

Factors Affecting Innovative Work Behavior and Health Worker Performance: The Role of Employee Engagement as a Moderating Variable

Ria Emilia Sari¹, M. Arief²

Doctor of Research in Management, BINUS Business School, Bina Nusantara University^{1,2}

Jl. Hang Lekir I No. 6, Senayan, Kebayoran Baru, Jakarta Selatan, DKI Jakarta, Indonesia

Correspondence Email: emilia.geomet@gmail.com

ORCID ID: <https://orcid.org/0000-0002-3033-7240>

ARTICLE INFORMATION

Publication Information

Research Article

HOW TO CITE

Sari, R. E., Arief, M. (2021). Factors Affecting Innovative Work Behavior and Health Worker Performance: The Role of Employee Engagement as a Moderating Variable. *Journal of International Conference Proceedings*, 4(3), 272-288.

DOI:

<https://doi.org/10.32535/jicp.v4i3.1320>

Copyright@ year owned by Author(s).

Published by JICP



This is an open-access article.

License: Attribution-Noncommercial-Share Alike (CC BY-NC-SA)

Received: 7 November 2021

Accepted: 6 December

Published: 17 December 2021

ABSTRACT

This study aims to determine the factors that influence work behavior and health worker performance moderated by the role of employee engagement. This research aiming to explain the relationship among variables. This study involves 100 ABC hospital employees. The data obtained by survey method through the G-Form and analyzed use Smart PLS application. Based on the results of the study, it was found that (1) there is a significant positive effect between employee digital capabilities on employee performances, (2) there is a significant positive effect between employee digital capabilities on innovation work behavior, (3) there is a significant positive effect of employee engagement on employee performances, (4) there is a significant negative effect of innovation work behavior on employee performances, (5) there is a significant positive effect of performance management system on employee performance, (6) there is a significant positive effect of performance management system on innovation work behavior, (7) there is a significant positive effect of work motivation on employee performance, (9) there is a significant positive effect of work motivation on innovation work behavior, (10) H9, H10, and H11 are accepted where innovation work behavior is able to moderate the relationship of performance management system, employee digital capabilities, and work motivation on employee performance.

Keywords: Employee Engagement, Health Worker Performance, Innovative Work Behavior

JEL Classification: M00, M10, M19

INTRODUCTION

The healthcare industry presents a new set of challenges for Human Resources. Human resources are the final determinants of the effectiveness of the quality management system in practice. So that the potential of these human resources can be used optimally, it requires a good management, including management policies, procedures, and systems that are implemented (Tutik & Arief, 2016). Two important things are now being emphasized and more are related to the implementation of effective and efficient health services which are no longer new nowadays because they are a must. In improving health services that focus on patient satisfaction during treatment, highly skilled, agile, and skilled health workers who can coordinate with each other, support hospital employees, and support infrastructure are needed. Most hospitals have understood the importance of HR planning with the principle of providing jobs that are suitable for individuals so that they can achieve efficient service and patient satisfaction. Performance appraisal is important to be able to improve HR through various selection procedures (Meningkatkan Performa SDM Rumah Sakit (detik.com)).

The organization is able to stand with the existence of perfect human resources in supporting its success and development. Human resources are also considered as the main factor that needs to be considered, through how these human resources are able to implement good organizational performance management, their ability to work, and work motivation that is able to bring up all innovations in workers to always develop their best performance. It is because some of these aspects can be used as a determinant of the success of an organization to achieve the expected goals (Gutierrez-Gutierrez et al., 2018).

Employee performance is a real activity in the form of embodiment of employees to achieve work performance in accordance with their role in a company as part of the factors that affect employee performance, which is innovative behavior (Hendri, 2019). Innovative employees will try to solve problems using different ways from what people are used to, but will result in good effectiveness and efficiency (Newman et al., 2018). Employee performance is also influenced by performance management system, employee digital capabilities and work motivation factors (Saputra et al., 2018). The performance management system is a performance management process that starts with setting, goals, and targets for individuals and groups accompanied by regular achievement assessments and rewards in accordance with target achievement. Employee digital capabilities are the ability to use technology and information from digital devices effectively and efficiently in various contexts such as academics, careers, and daily life. Work motivation is considered as a potential energy reserve a person has to be used and released depending on the strength of the drive and the opportunities that exist where the energy will be utilized by employees because of the motive power of basic needs, expectations, and incentive values (Ehido et al., 2017).

In influencing performance with innovative behavior, it can also be mediated by employee engagement/individual mental attitudes related to work and individuals who are positive and have high motivation in relation to work characterized by high energy levels and strong identification with one's work (Kwon & Kim, 2020). In this study, several empirical studies are carried out to prove that there are several factors that influence employee performance with employee management as a moderator.

LITERATURE REVIEW

Employee Performance

Performance is the result of a person as a whole during a certain period in carrying out tasks, such as work standards, targets, or criteria that have been determined in advance and have been mutually agreed upon. Performance is a multi-dimensional concept that includes three aspects such as attitude, ability, and achievement (Permana et al., 2019). Ibrahim et al. (2017) argue that employee performance is defined as the ability of employees to perform certain skills. Employee performance is necessary because, with this performance, it will be known how far the employee's ability to carry out the tasks assigned to them. According to Kim & Koo, (2017), employee performance is the degree to which employees achieve job requirements. In addition, according to Wilkesmann & Wilkesmann, (2018), performance is the degree to which the tasks that govern a person's work are arranged.

Therefore, it can be interpreted that performance is the result in quantity and quality achieved by an employee in carrying out their work duties in accordance with the responsibilities given. Employee performance is not just information for promotion or salary determination for the company. However, it is how the company can motivate employees and develop a plan to remedy so that the slump can be avoided (Kremer et al., 2019) Hendri, (2019). Performance can be measured from the dimensions and indicators below.

Table 1. Dimension and Indicator of Employee Performance

Variable	Dimension	Indicator
Employee performance (Kremer et al., 2019: Hendri, 2019)	Work quality	1. Ability 2. Skills 3. Work result
	Working quantity	4. Working time 5. Target achievement
	Cooperation	6. Cooperation 7. Compactness
	Responsibility	8. Work result 9. Decision-making
	Initiative	10. independence

Performance Management System

Performance management system is a performance management process that starts from setting, goals, and targets for individuals and groups accompanied by regular achievement assessments and providing rewards in accordance with the achievement of targets (Mone & London, 2018). According to Putu Agus Adnyana et al. (2021), performance management is a management style in managing performance-oriented resources that carries out an open and sustainable communication process by creating a shared vision and an integrated strategic approach as a driving force to achieve organizational goals. The performance management system is a performance measurement process that will provide feedback for strategic planning.

Performance management is a process that can encourage the development and improvement of performance towards a better and quality direction through continuous communication between leaders and employees in line with what is expected by the organization. Gawke et al., (2019) state the indicators of performance management system can be measured using the following indicators.

Table 2. Dimension and Indicator of Performance Management System

Variable	Dimension	Indicator
Performance management system (Gawke et al., 2019)	Measurability	1. Capable of measuring 2. The measurement is clear
	Validity	3. The system can be developed flexibly 4. System has consistency or with others
	Most importantly	5. Company Performance Quality 6. The company's interest in running the management system
	Controllability	7. Able to be controlled by management 8. Reachable by management

Employee Digital Capabilities

Paul Gilster first put forward the term digital literacy in his book of the same title (Ershova et al., 2020). He stated that digital literacy is an ability to use technology and information from digital devices effectively and efficiently in various contexts such as academics, careers, and everyday life. Gilster's opinion seems to simplify digital media which actually consists of various forms of information at once such as sound, text, and images.

Techataweewan & Prasertsin, (2018) emphasize that digital literacy should be more than the ability to use various digital resources effectively. Digital literacy is a certain way of thinking. Computer literacy developed in 1980s when microcomputers were increasingly used not only in the business environment but also in society. Meanwhile, information literacy was widespread in the 1990s when information was easier to organize, access, and disseminate through networked information technology.

The abilities possessed by each individual are influenced by several factors so that there can be a gap in understanding and utilizing digital literacy itself. One of the digital divides is the gap between those who have access and can have the ability to use ICT and not have the ability to use it (Tomczyk, 2020 ; van Laar et al., 2020). Herhausen et al., (2020) said that there are measurements in digital literacy which are described in the following table.

Table 3. Dimension and Indicator of Employee Digital Capability

Variable	Dimension	Indicator
Employee Digital Capabilities (Herhausen et al., 2020)	Internet Search	1. Ability to search for information on the internet using search engines, 2. Performing various activities in it
	Hypertextual navigation	3. Knowledge of hypertext and hyperlinks and how they work, 4. Knowledge of the difference between reading a textbook and browsing via the internet. 5. Knowledge of how the web works includes knowledge of bandwidth, http, html, and urls, 6. Ability to understand the characteristics of web pages.

	Content evaluation	<p>7. Ability to distinguish between display and information content, namely the user's perception of understanding the appearance of a visited web page,</p> <p>8. Ability to analyze background information on the internet, namely the awareness to explore further about the sources and creators of information,</p> <p>9. Ability to evaluate a web address by understanding the various domains for each particular institution or country,</p> <p>10. Ability to analyze a web page, as well as Knowledge of FAQs in a newsgroup/discussion group</p>
	Knowledge assembly	<p>11. Ability to search for information via the internet,</p> <p>12. Ability to create a personal newsfeed or notification of the latest news that will be obtained by joining and subscribing to news in a newsgroup, mailing list or other discussion group that discusses or discusses a particular topic according to the needs or topic of a particular problem,</p> <p>13. Ability to crosscheck or double-check the information obtained,</p> <p>14. Ability to use all types of media to prove the truth of information, as well as</p> <p>15. Ability to compile sources of information obtained on the internet with real life that is not connected to the network.</p>

Work Motivation

Motivation is a potential energy reserve that a person has to be used and released depending on the strength of the drive and the opportunities that exist where the energy will be utilized by employees because of the motive power of basic needs, expectations, and incentive values. According to Sitopu et al., (2021) motivation is the provision of a driving force that creates enthusiasm for one's work so that they want to work together, work effectively, and be integrated with all their efforts to achieve satisfaction. Most importantly, they can work hard and are willing to achieve maximum work results. The abilities and skills of employees are useful for the company if they are willing to work hard. According Ibrahim et al., (2017), indicators of work motivation are stated in the following table.

Table 4. Dimension and Indicator of Work Motivation

Variable	Dimension	Indicator
Work Motivation (Ibrahim et al., 2017)	Achievement Needs	<p>1. Cultivate Creativity</p> <p>2. Enthusiasm for high achievement</p>
	Affiliate Requirement	<p>3. Sense of belonging</p> <p>4. sense of importance</p> <p>5. sense of achievement</p> <p>6. sense of participation</p>
	Need for Power	<p>7. Having the best position</p>

		8. The level of moving abilities to achieve power
--	--	---

Innovative Work Behavior

Innovative work behavior is an individual activity to introduce new ideas to implementation that provides improvement at all levels within the company. Innovative behavior is also a form of work resources in the company. According to Hughes et al., (2018), innovative behavior is an individual action that leads to the emergence, introduction, and application of new things and benefits all levels of the company.

Innovative behavior in this study is measured using an innovative behavior scale based on aspects of innovative behavior that had been compiled by Shujahat et al., (2019) which are opportunity exploration, generativity, formative investigation, championing, and applications. Dimensions and indicators according to Lukes & Stephan, (2017) in the measurement of innovative work behavior are as follows.

Table 5. Dimension and Indicator of Innovative Work Behavior

No.	Dimension	Indicator
	Idea Explanation	Looking for new ideas related to work
		1. Looking for solutions related to problem solving
		2. Having more sensitivity to the work environment
	Idea Generation	Thinking of ways to develop yourself
	Championing Idea	Having the ability to convince other individuals regarding the implementation of their ideas
	Idea Implementation	Taking an active role in the implementation of ideas

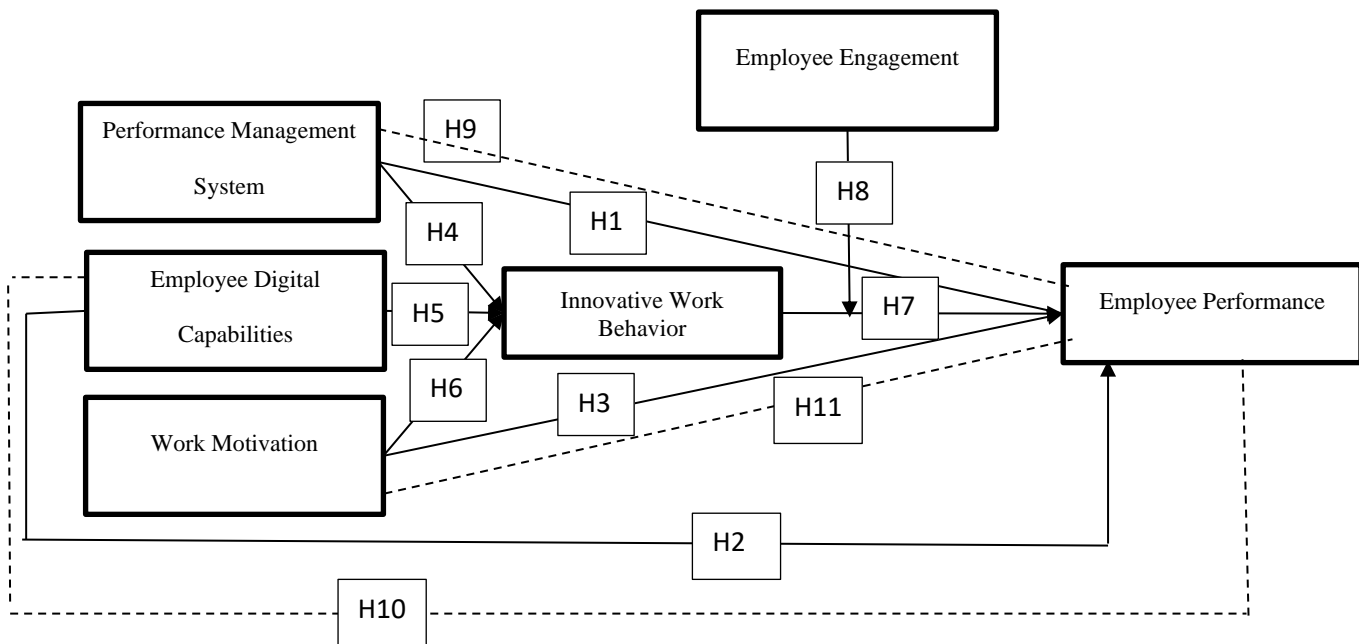
Employee Engagement

Employee engagement is an individual's mental attitude related to work that is positive and highly motivated in relation to work and characterized by high energy levels and strong identification with one's work. This is an appositive attitude developed in employees when they find organizational and cultural support. Employee engagement reduces negativities among employees because employee involvement in tasks can develop improvements in the way of working and positive intentions of employees. Employee engagement is considered as a construction of employee involvement in their work assignments (Shoaib, 2018).

There are three types of approaches to determine the impact of engagement on the organization (Shoaib, 2018; Kuok & Taormina, 2017). First, the level of engagement of individual employees can be related to individual outcomes relevant to the organization (eg job performance, absenteeism); in addition, for engagement in work teams, it can be related to team performance or the level of team absenteeism. Second, the average level of involvement of the business unit or the entire organization can be related to business-level results and productivity. Third, case studies describe the relationship between employee engagement and specific organizational outcomes. According to Atapattu & Huybers, (2021) the dimensions and indicators of employee engagement are mentioned as follows.

Table 6. Dimension and Indicator of Employee Engagement

Variable	Dimension	Indicator
Employee Engagement (Atapattu & Huybers, 2021)	Vigor	1. Enthusiasm at work
		2. Desire to try hard
		3. Stay on the job
	Dedication	4. Sense of responsibility towards work
		5. Proud of the work done
		6. Useful for others
	Absorption	7. Hard to get away from work
		8. Time
		9. Concentration



Based on the description of the model above, the hypotheses in this study are as follows.

H1: There is an effect of implemented performance management system on employee performance in ABC Hospital health workers.

H2: There is an effect of employee digital capabilities on employees in ABC Hospital health workers.

H3: There is an effect of work motivation on employee performance in ABC Hospital health workers.

H4: There is an effect of implemented performance management system on innovative work behavior in ABC Hospital health workers.

H5: There is an effect of employee digital capabilities on innovative work on health workers at ABC Hospital.

H6: There is an effect of work motivation on innovative work behavior on health workers at ABC Hospital.

H7: There is an effect of innovative work behavior on employee performance in ABC Hospital health workers.

H8: There is an effect of innovative work behavior on employee performance moderated by employee engagement on ABC Hospital health workers.

H9: There is an indirect effect of implemented performance management system on employee performance on ABC Hospital health workers

H10: There is an indirect effect of employee digital capabilities on employee performance on ABC Hospital health workers

H11: There is an indirect effect of work motivation on employee performance on health workers at ABC Hospital.

RESEARCH METHOD

This research is included in descriptive quantitative research. Sugiyono (2017) stated that research method is basically a scientific characteristic to obtain data with certain purposes and uses. The method used in the quantitative approach is descriptive. According to Resseffendi (2010), descriptive research is research that uses observations, interviews, or questionnaires about the current situation, regarding the subject researching. Through questionnaires, researchers collect data to test for hypotension or answer a question. Through this descriptive research, the researchers explain what actually happened regarding the current situation being studied.

The data analysis technique in this study uses Partial Least Square (PLS). PLS is a Structural Equation Modeling (SEM) equation model with an approach based on variance or component-based structural equation modeling. According to Ghozali & Latan (2015), the purpose of PLS-SEM is to develop or build a theory (prediction orientation). PLS is used to explain whether there is a relationship between latent variables (prediction). In addition, PLS is a powerful analytical method because it does not assume current data with a certain scale measurement with the small number of samples (Ghozali, 2011).

RESULTS

Outer Model Analysis

Validity test

Validity test is used to measure the validity of a questionnaire. In this research, validity testing is carried out using convergent validity and AVE. The instrument is declared valid if the value of AVE > 0.5 and outer loading value (>0.6).

Table 7. Validity Test Result

Variable	Indicator	AVE	Outer Loading	Result
Employee Digital Capabilities (X2)	IDC.1	0.573	0.744	Valid
	IDC.10		0.720	Valid
	IDC.11		0.753	Valid
	IDC.12		0.840	Valid
	IDC.13		0.810	Valid
	IDC.14		0.798	Valid
	IDC.15		0.816	Valid
	IDC.2		0.755	Valid
	IDC.3		0.744	Valid
	IDC.4		0.737	Valid
	IDC.5		0.717	Valid
	IDC.6		0.747	Valid
	IDC.7		0.738	Valid
	IDC.8		0.708	Valid
	IDC.9		0.717	Valid
Employee Engagement (Z)	EE.1	0.577	0.743	Valid
	EE.2		0.836	Valid
	EE.3		0.728	Valid
	EE.4		0.752	Valid

	EE.5		0.722	Valid
	EE.6		0.786	Valid
	EE.7		0.793	Valid
	EE.8		0.749	Valid
	EE.9		0.718	Valid
Employee Performances (Y)	EP.1	0.552	0.727	Valid
	EP.10		0.713	Valid
	EP.2		0.737	Valid
	EP.3		0.803	Valid
	EP.4		0.754	Valid
	EP.5		0.771	Valid
	EP.6		0.742	Valid
	EP.7		0.745	Valid
	EP.8		0.722	Valid
	EP.9		0.711	Valid
Innovation Work Behavior (M)	IWB.1	0.564	0.735	Valid
	IWB.2		0.702	Valid
	IWB.3		0.817	Valid
	IWB.4		0.726	Valid
	IWB.5		0.735	Valid
	IWB.6		0.786	Valid
Performance Management System (X1)	PMS.1	0.551	0.768	Valid
	PMS.2		0.753	Valid
	PMS.3		0.770	Valid
	PMS.4		0.729	Valid
	PMS.5		0.715	Valid
	PMS.6		0.751	Valid
	PMS.7		0.740	Valid
	PMS.8		0.711	Valid
Work Motivation (X3)	WM.1	0.613	0.793	Valid
	WM.2		0.825	Valid
	WM.3		0.812	Valid
	WM.4		0.768	Valid
	WM.5		0.803	Valid
	WM.6		0.738	Valid
	WM.7		0.773	Valid
	WM.8		0.746	Valid

Reliability Test

Researchers use two types of reliability tests, which are Cronbach Alpha test and Composite Reliability test. Cronbach Alpha measures the lowest value (lowerbound) reliability. The data is declared good if the data has a Cronbach alpha value of > 0.7. Meanwhile, composite reliability measures the actual reliability value of a variable. The data is declared to have high reliability if it has a composite reliability score of >0.7.

Table 8. Reliability Test Result

	Cronbach Alpha	Composite Reliability
Employee Digital Capabilities (X2)	0.947	0.953
Employee Engagement (Z)	0.908	0.924
Employee Performances (Y)	0.910	0.925
Innovation Work Behavior (M)	0.845	0.886

Performance Management System (X1)	0.884	0.908
Work Motivation (X3)	0.909	0.927

R-Square Test

Coefficient determination (R-Square) is used to measure how much the endogenous variable is influenced by other variables. Based on the data analysis carried out through the use of the smartPLS program, the R-Square value is obtained as shown in the following table.

Table 8. R-Square Test Result

	R-Square	R-Square Adjusted
Employee Performances (Y)	0.928	0.920
Innovation Work Behavior (M)	0.894	0.890

Based on the test results, the r-square score for employee performances is 0.928, which means that employee performances are influenced by innovation work behavior, performance management system, employee digital capabilities and work motivation, which are 92% and the other 8% are influenced by variables that have not been explained in this study. The r-square score for innovation work behavior is 0.894, which means performance management system, employee digital capabilities and work motivation affect innovation work behavior by 89.4% and the other 10.6% are influenced by variables that have not been explained in this study.

Hypothesis Test

Figure 1. Hypothesis Result

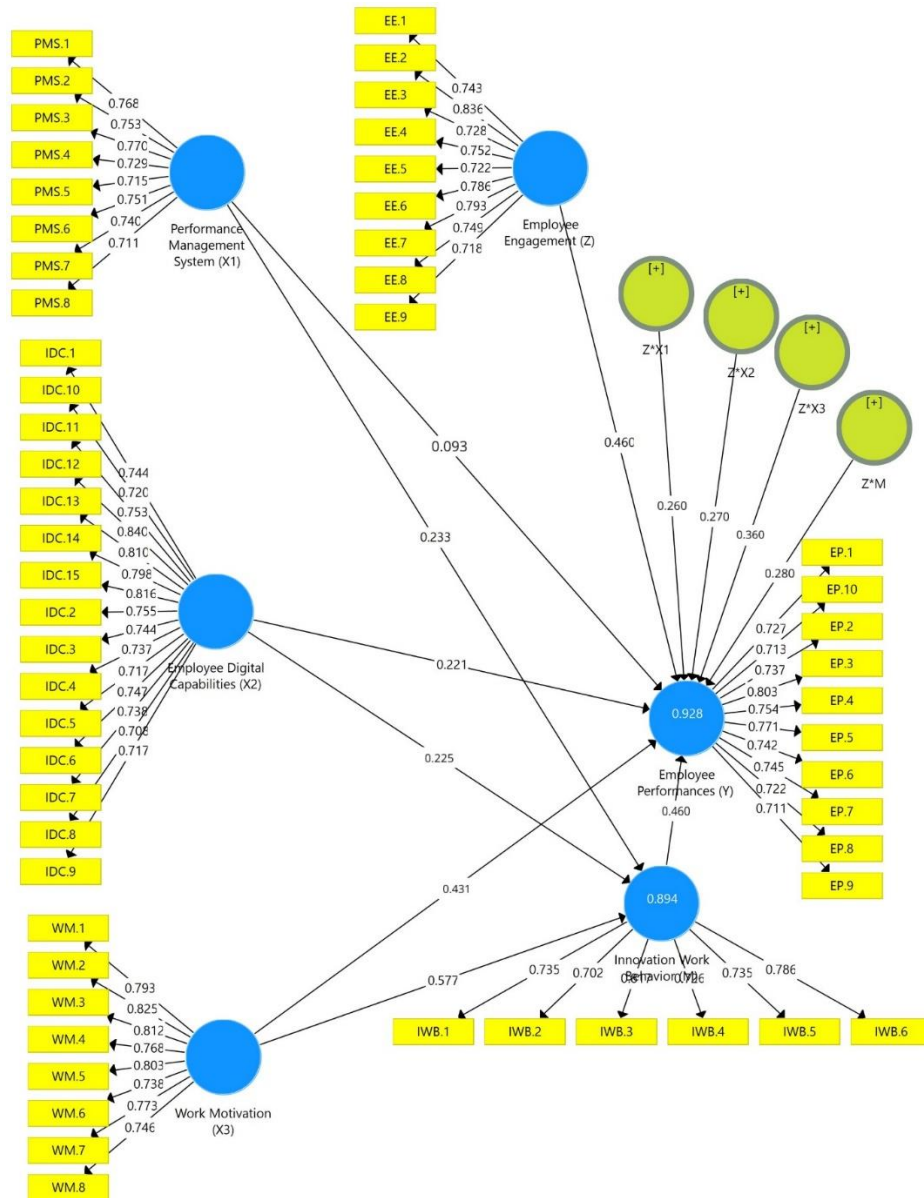


Table 8. Hypothesis Test Result

	Original Sample (O)	T Statistics (O/STDEV)	P Values
Employee Digital Capabilities (X2) -> Employee Performances (Y)	0.221	2,149	0.032
Employee Digital Capabilities (X2) -> Innovation Work Behavior (M)	0.225	1997	0.047
Employee Engagement (Z) -> Employee Performances (Y)	0.460	5.130	0.000
Innovation Work Behavior (M) -> Employee Performances (Y)	0.460	1,662	0.097

Performance Management System (X1) -> Employee Performances (Y)	0.093	2,930	0.041
Performance Management System (X1) -> Innovation Work Behavior (M)	0.233	3.034	0.003
Work Motivation (X3) -> Employee Performances (Y)	0.432	2,760	0.045
Work Motivation (X3) -> Innovation Work Behavior (M)	0.577	5.560	0.000
Z*M -> Employee Performances (Y)	0.280	2.184	0.038
Z*X1 -> Employee Performances (Y)	0.261	2,397	0.047
Z*X2 -> Employee Performances (Y)	0.271	4.070	0.003
Z*X3 -> Employee Performances (Y)	0.360	2005	0.432

DISCUSSION

H1 Effect of Employee Digital Capabilities (X2) on Employee Performances (Y)

The results of hypothesis testing the effect of employee digital capabilities on employee performances obtain a positive beta score ($p = 0.221$) with p-values of 0.032 ($p < 0.05$) and a t-statistic of 2.149 ($p > 1.96$). It indicates that there is a significant positive effect between employee digital capabilities on employee performances. The better the employee digital capabilities, the better the employee performance will be. Employees with the ability to use technology and information from digital devices effectively and efficiently in various contexts will improve employee capabilities. Employee performance is necessary, because, with this performance, it will be known how far the employee's ability to carry out the tasks assigned. This is in line with research conducted by Fajriah, Y., Muis, N., Yanti, R., & Halim, A. (2021); Soehari, TD, Hasanah, RU, & Aima, DMH (2019).

H2 Effect of Employee Digital Capabilities (X2) on Innovation Work Behavior (M)

The results of hypothesis testing the effect of employee digital capabilities on innovation work behavior obtain a positive beta score ($p = 0.225$) with p-values of 0.047 ($p < 0.05$) and a t-statistic of 1.997 ($p > 1.96$). It indicates that there is a significant positive effect between effect of employee digital capabilities on innovation work behavior. The higher the ability of employee digital capabilities, the innovation work behavior of employees will also be higher. Employees' digital capabilities will make employees provide new ideas, new approaches, opinions, concepts, to expand their creative potential to innovate so that they will provide a wider and diverse view. This will also make employees more confident in order to provide benefits in innovative work behavior. This is in line with research conducted by Curzi, Y., Fabbri, T., Scapolan, AC, & Boscolo, S. (2019); Nugraha, A. (2021, March).

H3 Effect of Employee Engagement (Z) on Employee Performances (Y)

The results of hypothesis testing the effect of employee engagement on employee performances obtain a positive beta score ($p = 0.460$) with p-values 0.000 ($p < 0.05$) and a t statistic of 5.130 ($p > 1.96$). It indicates that there is a significant positive effect of employee engagement on employee performances. The higher the employee engagement, the better the employee performance will be. A positive mental attitude of employees towards work can affect employees' work and will be able to generate high motivation in relation to work. With employee engagement, they will volunteer to work together to devote their abilities as a whole in order to affect the performance of the employee. This research is supported by research conducted by Sendawula, K.,

Nakyejwe Kimuli, S., Bananuka, J., & Najjemba Muganga, G. (2018); Meswantri, M., & Ilyas, A. (2018).

H4 Effect of Innovation Work Behavior (M) on Employee Performances (Y)

The results of hypothesis testing the effect of innovation work behavior on employee performances obtained a positive beta score ($p=0.460$) with p-values of 0.097 ($p<0.05$) and a t-statistic of 1.662 ($p>1.96$). It indicates that there is a significant negative effect between innovation work behavior and employee performances. Employee work innovation has no impact on employee performance. Innovative behavior is an individual action that leads to the emergence, introduction, and application of new things and benefits all levels of the company while performance is a particular skill possessed by employees so that they can be given responsibility for completing tasks. Although it does not have a cloud, both can be developed. This is in line with research conducted by Santoso et al. (2019)

H5 Effect of Performance Management System (X1) on Employee Performances (Y)

The results of hypothesis testing the effect of performance management system on employee performances obtain a positive beta score ($p = 0.093$) with p-values of 0.041 ($p<0.05$) and a t-statistic of 2,930 ($p>1.96$). It indicates that there is a significant positive effect of performance management system on employee performances. The better the performance management system, the better the performance of employees. The existence of a performance management system helps managers determine employees who are eligible to be promoted because, in the performance management system, there is a performance evaluation. For employees, the existence of a performance management system will encourage employees to achieve the standard of achievement of each individual expected by the organization (Pulakos, 2004). This is supported by research conducted by Kudsi, MR, Riadi, SS, & AS, DL (2018); Kipsegerwo Kibichii, E., Kimutai Kiptum, G., & Chege, K. (2016).

H6 Effect of Performance Management System (X1) on Innovation Work Behavior (M)

The results of hypothesis testing the effect of performance management system on innovation work behavior obtain a positive beta score ($p = 0.233$) with p-values of 0.003 ($p<0.05$) and a t-statistic of 3.034 ($p>1.96$). It indicates that there is a significant positive effect of performance management system on innovation work behavior. The better the performance management system, it can increase the innovation work behavior. Performance management is a process that can encourage the development and improvement of performance towards a better and quality direction, through continuous communication between leaders and employees in line with what is expected by the organization. With performance management, employees will continue to provide the best and continue to innovate to improve performance and achieve organizational goals. This is in line with research conducted by Stone, TH, Jawahar, IM, Johnsen, G., & Foster, J. (2019).

H7 Effect of Work Motivation (X3) on Employee Performances (Y)

The results of hypothesis testing the effect of work motivation on employee performances obtain a positive beta score ($p = 0.432$) with p-values of 0.045 ($p<0.05$) and a t-statistic of 2.760 ($p>1.96$). It indicates that there is a significant positive effect between work motivation on employee performances. The higher the work motivation possessed by employees; the higher the employee's performance will be. Motivation is a potential energy reserve that a person has to be used and released which depends on the strength of the drive and the opportunities that exist where the energy will be utilized by employees because of the motive power of basic needs, expectations, and incentive

values. This motivation will directly affect employee performance. This is in accordance with the findings of Chien, GC, Mao, I., Nergui, E., & Chang, W. (2020).

H8 Effect of Work Motivation (X3) on Innovation Work Behavior (M)

The results of hypothesis testing the effect of work motivation on innovation work behavior obtain a positive beta score ($p = 0.577$) with p-values 0.000 ($p < 0.05$) and a t-statistic of 5.560 ($p > 1.96$). It indicates that there is a significant positive effect of work motivation on innovation work behavior. The higher the employee's work motivation will increase the creativity and innovation of employees. The company does not only expect employees to be capable and skilled but also work hard and are willing to achieve maximum work results. The abilities and skills of employees are useful for companies if they want to work hard. It can be achieved if employees have high work motivation to continue to innovate and achieve company goals. In line with this, Hadi, TP, & Tola, B. (2019) states that high motivation from employees will have an influence on employee innovative behavior.

H9 Effect of Innovation Work Behavior on Employee Performances (Y) Moderated by Employee Engagement

The results of hypothesis testing the effect of innovation work behavior on employee performances moderated by employee engagement obtain a positive beta score ($p = 0.280$) with p-values of 0.038 ($p < 0.05$) and a t-statistic of 2.184 ($p > 1.96$). It indicates that there is a significant positive effect of innovation work behavior towards employee performances moderated by employee engagement. Employee engagement is an individual's mental attitude related to the work of individuals who are positive and have high motivation in relation to work. It will improve employee performance and continue to provide innovation in order to achieve company goals. Innovative employees will try to solve problems using different ways than what people usually do, but will produce good effectiveness and efficiency (Purba, 2009). This is in line with the findings of Shanker, R., Bhanugopan, R., Van der Heijden, BI, & Farrell, M. (2017).

H10 Effect of Performance Management System on Employee Performances (Y) Moderated by Employee Engagement

The results of hypothesis testing the effect of performance management system on employee performances moderated by employee engagement obtain a positive beta score ($p = 0.261$) with p-values of 0.047 ($p < 0.05$) and a t-statistic of 2.397 ($p > 1.96$). It indicates that there is a significant positive effect of performance management system on employee performances moderated by employee engagement. The better the performance management system, the better the performance of employees. The existence of a performance management system helps managers determine employees who are eligible to be promoted because in the performance management system there is a performance evaluation. Employee engagement will reduce negativities among employees because employee involvement in tasks can develop improvements in the way of working and positive intentions of employees (Azka et al., 2011). This is in line with research conducted by Awan, SH, Habib, N., Shoaib Akhtar, C., & Naveed, S. (2020); Sharma, NP, Sharma, T., & Agarwal, MN (2016).

H11 Effect of Employee Digital Capabilities on Employee Performances (Y) Moderated by Employee Engagement

The results of hypothesis testing the effect of employee digital capabilities on employee performances moderated by employee engagement obtain a positive beta score ($p = 0.271$) with p-values 0.003 ($p < 0.05$) and a t statistic of 4.070 ($p > 1.96$). It indicates that there is a significant positive effect of employee digital capabilities against employee performances moderated by employee engagement. With employee engagement, they will volunteer to work together to devote their abilities as a whole so that it will affect the performance of the employee. Employees with the ability to use technology and

information from digital devices effectively and efficiently in various contexts can provide better performance than most employees, so that employee performance will increase. This is in line with research conducted by Awan, SH, Habib, N., Shoaib Akhtar, C., & Naveed, S. (2020); Smith, M., & Bititci, US (2017).

H12 Effect of Work Motivation on Employee Performances (Y) Moderated by Employee Engagement

The results of hypothesis testing the effect of work motivation on employee performances moderated by employee engagement obtain a positive beta score ($p=0.360$) with p-values of 0.432 ($p<0.05$) and a t-statistic of 2.005 ($p>1.96$). It indicates that there is a significant positive effect of work motivation towards employee performances moderated by employee engagement. The higher the work motivation possessed by employees; the higher the employee's performance will be. Motivation is a potential energy reserve that a person has to be used and released which depends on the strength of the drive and the opportunities that exist where the energy will be utilized by employees because of the motive power of basic needs, expectations, and incentive values. In addition, with employee engagement, employees will volunteer to work together to devote their abilities as a whole so that it will affect the performance of the employee. This is in line with the research of Arslan, M. (2018).

CONCLUSION

The results show that there is a significant positive effect of employee digital capabilities on employee performances, significant positive effect of employee digital capabilities on innovation work behavior, significant positive effect of employee engagement on employee performances, significant negative of innovation work behavior towards employee performance, significant positive effect of performance management system on employee performances, significant positive effect of performance management system on innovation work behavior, significant positive effect of work motivation on employee performances, significant positive effect of work motivation on innovation work behavior, significant positive effect of innovation work behavior towards employee performances moderated by employee engagement, significant positive effect of employee digital capabilities towards employee performances moderated by employee engagement, and significant positive effect of work motivation towards employee performances moderated by employee engagement. Employee performance is one of the crucial things; it is recommended that hospital management is able to develop and reward performance so that HR can have better work motivation.

ACKNOWLEDGMENT

We are thankful to our colleagues who provided expertise that greatly assisted the research. We have to the publication team for their comments on an earlier version of the manuscript, although any errors are our own and should not tarnish the reputations of these esteemed professionals.

DECLARATION OF CONFLICTING INTERESTS

The Authors declare that there is no conflict of interest.

REFERENCES

- Atapattu, M. M., & Huybers, T. (2021). Motivational antecedents, employee engagement and knowledge management performance. *Journal of Knowledge Management*. <https://doi.org/10.1108/JKM-12-2020-0898/FULL/XML>
- Ehido, A., Awang, Z., Abdul Halim, B., & Ibeabuchi, C. (2017). The Effect of Compensation on Satisfaction and Employee Performance. *Humanities & Social*

- Sciences Reviews*, 8(3), 1295–1309. <https://doi.org/10.18510/HSSR.2020.83132>
- Ershova, I. V., Tarasenko, O. A., Enkova, E. E., & Trofimova, E. V. (2020). Digital Literacy of Lawyers as a Condition of Legal Support for Business in the Digitization Era. *Advances in Intelligent Systems and Computing*, 1100 AISC, 139–147. https://doi.org/10.1007/978-3-030-39319-9_15
- Gawke, J. C., Gorgievski, M. J., & Bakker, A. B. (2019). Measuring intrapreneurship at the individual level: Development and validation of the Employee Intrapreneurship Scale (EIS). *European Management Journal*, 37(6), 806–817. <https://doi.org/10.1016/J.EMJ.2019.03.001>
- Gutierrez-Gutierrez, L. J., Barrales-Molina, V., & Kaynak, H. (2018). The role of human resource-related quality management practices in new product development: A dynamic capability perspective. *International Journal of Operations and Production Management*. <https://doi.org/10.1108/IJOPM-07-2016-0387>
- Hendri, M. I. (2019). The mediation effect of job satisfaction and organizational commitment on the organizational learning effect of the employee performance. *International Journal of Productivity and Performance Management*. <https://doi.org/10.1108/IJPPM-05-2018-0174>
- Herhausen, D., Miočević, D., Morgan, R. E., & Kleijnen, M. H. P. (2020). The digital marketing capabilities gap. *Industrial Marketing Management*. <https://doi.org/10.1016/j.indmarman.2020.07.022>
- Hughes, M., Rigtering, J. P. C., Covin, J. G., Bouncken, R. B., & Kraus, S. (2018). Innovative Behaviour, Trust and Perceived Workplace Performance. *British Journal of Management*, 29(4), 750–768. <https://doi.org/10.1111/1467-8551.12305>
- Ibrahim, R., Boerhannoeddin, A., & Bakare, K. K. (2017). The effect of soft skills and training methodology on employee performance. *European Journal of Training and Development*, 41(4), 388–406. <https://doi.org/10.1108/EJTD-08-2016-0066/FULL/XML>
- Kim, M. S., & Koo, D. W. (2017). Linking LMX, engagement, innovative behavior, and job performance in hotel employees. *International Journal of Contemporary Hospitality Management*, 29(12), 3044–3062. <https://doi.org/10.1108/IJCHM-06-2016-0319/FULL/XML>
- Kremer, H., Villamor, I., & Aguinis, H. (2019). Innovation leadership: Best-practice recommendations for promoting employee creativity, voice, and knowledge sharing. *Business Horizons*, 62(1), 65–74. <https://doi.org/10.1016/J.BUSHOR.2018.08.010>
- Kuok, A. C. H., & Taormina, R. J. (2017). Work Engagement: Evolution of the Concept and a New Inventory. *Psychological Thought*, 10(2), 262–287. <https://doi.org/10.5964/PSYCT.V10I2.236>
- Kwon, K., & Kim, T. (2020). An integrative literature review of employee engagement and innovative behavior: Revisiting the JD-R model. *Human Resource Management Review*, 30(2), 100704. <https://doi.org/10.1016/J.HRMR.2019.100704>
- Lukes, M., & Stephan, U. (2017). Measuring employee innovation: A review of existing scales and the development of the innovative behavior and innovation support inventories across cultures. *International Journal of Entrepreneurial Behaviour and Research*, 23(1), 136–158. <https://doi.org/10.1108/IJEER-11-2015-0262/FULL/PDF>
- Mone, E. M., & London, M. (2018). Employee Engagement Through Effective Performance Management. In *Employee Engagement Through Effective Performance Management*. <https://doi.org/10.4324/9781315626529>
- Newman, A., Tse, H. H. M., Schwarz, G., & Nielsen, I. (2018). The effects of employees' creative self-efficacy on innovative behavior: The role of entrepreneurial leadership. *Journal of Business Research*, 89, 1–9. <https://doi.org/10.1016/J.JBUSRES.2018.04.001>
- Permana, G., Triatmanto, B., & Hidayatullah, S. (2019). *The effect of work placement,*

leadership style, and work rotation toward the performance of employees.

- Putu Agus Adnyana, I., Made Rianita, N., Luh Sri Kasih, N., & Tinggi Ilmu Ekonomi Satya Dharma, S. (2021). Digital-based Performance Management Concept Within an Effort to Improve Employee Performance BUMDes During the Covid-19 Pandemic. *International Journal of Social Science and Business*, 5(2), 249–255. <https://doi.org/10.23887/IJSSB.V5I2.33137>
- Santoso, H., Abdinagoro, S. B., & Arief, M. (2019). The role of digital literacy in supporting performance through innovative work behavior: The case of indonesia's telecommunications industry. *International Journal of Technology*. <https://doi.org/10.14716/ijtech.v10i8.3432>
- Saputra, D., Arief, M., Gharnaditya, D., & Vhany, D. (2018). Mediating effect of job satisfaction on relation between power distance and collectivism toward employee performance in Indonesia. *Pertanika Journal of Social Sciences and Humanities*.
- Shoaib, F. (2018). *Employee engagement and goal setting theory*. Indian Journal of Health & Wellbeing, .
- Shujahat, M., Sousa, M. J., Hussain, S., Nawaz, F., Wang, M., & Umer, M. (2019). Translating the impact of knowledge management processes into knowledge-based innovation: The neglected and mediating role of knowledge-worker productivity. *Journal of Business Research*. <https://doi.org/10.1016/j.jbusres.2017.11.001>
- Sitopu, Y. B., Sitinjak, K. A., & Marpaung, F. K. (2021). The Influence of Motivation, Work Discipline, and Compensation on Employee Performance. *Golden Ratio of Human Resource Management*, 1(2), 72–83. <https://doi.org/10.52970/GRHRM.V1I2.79>
- Techataweewan, W., & Prasertsin, U. (2018). Development of digital literacy indicators for Thai undergraduate students using mixed method research. *Kasetsart Journal of Social Sciences*, 39(2), 215–221. <https://doi.org/10.1016/J.KJSS.2017.07.001>
- Tomczyk, Ł. (2020). Skills in the area of digital safety as a key component of digital literacy among teachers. *Education and Information Technologies*, 25(1), 471–486. <https://doi.org/10.1007/S10639-019-09980-6/TABLES/5>
- Tutik, A., & Arief, M. (2016). Sustainable competitive advantage in general hospital industry. *Advanced Science Letters*. <https://doi.org/10.1166/asl.2016.8202>
- van Laar, E., van Deursen, A. J. A. M., van Dijk, J. A. G. M., & de Haan, J. (2020). Determinants of 21st-Century Skills and 21st-Century Digital Skills for Workers: A Systematic Literature Review: <https://doi.org/10.1177/2158244019900176>, 10(1). <https://doi.org/10.1177/2158244019900176>
- Wilkesmann, M., & Wilkesmann, U. (2018). Industry 4.0 – organizing routines or innovations? *VINE Journal of Information and Knowledge Management Systems*, 48(2), 238–254. <https://doi.org/10.1108/VJIKMS-04-2017-0019/FULL/XML>