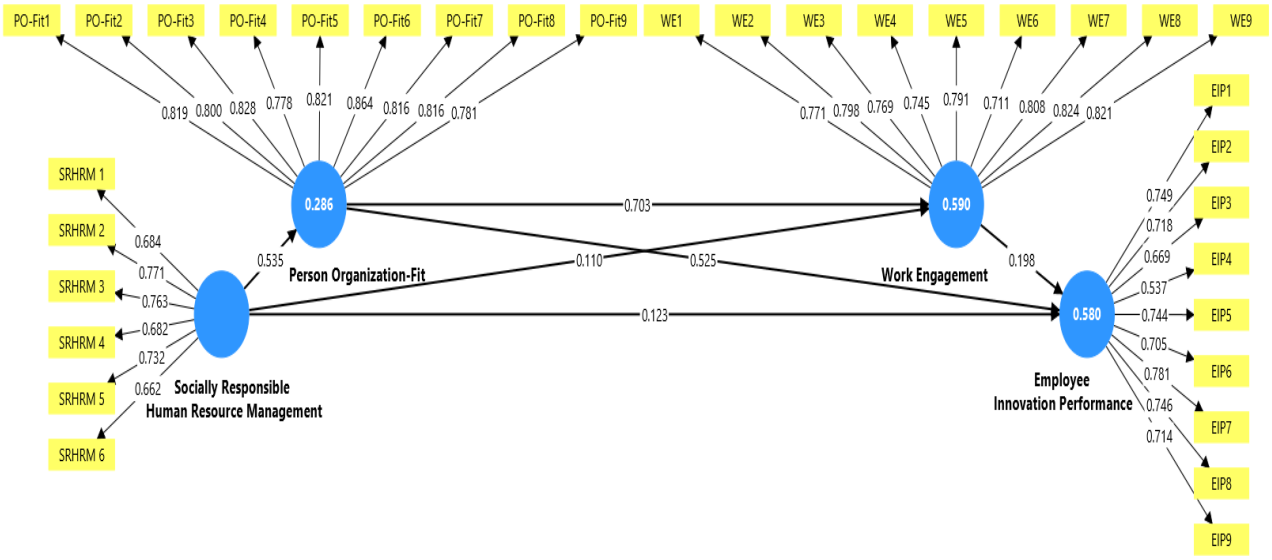

Fig 3. Path Diagram T-Value

Path diagram analysis produced an R-squared value of 0.590 for the Work Engagement variable. This shows that the combination of Socially Responsible Human Resource Management and Person Organization-Fit explains 59.0% of the variation in Work Engagement, while the remaining 41.0% is influenced by factors outside the tested model. For the Employee Innovation Performance variable, the R-squared value was recorded at 0.580. In other words, Employee Innovation Performance explains 58.0% of Socially Responsible Human Resource Management, Person Organization-Fit, and Work Engagement, while the remaining 42.0% is influenced by other variables not included in this analysis. For the Person Organization-Fit variable, the R-Squared value was recorded at 0.286, which explains that Person Organization-Fit accounts for 28.6% of Socially Responsible Human Resource Management and Work Engagement, while the remaining 71.4% is influenced by other variables not included in this analysis. In the hypothesis testing stage, a proposition is considered accepted if the T-statistic value exceeds the T-table value of 1.96.

Hypothesis	Hypothesis Statement	P-Value	T- statistic	Description	Conclusion
H1	The Influence of Socially Responsible Human Resource Management on Employee Innovation Performance	0.046	1.996	The data supports the hypothesis	Accepted
H2	The Influence of Socially Responsible Human Resource Management on Person-Organization Fit	0.000	9.737	The data supports the hypothesis	Accepted
H3	The Effect of Work Engagement on Employee Innovation Performance	0.021	2.314	The data supports the hypothesis	Accepted
H4	The Influence of Person-Organization Fit on Work Engagement	0.000	13.830	The data supports the hypothesis	Accepted
H5	The Influence of Socially Responsible Human Resource Management on Work Engagement	0.028	2.204	The data supports the hypothesis	Accepted
H6	The Effect of Socially Responsible Human Resource Management Mediating Person-Organization Fit on Employee Innovation Performance	0.000	5.353	The data supports the hypothesis	Accepted

Table 4. Research Model Hypothesis Testing

The results of the study show that all hypotheses are significantly accepted, but the level of influence of the variables varies. Person Organization-Fit (PO-Fit) on Work Engagement (WE) is the strongest pathway with a T-statistic of 13.830, confirming that employees will increase their work engagement if they have individual compatibility with the organization within the company. Conversely, the direct effect of Socially Responsible Human Resource Management (SRHRM) on Employee Innovation Performance (EIP) was the lowest (T-statistic of 1.996), indicating that the effectiveness of Socially Responsible Human Resource Management is more optimal through the formation of Employee Innovation Performance.

	R-square	R-square adjusted
EIP	0.580	0.573
PO-Fit	0.286	0.282
WE	0.590	0.585

Table 5. R-Square

Based on the R-square test results, the R-square value for Employee Innovation Performance (EIP) is 0.580 with an adjusted R-square value of 0.573. This means that the variables of Socially Responsible Human Resource Management and Person Organization-Fit together explain 58.0% of the variation in Employee Innovation Performance, while the remaining 42.0% is explained by other variables outside the research model. Furthermore, the R-square value for Person Organization-Fit (PO-Fit) is 0.286 with an adjusted R-square value of 0.282. This shows that the variables Socially Responsible Human Resource Management and Work Engagement together explain 28.6% of the variation in Employee Innovation Performance, with the remaining 71.4% influenced by other factors outside the model. Meanwhile, the R-Square value for Work Engagement (WE) is 0.590 with an adjusted R-square value of 0.585. This shows that the variables of Socially Responsible Human Resource Management (SRHRM) and Person Organization-Fit together are able to explain 59.0% of the variation in Employee Innovation Performance, with the remaining 41.0% influenced by other factors outside the model.

	EIP	PO-Fit	SRHRM	WE
EIP				
PO-Fit	0.252			0.861
SRHRM	0.025	0.401		0.021
WE	0.038			

Table 6. F-Square

The f-square test results show that the WE → PO-Fit path has the highest value of 0.861 (strong category), which means that Work Engagement has a dominant influence on the formation of Person Organization-Fit. The SRHRM → PO-Fit path has a value of 0.401 (strong category), indicating that Socially Responsible Human Resource Management is a very decisive factor in influencing Person Organization-Fit. Meanwhile, the PO-Fit → EIP path obtained a value of 0.252 (moderate category), while the WE → EIP path had a value of 0.038, SRHRM → EIP had a value of 0.025, and SRHRM → WE had a value of 0.021 (weak category). These values indicate that although Socially Responsible Human Resource Management and Person Organization-Fit have a direct influence on Employee Innovation Performance, their influence is not as strong as when these variables influence Work Engagement through Person Organization-Fit. Thus, overall, the data shows that SRHRM and WE will be much more effective in improving EIP if they are strengthened through PO-Fit first.

IV. CONCLUSION

Referring to the results of data analysis and previous discussions, this study produced several key conclusions. This study aimed to examine the direct influence of Socially Responsible Human Resource Management and Employee Innovation Performance, as well as the mediating influence of Person Organization-Fit on Employee Innovation Performance among private civil engineering employees in Greater Jakarta. Based on the results of PLS-SEM analysis of 181 respondents, it can be concluded that Socially Responsible Human Resource Management has a significant positive impact on Employee Innovation Performance. This indicates that the better the ethical human resource management in a company when employees strive to innovate, the higher the level of employee innovation performance in the company will be. Socially Responsible Human Resource Management also has a significant positive impact on Person Organization Fit, which shows that the higher the level of social-oriented HR responsiveness, the better the fit between individuals and the organization.

Similarly, Work Engagement has a clear positive impact on Employee Innovation Performance, where the level of engagement in work can increase employees' ability to create new innovations. Person Organization-Fit has a significant positive impact on Work Engagement, which means that when individuals feel they fit in with the organization, it can increase employee engagement levels at work. Furthermore,

Socially Responsible Human Resource Management has a significant positive impact on Work Engagement, which means that HR that pays attention to social responsibility can increase employee participation at work.Socially Responsible Human Resource Management has also been shown to play a role as an intermediary in Person Organization-Fit on Employee Innovation Performance. This indicates that the view of human resources as having social responsibility needs to be supported by adequate compatibility between individuals and organizations in order to encourage innovation within companies.

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