The Influence of Employee Engagement on Work Efficiency in the Creative Industry in Mataram City: Analysis of Digital Competence, Dedication, and Work Environment Dimensions

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Abstract

This study aims to analyze the effect of employee engagement, measured through the dimensions of Digital Competence, Dedication, and Work Environment , on Work Productivity in the context of the creative industry in the digitalization era. This study used a quantitative approach with a correlational design, involving 100 employees from companies in the creative industry. Data were collected using a questionnaire based on the Utrecht Work Engagement Scale (UWES) and processed through linear regression analysis using statistical software. The results of the analysis showed that the overall regression model was significant ($F = 36.415$, $p < 0.05$), with an R Square value = 0.532, meaning 53.2% of the variability in Work Productivity can be explained by the three dimensions of employee engagement. Individually, only the Digital Competence dimension has a significant effect on Work Productivity ($B = 0.388$, $p < 0.05$), while the Dedication ($p = 0.114$) and Work Environment ($p = 0.341$) dimensions show no significant effect. These findings indicate that employee energy and Digital Competence play a key role in driving productivity in a dynamic creative work environment.

Keywords: Employee Engagement, Work Productivity, Digital Competence, Creative Industry, Digitalization.

Introduction

In the rapidly evolving creative industry landscape, digital transformation plays a vital role in improving operational efficiency and driving innovation (Shah Mehmood Wagan,2024). As companies leverage technology, employee productivity emerges as a critical factor for organizational success, especially in a highly competitive environment (A. Serikkyzy,2023). To optimize productivity, an effective employee engagement strategy is essential. This strategy not only motivates employees but also fosters a positive work environment, leading to increased job satisfaction and decreased turnover rates (A. Serikkyzy,2024). In addition, prioritizing employee well-being is essential, as high levels of stress and burnout can adversely affect productivity levels (Wiyata Wiyata,2023). By measuring workforce productivity through key performance indicators, organizations can identify areas for improvement and streamline workflows, ultimately enhancing their competitive advantage in the market (Muhamad Imam Syairozi,2023). Thus, integrating these elements is essential for companies aiming to thrive in the digital era of the creative industry. Employee engagement is a critical factor influencing job performance, initiative, and retention rates. Research shows that organizations with high employee engagement can see up to a 21% increase in productivity (Srikaram Pavani,,2024). However, in the creative industry, unique challenges such as

tight deadlines and intense competition can hinder engagement levels (Wendolin Suárez-Amaya,2024). To address these challenges, it is important to focus on improving job satisfaction, which is closely linked to engagement (Arpita Singh,2024). Providing opportunities for growth, recognition, and autonomy can significantly improve job satisfaction and, consequently, engagement. Additionally, understanding and measuring employee engagement through metrics can help organizations identify areas for improvement (T H Iqbal,2024). Therefore, further research is needed to explore the nuanced relationship between employee engagement and productivity specifically in the dynamic context of the creative industry, where traditional engagement strategies may require adaptation to be effective.

The era of digitalization presents both challenges and opportunities for managing employee engagement, especially in the creative industry. Digital technologies facilitate flexible work arrangements, which can increase employee engagement and improve work-life balance, but can also lead to increased work stress and potential burnout (Wendolin Suárez-Amaya,2024). Collaborative work environments, enabled by these technologies, are essential for fostering innovation and creativity, which are essential for productivity (Ieva Urbanavičiūtė,2024). However, the impact of digital tools on the employee experience is complex; while they can increase engagement, they can also create a disconnect between employee capabilities and organizational expectations (Mittal Asmi,2024). Therefore, understanding the dynamics of employee engagement in technology-dominated settings is essential to effectively harness these digital advances, ensuring that they contribute positively to productivity while mitigating the detrimental effects on work-life balance. This study aims to improve human resource management by developing effective employee engagement strategies that improve Work Efficiency, especially in the creative industries. In the digital era, understanding employee success factors is critical, as these factors encompass personal, social, and organizational elements that drive performance and engagement (Santi Suciningtyas,2024). In addition, designing a supportive work environment is essential; a well-structured physical and psychological space can significantly improve employee morale and creativity, leading to increased productivity (Nikotiyanto Dwi Cahyono, 2024). Furthermore, leveraging technology in human resource management allows organizations to adapt to the evolving needs of the workforce, ensuring they remain competitive and sustainable (Kavyashree Mb, 2022). By focusing on employee experience management, organizations can create a positive atmosphere that fosters motivation and engagement, ultimately contributing to employee success and business sustainability (K P – Kavyashree, 2024). This comprehensive approach will serve as a valuable guide for organizations looking to thrive in today's dynamic landscape.

Literature Review

Employee Engagement Theory

Kahn's (1990) Employee Engagement Theory identified three psychological conditions that are important for fostering employee engagement: meaningfulness, safety, and availability. These conditions allow employees to invest themselves in their work roles, increasing motivation and productivity (K. Sathish, Nallawar Vamshi Krishna,2024). Personal engagement, which involves aligning an individual's values with their work, is critical to job satisfaction and overall engagement (Wendolin Suárez-Amaya,2024). Additionally, role-based engagement emphasizes the fulfillment of role expectations, highlighting the importance of fulfilling organizational responsibilities (Angurbala Mishra,,2024). However, the theory also addresses the risk of employee burnout, which can occur when individuals become physically or emotionally exhausted, leading to disengagement (T H Iqbal, I A Mahmood,2024). The Job Demands-Resources (JD-R) theory further elaborates on this by suggesting that a balance between job demands and available resources is critical to maintaining employee well-being and engagement (Mohd Anuar bin Arshad, 2024). Understanding these dynamics is critical for organizations aiming to increase employee engagement and reduce turnover.

Job Demands-Resources Model (Bakker & Demerouti, 2007)

The Job Demands-Resources (JD-R) model, developed by Bakker and Demerouti in 2007, provides a comprehensive framework for understanding the interactions between job demands, job resources, and employee well-being. According to the model, high job demands can lead to burnout, while adequate job resources increase work engagement and reduce stress (Nor Tasnim Syahera Rasak, 2024). Job resources, which include physical, social, and organizational aspects, are critical to achieving goals and fostering a positive work environment (Muhammad Zeshan, 2024). Furthermore, this model emphasizes the importance of job engagement, characterized by passion, dedication, and absorption, as a positive state that can strengthen job resources (Pei-Ling Zhou, 2024). In addition, job crafting allows employees to proactively modify their roles to better align with their needs, further enhancing job engagement and satisfaction (Mohamad Arief Rafsanjani, 2024). Overall, the JD-R Model serves as an important tool for organizations aiming to improve employee performance and well-being by effectively addressing demands and resources.

Motivation-Performance Theory

Motivation-Performance Theory encompasses several frameworks that explain how various factors influence individual motivation and subsequent performance. Maslow's Hierarchy of Needs emphasizes that individuals must satisfy basic needs before pursuing higher-level goals, which is critical to fostering motivation in organizational settings (Mengzhong Zhang, 2024). Self-Determination Theory highlights the importance of autonomy, competence, and relatedness in

enhancing intrinsic motivation, thereby improving performance (Denny Beatriz Moreira-Morale, 2024). Goal Setting Theory asserts that specific and challenging goals can significantly increase motivation and performance levels (Ritche Niño Li, 2023). Expectancy Theory suggests that motivation is driven by the expectation of achieving desired outcomes, linking effort to perceived rewards (Raymond C. Gould, 2024). Finally, Equity Theory states that perceptions of fairness in the workplace are critical to maintaining motivation, as individuals seek to balance their contributions and rewards (Joseph Zajda, 2023). Together, these theories provide a comprehensive understanding of the dynamics between motivation and performance across contexts.

Employee Engagement Concept

Employee engagement is defined by Kahn (1990) as a condition in which individuals bring their full selves to work through emotional, cognitive, and physical connections. Engagement goes beyond job satisfaction, including employee commitment and enthusiasm in achieving organizational goals. Employee Engagement Dimensions (Schaufeli et al., 2002):Digital Competence: High energy and willingness to work hard. Dedication: A sense of pride, inspiration, and involvement in work. Work Environment: Full concentration and enjoyment in work.

Factors Affecting Employee Engagement, Work Environment: An environment that supports innovation and collaboration increases employee engagement (Bakker & Demerouti, 2007). Leadership: An inclusive and participatory leadership style has a positive correlation with engagement (Albrecht et al., 2015). Work Flexibility: In the era of digitalization, technology-enabled flexibility improves work-life balance and engagement (Memon et al., 2020).

Work Efficiency

Work Efficiency refers to the level of employee efficiency and effectiveness in achieving the results expected by the organization. According to Robbins and Judge (2013), Work Efficiency is the ability of employees to produce output that meets quality and quantity standards within a certain time.

Factors Affecting Work Efficiency: Skills and Competencies: Employees' ability to use technology and digital tools (Skill Gap Report, 2020). Psychological Well-Being: Employees' mental and emotional balance affects performance (Harter et al., 2002). Digital Infrastructure: Adoption of technology that supports work efficiency is a determinant of productivity in the digitalization era (Autor et al., 2020).

Work Efficiency Indicators: Work output. Quality of results. Target achievement.

Relationship between Employee Engagement and Work Efficiency

Previous research has shown a significant relationship between employee engagement and

Work Efficiency. Engaged employees tend to be highly motivated, work more efficiently, and produce quality output (Bakker & Leiter, 2010).\

Engagement-Productivity Model (Gallup, 2017): High Engagement: Productivity increases because employees work with passion and commitment. Low Engagement: Productivity decreases due to lack of motivation and engagement. A study by Saks (2006) also revealed that employee engagement mediates the relationship between organizational support and individual performance outcomes.

Creative Industry in the Digital Era

The creative industry is a sector that relies heavily on innovation and collaboration, so employee engagement is key to success. The digital era offers great opportunities to improve Work Efficiency through technology, but also brings challenges such as: High Work Pressure: Tight deadlines often affect engagement (Ratten, 2016). Digital Distraction: Ineffective adoption of technology can hinder productivity (Przybylski et al., 2013). Innovation Opportunities: Technologies such as artificial intelligence (AI) and big data support the creative process and productivity (Florida, 2019).

Based on existing literature, employee engagement has a significant role in improving Work Efficiency, especially in the very dynamic creative industry. Digitalization can be a catalyst or a barrier depending on how technology is applied to support employee engagement. This research focuses on further understanding this relationship, as well as its implications for creating more effective HR management strategies.

Methods

This study uses a quantitative approach to analyze the relationship between employee engagement and Work Efficiency in the context of the creative industry in the Digitalization era. Population: Employees working in creative industry companies, such as design, media, advertising, and creative technology companies, which have implemented digitalization in their operations. Sample: Sampling method: Stratified Random Sampling, to ensure representation of various work positions (creators, managers, administrative staff, etc.). Sample size: Minimum 100 respondents, based on Slovin's calculation with a margin of error of 10%.

Research Variables

1. Independent Variable (X): Employee Engagement (Digital Competence (X1), Dedication (X2), and Work Environment (X3) (Schaufeli et al., 2002).
2. Dependent Variable (Y): Work Efficiency.

Results and Discussion

Data analysis

Validity & Reliability Test

Validity Table

Correlations		
	Sig. (2-tailed)	Keterangan
Digital Competence	0,000	Valid
Dedication	0,000	Valid
Work Environment	0,000	Valid
Work Efficiency	0,000	Valid
**. Correlation is significant at the 0.01 level (2-tailed).		

Interpretation

All variable items in this study have a significance value of 0.000 (<0.005), thus the variable items in this study are declared valid.

Reliability Table

Reliability Statistics	
Cronbach's Alpha	N of Items
0,876	4

Interpretation

All variable items in this study have a Cronbach`s Alpha value of 0.876 (>0.700), thus the variable items in this study are declared Reliable and can be continued in this study.

Hypothesis Testing

Table F Test

ANOVAª						
Model	Sum of Squares	df	Mean Square	F	Sig.	
1 Regression	270,706	3	90,235	36,415	,000ᵇ	
Residual	237,884	96	2,478			
Total	508,590	99				
a. Dependent Variable: Work Efficiency						
b. Predictors: (Constant), Work Environment , Digital Competence, Dedication						

Interpretation

1. F-statistic (36.415)

F-statistic measures the strength of the regression model by comparing the average variation explained by the regression model (Mean Square Regression) with the average variation not explained (Mean Square Residual). The F value of 36.415 indicates that the model has quite significant strength in explaining the variation in Work Efficiency.

2. Significance (Sig.)

The significance value (p-value) of 0.000 indicates that this result is very significant (p < 0.05). Thus, we can conclude that the overall regression model is significant in explaining the relationship between Work Environment, Digital Competence, Dedication and Work Efficiency.

Table T test

Coefficientsª					
	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.
1 (Constant)	3,090	1,084		2,851	0,005

Digital Competence	0,388	0,070	0,495	5,573	0,000
Dedication	0,156	0,098	0,203	1,597	0,114
Work Environment	0,103	0,108	0,122	0,957	0,341
a. Dependent Variable: Work Efficiency					

1. Digital Competence

t-statistic and Sig.: t = 5.573; p = 0.000, This result is significant (p < 0.05), so Digital Competence has a significant influence on Work Efficiency.

2. Dedication

t-statistic and Sig.: t = 1.597; p = 0.114, This result is not significant (p > 0.05), so the influence of Dedication on Work Efficiency cannot be considered significant in this model.

3. Work Environment

t-statistic and Sig.: t = 0.957; p = 0.341, This result is not significant (p > 0.05), so the influence of Work Environment on Work Efficiency cannot be considered significant in this model.i.

Determinant Coefficient Analysis

Determinant Coefficient Table

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,730[a]	0,532	0,518	1,574
a. Predictors: (Constant), Work Environment , Digital Competence, Dedication				

Interpretation

The R Square value = 0.532, indicates that all independent variables in this study contribute an influence of 53.2%, the remaining 46.8% is contributed by other variables not included in this study

Results and Discussion

1. Significance of the Regression Model

The results of the ANOVA test show that the overall regression model is significant ($p < 0.05$), with an F value = 36.415. This indicates that the combination of the three independent variables (Digital Competence, Dedication, Work Environment) together has a significant influence on Work Efficiency.

2. Contribution of Independent Variables

Based on the results of the Model Summary, the R Square value = 0.532 indicates that 53.2% of the variability in Work Efficiency can be explained by the three dimensions of employee engagement studied. Although quite high, there is still 46.8% variability caused by other factors outside this model, such as organizational culture, leadership, or work pressure in a digital environment.

3. Influence of Employee Engagement Dimensions

a. Digital Competence

Regression Coefficient: 0.388 ($p < 0.05$). Digital Competence is the only dimension that has a significant influence on Work Efficiency. This dimension refers to the energy and enthusiasm of employees in completing work. This finding is consistent with previous research (Schaufeli et al., 2002), which shows that employees with high levels of Digital Competence tend to be more productive because they have strong energy and resilience in facing work challenges.

b. Dedication

Regression Coefficient: 0.156 ($p = 0.114$; not significant). Although showing a positive relationship, the influence of Dedication on Work Efficiency is not significant in this model. This may be due to the nature of work in the creative industry which emphasizes flexibility and spontaneity, so that formal commitment to work does not always have a direct impact on productivity. Contextual factors such as deadline pressure or high innovation needs can also moderate this relationship.

c. Work Environment

Regression Coefficient: 0.103 ($p = 0.341$; not significant). Work Environment , which describes the extent to which employees are immersed in their work, also does not have a significant effect on Work Efficiency. This may be due to the nature of the creative industry, where multitasking and distractions often occur, so that employees cannot always fully focus on one task.

4. Relevance to the Creative Industry in the Digitalization Era

• Digital Competence as a Key Dimension: In the creative industry, energy and work enthusiasm are very important because work often requires fast creative solutions. Employees with high levels of Digital Competence tend to be more resistant to pressure and are able to produce innovative work.

• Digitalization and Engagement Challenges: The digitalization era brings new challenges, such as digital distractions and burnout, which can hinder engagement, especially in the aspects of dedication and Work Environment . This may be the reason why these two dimensions are not significant in the model.

• External Factors: Factors such as the work environment, deadline pressures, and management style likely play a major role in influencing overall employee engagement.

Conclusion

Overall Influence

The regression model built in this study is significant overall, as evidenced by the F-statistic value (36.415) with a significance level of $p < 0.05$. This shows that the three dimensions of employee engagement together influence Work Efficiency.

The R Square value (0.532) shows that 53.2% of the variability in Work Efficiency can be explained by the dimensions of Digital Competence, Dedication, and Work Environment, while the remaining 46.8% is influenced by other factors outside the model.

2. Influence of Employee Engagement Dimensions

1. Digital Competence:

- This is the dimension that has the most significant influence on Work Efficiency with a coefficient value (B = 0.388) and $p < 0.05$.

- This dimension reflects the energy, enthusiasm, and resilience of employees in facing work challenges, which has proven to be very relevant in the context of the creative industry.

2. Dedication:

- Although it has a positive relationship with Work Efficiency, its influence is not significant ($p = 0.114$). This shows that employee commitment to work does not always have a direct impact on productivity, especially in a dynamic work environment such as the creative industry.

3. Work Environment:

- Has no significant effect on Work Efficiency ($p = 0.341$). This dimension, which describes the extent to which employees are deeply focused on work, seems less relevant in a creative work

environment that often requires multitasking and flexibility.

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