

## **Unlocking the Potential of SMEs: The Mediating Role of Job Satisfaction in the Relationship Between Employee Engagement and Well-being on Organizational Commitment**

Titiek Ambarwati<sup>1</sup>, Ery Tri Djatmika Rudijanto Wahyu Wardhana<sup>2</sup>, Cipto Wardoyo<sup>3</sup>, Madziatul Churiyah<sup>4</sup>

### **Abstract**

*Purpose: This Research to analyze “The Mediating Role of Job Satisfaction in the Relationship Between Employee Engagement and Well-being on Organizational Commitment”. Theoretical Reference: The study was conducted on the food industry in Indonesia using a quantitative approach, and responses from 347 employees. Method: The analysis technique used is structural equation modeling (SEM) using SmartPLS software. Result and Conclusion: Employee Engagement has a positive influence on job satisfaction, but does not have a significant relationship with Organizational Commitment. Meanwhile, Employee Well-Being was positively associated with job satisfaction but did not have a significant correlation with Organizational Commitment. Furthermore, it was found that job satisfaction is positively related to organizational commitment. In the context of mediation, Job Satisfaction is proven to mediate the relationship between Employee Engagement and Organizational Commitment, as well as between Employee well-being and Organizational Commitment. Therefore, to increase organizational commitment, organizations can focus on efforts to increase job satisfaction, especially through strengthening employee engagement. Implications of Research: Owners and managers focus on improving employee engagement and employee well-being to increase job satisfaction. Increased job satisfaction can contribute positively to organizational commitment. Understanding that job satisfaction mediates the relationship between employee engagement and organizational commitment, as well as between employee well-being and organizational commitment, provides the foundation for the development of effective human resource management strategies. This includes the creation of a supportive work environment, attention to employee well-being, and ensuring active involvement in the work. This effort is expected to improve organizational performance and strengthen employee commitment to food SMEs in Indonesia. Value: The novelty of this study is the inconsistently of results in the previous article.*

**Keywords:** *Job Satisfaction, Employee Engagement, Employee Well-being and Organizational Commitment.*

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<sup>1</sup> Program Doctoral in Management Science, Faculty of Economics and Business, State University of Malang, East Java, Indonesia

<sup>2</sup> Lecturer of the Faculty of Economics and Business, Faculty of Economics and business, State University of Malang, East Java, Indonesia

<sup>3</sup> Lecturer of the Faculty of Economics and Business, Faculty of Economics and business, State University of Malang, East Java, Indonesia

<sup>4</sup> Lecturer of the Faculty of Economics and Business, Faculty of Economics and business, State University of Malang, East Java, Indonesia

## Introduction

In today's dynamic business era, Small and Medium Enterprises (SMEs) play a very important role in driving economic growth, innovation, and job creation. As opportunities and challenges continue to evolve, an understanding of the complex dynamics that contribute to the success of SMEs becomes critical (Agustina et al., 2019). One crucial aspect is the relationship between employee engagement, well-being, job satisfaction, and organizational commitment in the context of SMEs.

Employee engagement has emerged as a key driver of organizational performance, affecting productivity, creativity, and overall business success (Adekoya et al., 2019). Simultaneously, employee well-being is increasingly recognized as a capstone to an organization's continued growth. Amidst this relationship, the role of job satisfaction becomes very important as it acts as a bridge that connects engagement and well-being with the employee's final commitment to the organization. This article explores the intricate relationship between employee engagement, well-being, job satisfaction, and organizational commitment in the unique context of SMEs. By exploring the mediating role of job satisfaction, we aim to reveal the mechanisms through which engaged and satisfied employees contribute to the overall well-being of the organization. This research has significant implications for SMEs looking to increase organizational commitment and unlock the full potential of their workforce.

The results of VOSviewer, show that research from 2018 to the present discusses a lot related to organizational commitment, job satisfaction, and employee engagement. However, few discuss employee well-being, especially research conducted in MSMEs. So that research related to employee well-being in MSMEs needs to be carried out to determine the relationship between employee well-being and organizational commitment and employee performance.

Research according to de Waal (2018) Improvement in the work well-being of employees generally gives rise to a sense of how attractive the organization is to the employees themselves and the outside world. However, these positive feelings are especially true for the work itself, but not for how employees who are committed to the organization feel. There are different findings that show that the welfare of employees does not affect organizational commitment. According to Rameshkumar (2020) Work involvement has no effect on the continuance component of organizational commitment. This shows a difference in research results.

Lower employee engagement in SMEs compared to larger companies. This has an impact on decreasing productivity, hampering innovation, and reducing customer satisfaction. Further, employee well-being, which includes work-life balance and mental health, often receives less attention due to limited resources, potentially leading to increased stress and burnout (Santhanam & Srinivas, 2020). As a result, organizational commitment, characterized by emotional attachment and employee dedication to the organization, declines, thus threatening the stability and long-term success of SMEs

This research is expected to provide practical strategies and interventions that can be adopted by SMEs to form a work environment that not only engages and satisfies employees but also encourages their well-being. Through this approach, the hidden potential in SMEs will be uncovered, placing them as dynamic contributors to economic prosperity in an ever-growing business. SMEs (Small and Medium Enterprises) are the backbone of various economies. SMEs create significant jobs and drive sustainable progress. Talent attraction and retention are particularly challenging, stemming from limited resources and a competitive landscape dominated by larger organizations.

## **Literature Review**

### **Employee well-being**

To be able to improve employee performance, the most important thing and affect employees is their welfare condition. Employee well-being is a state where employees feel positive, able to reach or approach the optimal point both defined and measured in terms of physical, mental, emotional, and social, so that it has positive implications for themselves, family, community, organization, and society in general (Pruyne, 2011)

### **Employee Engagement**

Individuals or employees who encourage themselves actively with performance and participate in investing energy in the work they do. Individuals who are energetically emotional and psychologically present when carrying out their roles will be more challenged in work and do not give up easily. According to Nienaber & Martins (2020), The concept of employee engagement refers to the tendency of employees to devote themselves to their workplace job role. When employees are more engaged with their job roles, they will become satisfied and contribute to business achievements. According to Chelliah dkk. (2015), People with high job engagement also reported a higher sense of mission, vision, and passion for their work. They feel their work is consistent with their values. They cannot achieve the expected values if their employer does not allow them to have meaningful insights.

### **Employee Job Satisfaction**

The feeling of satisfaction or sense of accomplishment that an employee gets from his work, a pleasant emotional state at his job. A person's attitude towards his work employees will feel satisfied with the compatibility between abilities, skills, and expectations with the job at hand. According to Chelliah (2015), Job satisfaction is most likely influenced by factors such as the type and variety of work, the autonomy involved in the job, the level of work-related responsibilities, the quality of social relationships in the workplace, rewards and remuneration, and opportunities for promotion and career advancement within the organization.

### **Organizational Commitment**

Meyer & Allen (1991) Define organizational commitment as a psychological construct that characterizes members' relationships with their organizations and has implications for an individual's decision to continue their membership in the organization. Based on this definition, members who commit to their organization will be more able to survive as part of the organization than members who do not commit to the organization.

### **The Relationship between Employee well-being and Employee Job Satisfaction**

Employees who are satisfied with their work will enjoy positive well-being. Employers should monitor employee job satisfaction and take steps to ensure employee well-being is a way organizations can adapt to individuals and achieve greater efficiency and better quality. Poor welfare has significant implications for hospital policymakers and management. Healthcare organizations must provide a work environment that promotes employee well-being and protection against burnout. When establishing levels of job satisfaction, well-being should focus on how employees feel about their jobs and about personal relationships in the workplace that impact employees (Lorber et al., 2020).

Based on theoretical studies and empirical results, the following hypothesis was formulated:

H1: The higher the level of employee well-being, the higher the job satisfaction felt by employees

### The Relationship of Employee Engagement with Employee Job Satisfaction

Research results Mauliddya (2021) shows that employee engagement has a positive and significant effect on job satisfaction. Job satisfaction can be formed with high employee engagement, meaning employees feel involved with the company. One of the things that keeps employees engaged with the company is a sense of comfort with colleagues. A good co-worker can provide comfort and a sense of enthusiasm at work. In addition to being comfortable with colleagues, supervision by superiors who care about personal affairs makes employees feel tied to the company which encourages employee engagement because it makes employees stay and continue to work in the company.

H2: The higher the level of employee engagement in work, the higher the job satisfaction felt by employees

### The Relationship between Employee Job Satisfaction and Organizational Commitment

Employee job satisfaction includes basic indicators of satisfaction related to compensation, benefits, promotions, working conditions, supervision, organizational procedures, and co-worker relations (Judeh et al., 2022a). Employee job satisfaction (EJS) refers to how employees feel and think about their jobs and workplaces (Rizwan et al. 2012). Employee job satisfaction is also associated with how people think, feel, and experience their jobs, according to Javed et al. (2014). According to Rahman et al. (2017), job satisfaction can be achieved by inspiring and letting people have enough responsibility to improve their mental level rationally; job satisfaction is good; or promote expressive conditions in job skills. Furthermore, Davis and Newstrom (1989) describe job satisfaction as a collection of positive or negative feelings about their job.

"A good correlation has been empirically identified between job satisfaction and organizational commitment, resulting in a positive relationship" (Kotze and Roodt 2005). Since there is a statistically significant relationship between job satisfaction and organizational commitment, the assumption is that if employee satisfaction levels increase, their organizational commitment levels will also increase (Azeem 2010). Based on theoretical studies and empirical results, the following hypothesis was formulated:

H3: The higher the job satisfaction felt by employees, the higher the employee's commitment to the organization

### The Relationship of Employee Wellbeing with Organizational Commitment

According to Vuong et al. (2020) Six factors have a positive relationship with employee commitment to the organization, arranged in descending order: income, rewards and well-being, direct managers, work environment, co-workers, and promotion opportunities. In addition, the findings show that organizational commitment positively affects job performance. Based on theoretical studies and empirical results, the following hypothesis was formulated:

H4: The higher the level of employee well-being, the higher the employee's commitment to the organization

### The Relationship of Employee Engagement with Organizational Commitment

According to The Devil (2016) The results of his research show that there is an influence of employee engagement on organizational commitment. These findings indicate that employee engagement has a significant positive effect on organizational commitment and is similar to previous research that found employee engagement to be an important determinant of organizational commitment (Albdour & Altarawneh, 2014). The more employees involved in the workplace, the higher their commitment to the organization will be. Employees who demonstrate positive work through engagement tend to thrive and demonstrate higher organizational commitment. Further support from (See also et al.,

2021) who report that engaged employees tend to develop a well-developed commitment to their organization.

Based on theoretical studies and empirical results, the following hypothesis was formulated:

H5: The higher the level of employee engagement in work, the higher the employee's commitment to the organization

Employee Job Satisfaction Mediates the Effect of Employee Well-Being on Organizational Commitment

Employees who are satisfied with their work will enjoy positive well-being. Employers should monitor employee job satisfaction and take steps to ensure employee well-being is a way organizations can adapt to individuals and achieve greater efficiency and better quality. Poor welfare has significant implications for hospital policymakers and management. Healthcare organizations must provide a work environment that promotes employee well-being and protection against burnout. When establishing levels of job satisfaction, well-being should focus on how employees feel about their jobs and about personal relationships in the workplace that impact employees (Lorber et al., 2020)

Employee job satisfaction includes basic indicators of satisfaction related to compensation, benefits, promotions, working conditions, supervision, organizational procedures, and co-worker relations (Judeh et al., 2022). Employee job satisfaction (EJS) refers to how employees feel and think about their jobs and workplaces (Rizwan et al. 2012). Employee job satisfaction is also associated with how people think, feel, and experience their jobs, according to Javed et al. (2014). According to Rahman et al. (2017), job satisfaction can be achieved by inspiring and letting people have enough responsibility to improve their mental level rationally; job satisfaction is good; or promote expressive conditions in job skills. Furthermore, Davis and Newstrom (1989) describe job satisfaction as a collection of positive or negative feelings about their job.

Satisfaction plays a role in mediating employee well-being towards organizational commitment. Based on theoretical studies and empirical results, the following hypothesis was formulated:

H6: The higher the level of employee well-being, the higher organizational commitment mediated by employee job satisfaction

Employee Job Satisfaction Mediates the Effect of Employee Engagement on Organizational Commitment

Research results Mauliddya (2021) shows that employee engagement has a positive and significant effect on job satisfaction. Job satisfaction can be formed with high employee engagement, meaning employees feel involved with the company. One of the things that keeps employees engaged with the company is a sense of comfort with colleagues. A good co-worker can provide comfort and a sense of enthusiasm at work. In addition to being comfortable with colleagues, supervision by superiors who care about personal affairs makes employees feel tied to the company which encourages employee engagement because it makes employees stay and continue to work in the company.

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promote expressive conditions in job skills. Furthermore, Davis and Newstrom (1989) describe job satisfaction as a collection of positive or negative feelings about their job.

Employee job satisfaction mediates the effect of employee engagement on organizational commitment. Based on theoretical studies and empirical results, the following hypothesis was formulated:

H7: The higher the level of employee engagement in work, the higher organizational commitment mediated by employee job satisfaction

## Research Methods

Explanatory research methods are used to assess the relationship between variables or the impact of one variable on another. The path analysis method using SEM-PLS (partial least square structural equation modeling) is used for quantitative approaches. The population is MSME employees in Indonesia and the sample amounts to 247 employees in various Food MSMEs. The outer model and the inner model are evaluated during SEM-PLS testing. The outer model was evaluated with a loading factor validity value of more than 0.7 and an AVE value greater than 0.5, indicating that the variable has sufficient convergent validity (Hair et al., 2019). The reliability outside the model was assessed using Cronbach's alpha value and composite reliability greater than 0.6. The inner model is then evaluated based on the goodness of fit (GoF) value of the built model. The variables were evaluated using the Likert scale with five scales ranging from strongly disagree (score 1) to strongly agree (score 5). Employee well-being with indicators of workplace welfare, social welfare, and subjective well-being (Singh et al., 2019). Employee Engagement has indicators of Job engagement, Organizational involvement, Cognitive engagement, Emotional engagement and Behavioral Engagement (Shuck et al., 2016). Employee Satisfaction Indicators have indicators of the job itself, payroll, co-workers, and superiors (Lee et al., 2017). Organizational commitment has indicators of affective commitment, ongoing commitment and normative commitment (Meyer et al., 1993).

## Results And Discussion

### Data Response

Table 1. Data Response

Variable	Demographics	Category	Frequency	Percentage
Profile	Gender	Man	133	38.33 percent
		Woman	214	61.67 percent
Respond	Age	<20 years	52	14.99 percent
		21-30 years	209	60.23 percent
		>30 years	86	24.78 percent
		Recent Education	Elementary School	1
		Junior High School	72	20.75 percent
		High School	261	75.22 percent
		Other	13	3.75 percent
Period of Service		< 2 years	134	38.62 percent
		2 – 5 years	177	51.01 percent

Variable	Demographics	Category	Frequency	Percentage
		> 5 years	36	10.37 percent

Based on the table above, it shows that most workers are women with a total of 214 employees. Most are aged 21-30 years with a total of 209 employees and the last education is High School totaling 261 employees. The average employee works 2-5 years with a total of 177 employees. This shows that most have been working in the food industry for a long time.

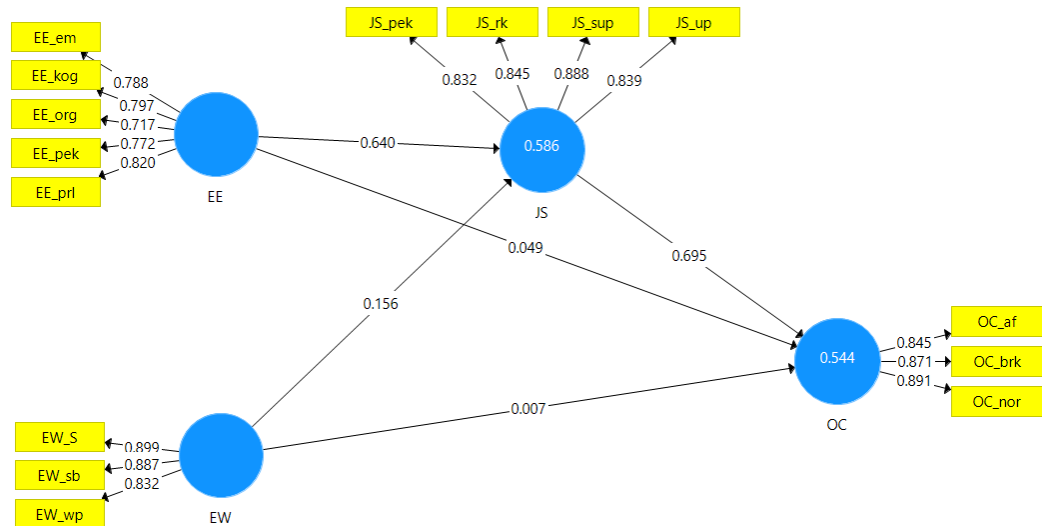


Table 2. Validity Result

Item	Validity	BIRD	Information
EE_em	0.788	0.608	Acceptable
EE_kog	0.797		Acceptable
EE_org	0.717		Acceptable
EE_pek	0.772		Acceptable
EE_prl	0.82		Acceptable
EW_S	0.899		0.763
EW_sb	0.887	Acceptable	
EW_wp	0.832	Acceptable	
JS_pek	0.832	0.725	Acceptable
JS_rk	0.845		Acceptable
JS_sup	0.888		Acceptable
JS_up	0.839		Acceptable
OC_af	0.845	0.756	Acceptable
OC_brk	0.871		Acceptable
OC_nor	0.891		Acceptable

The validity values measured for all research indicators have a satisfactory level of validity, with each indicator having a value above 0.7. Validity is a measure of the extent to which a measurement instrument can be considered an effective tool for measuring the concept in question. Based on the results of the validity assessment, it can be interpreted that all indicators used in this study have good accuracy and consistency in measuring the constructed measures.

First, the Employee Engagement (EE) indicator shows a high level of validity, with values between 0.717 and 0.82. This indicates that each EE indicator (EE\_em, EE\_kog, EE\_org, EE\_pek, EE\_prl) effectively reflects and measures the desired dimensions of Employee Engagement. Then, the Employee Well-Being (EW) indicator also showed high validity, with values of 0.899, 0.887, and 0.832 for EW\_S, EW\_sb, and EW\_wp, respectively. This shows that EW indicators effectively measure the dimensions of employee well-being with a high degree of accuracy.

Furthermore, the Job Satisfaction (JS) indicator also provides satisfactory validity results, with values between 0.832 to 0.888 for JS\_pek, JS\_rk, JS\_sup, and JS\_up. This indicates that the JS indicator is effective in measuring the level of job satisfaction from various aspects of work. Finally, the Organizational Commitment (OC) indicator shows good validity results, with values of 0.845, 0.871, and 0.891 for OC\_af, OC\_brk, and OC\_nor. That is, the OC indicator successfully measures commitment to the organization with a high level of accuracy.

Overall, validity results above 0.7 for each indicator indicate that the measurement instruments used in the study are reliable and accurate in measuring the concepts studied, providing a solid basis for data analysis and interpretation of research results. Furthermore, Average Variance Extracted (AVE) which has a value above 0.5 also gives a good indication of construct validity. AVE measures the extent to which the variance of indicators in a construct can be explained by the construct itself. In this study, each dimension (EE, EW, JS, OC) had AVE values of 0.608, 0.763, 0.725, and 0.756, respectively. AVE values exceeding 0.5 indicate that more than half of the variances of indicators in a construct can be attributed to that construct.

Table 3. Reliability Result

	Cronbach's Alpha	rho_A	Composite Reliability
ES	0.838	0.842	0.885
EW	0.845	0.856	0.906
JS	0.873	0.879	0.913
OC	0.841	0.855	0.903

The results of reliability and validity analysis showed consistency and good quality in measuring key constructs in this study. Cronbach's Alpha, which measures the level of internal consistency between items in a construct, shows results above the generally accepted minimum threshold value (0.7). Each dimension, namely Employee Engagement (EE) with a value of 0.838, Employee Well Being (EW) with a value of 0.845, Job Satisfaction (JS) with a value of 0.873, and Organizational Commitment (OC) with a value of 0.841, all exceed this threshold. Cronbach's high Alpha signifies that each construct has an adequate level of internal consistency, asserting that the indicators in each dimension simultaneously measure the desired concept consistently.

Thus, these results provide confidence that the measurement instruments used in this study have good reliability and that the measured constructs are valid, strengthening the integrity of data analysis and research findings.



Table 4. Discriminant Validity

	ES	EW	JS	OC
ES	0.78			
EW	0.77	0.87		
JS	0.76	0.65	0.85	
OC	0.58	0.49	0.74	0.87

The results of the correlation matrix analysis show that the main constructs in this study, namely Employee Engagement (EE), Employee well-being (EW), Job Satisfaction (JS), and Organizational Commitment (OC), have good discriminant validity. In this context, discriminant validity refers to the extent to which each construct can be distinguished from other constructs, and the results of the correlation matrix provide a picture that supports that validity.

First of all, the main diagonal value of the correlation matrix shows the degree of correlation between each construct and itself, which is consistently valued at 1.00. This is in line with expectations because a variable has a perfect correlation with itself. Furthermore, on diagonals outside the main diagonal, the correlation values between constructs indicate that the correlation between the same construct is higher compared to the correlation between different constructs. These results suggest that each construct has a closer relationship with itself than with the other, providing strong evidence for discriminant validity.

Furthermore, relatively low correlation values between different constructs (for example, between EW and OC of 0.49) indicate that these variables measure significantly different dimensions. That is, no correlation is too high indicating inter-construct redundancy. Thus, these results support the argument that each construct, from Employee Engagement to Organizational Commitment, uniquely provides information about its dimensions and the existence of good discriminant validity within the framework of this study. In conclusion, the correlation matrix shows that the constructs can be considered separate entities and can be measured independently of each other.

Table 5. R Square

	R Square	R Square Adjusted
JS	0.586	0.584
OC	0.544	0.54

The R-Square table shows how well the independent variables, namely Employee Engagement and Employee Well-Being, can explain the variation or variance in the dependent variables, namely Job Satisfaction (JS) and Organizational Commitment (OC). The R-Square indicates the proportion of variance in the dependent variable that can be explained by the independent variable fed into the regression model. In the table, the R-Square for Job Satisfaction (JS) is 0.586, which means about 58.6% of the variation or variation of Job Satisfaction can be explained by Employee Engagement and Employee Well-Being. This shows that Employee Engagement and Employee Well-Being significantly contribute in explaining the level of employee job satisfaction (Job Satisfaction).

Meanwhile, the R-Square for Organizational Commitment (OC) is 0.544, which means about 54.4% of the variation or variation of Organizational Commitment can be explained by Employee Engagement and Employee Well-Being. These results show that Employee Engagement and Employee Well-Being also have a significant role in explaining the level of commitment to the organization (Organizational Commitment). In other words, the results of this R-Square indicate that Employee Engagement and Employee Well-Being

are strong factors in influencing the level of Job Satisfaction and Organizational Commitment. While there is still some variance that is not explained by the two independent variables, this significant contribution highlights the important role of Employee Engagement and Employee Well-Being in shaping employee perceptions and commitment to work and the organization. In conclusion, increasing Employee Engagement and Employee Well-Being can potentially increase the level of Job Satisfaction and Organizational Commitment in the organization.

Q2/ GOF (Goodness of Fit)

Goodness of Fit measure the extent to which a statistical model fits or matches observed data. Goodness of Fit refers to the ability of a model to predict or explain data well and helps assess whether a statistical model is adequate or needs improvement. According to Hair Jr et al., (2014) value GoF small = 0.1, GoF medium = 0.25 and GoF large = 0.38. Formula used to calculate Smith with R-square are as follows:

$$Q2 = 1 - (1 - R21) (1 - R22)$$

$$Q2 = 1 - (1 - 0.586) (1 - 0.544)$$

$$Q2 = 1 - (0.414) (0.456)$$

$$Q2 = 1 - 0.188784$$

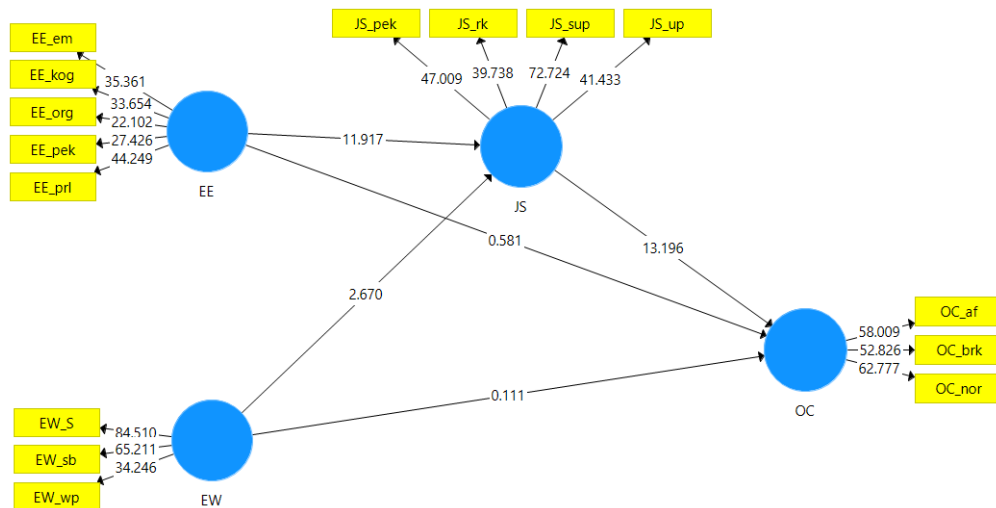
$$Q2 = 0.811216$$

Information:

Q2 :Coefficient predictive relevance

R21 : R-square (Job Satisfaction)

R22 : R-square (Organizational Commitment)



Hasil Hypotesis

Table 6. Direct Effect

	Original Sample (O)	T Statistics	P Values	Information
EE -> JS	0.640	11.917	0.000	Accepted And Significant
EE -> OC	0.049	0.581	0.561	Not Accepted
EW -> JS	0.156	2.6700	0.008	Accepted And Significant

EW -> OC	0.007	0.111	0.911	Not Accepted
JS -> OC	0.695	13.196	0.000	Accepted And Significant

There is a significant relationship between Employee Engagement (EE) and Job Satisfaction (JS), with a T-statistic of 11,917 and a P-value of 0.000, indicating that the difference between the two variables is statistically significant. There is insufficient statistical evidence to conclude that there is a significant relationship between Employee Engagement (EE) and Organizational Commitment (OC) because the P-value (0.561) is greater than the significance level of 0.05. There is a significant relationship between Employee Well-Being (EW) and Job Satisfaction (JS), with a T-statistic of 2.6700 and a P-Value of 0.008. There is no significant relationship between Employee Well Being (EW) and Organizational Commitment (OC) because the P-Value (0.911) is greater than the level of significance. There is a significant relationship between Job Satisfaction (JS) and Organizational Commitment (OC), with T-Statistics of 13,196 and P-Value of 0,000.

Table 7. Indirect Effect

	Original Sample (O)	T Statistics	P Values	Information
EE -> JS -> OC	0.445	8.039	0.000	Accepted And Significant
EW -> JS -> OC	0.108	2.713	0.007	Accepted And Significant

The combination of Employee Engagement, Job Satisfaction, and Organizational Commitment (EE -> JS -> OC) has a significant relationship, indicated by a T-Statistic of 8,039 and a P-Value of 0,000. This shows that Job Satisfaction is able to mediate the Employee Engagement Relationship to Organizational Commitment. The combination of Employee Well Being, Job Satisfaction, and Organizational Commitment (EW-> JS->OC) also has a significant relationship, with T-Statistics of 2.713 and P-Value of 0.007. Job Satisfaction can mediate the Relationship of Employee Well Being to Organizational Commitment.

## Discussion

Employee Engagement has effect on Job Satisfaction

This interpretation indicates that the level of Employee Engagement has a significant influence on the level of Job Satisfaction in the Food SME environment in Indonesia. That is, when employees' level of engagement in work increases, this tends to have a positive impact on their level of job satisfaction (Na-nan et al., 2021). Factors that can contribute to a positive relationship between employee engagement and job satisfaction involve aspects such as feelings of involvement in decision making, support from superiors, career development opportunities, and a positive work climate in these food SMEs.

The relationship between Employee Engagement and Job Satisfaction in food SMEs in Indonesia can be caused by several factors. First, the level of employee engagement reflects the extent to which employees are engaged and committed to their work. In the context of food SMEs, employees who feel engaged tend to have a sense of responsibility and pride in their work, which can increase job satisfaction. Second, supportive work environments in food SMEs, such as open communication, development opportunities, and recognition of employee contributions, can increase engagement levels. Employees who feel supported and valued tend to be more satisfied with their jobs.

Furthermore, employee engagement can motivate them to contribute more actively in achieving company goals. By feeling an important role, employees can achieve personal

and professional achievements, which in turn increase job satisfaction. Therefore, in food SMEs in Indonesia, increasing Employee Engagement can be the key to creating a positive work environment, increasing a sense of responsibility, and providing the necessary support, all these factors can contribute to higher levels of job satisfaction among employees.

Employee Engagement (EE) has no effect on Organizational Commitment (OC)

The results showed that there was no significant relationship between Employee Engagement (EE) and Organizational Commitment (OC) (Rameshkumar, 2020). Several factors explain this phenomenon. First, the scale and size of organizations that tend to be smaller in Food SMEs creates different work dynamics. Employees focus more on direct interaction with small owners or management than on conventionally measurable indicators of engagement. Strong personal relationships can play a more dominant role in this context.

Furthermore, a simple organizational structure and a flat hierarchy in Food SMEs can also be an influential factor. Employees feel committed to the organization naturally without the need for highly measurable indicators of engagement. In addition, local culture and values in Indonesia can play an important role in the relationship between EE and OC. Values such as loyalty to the owner or manager of the business are more dominant in forming commitment to the organization.

The nature of work in the food industry and in SMEs can create commitment to an organisation without requiring a particularly measurable level of engagement. Employees feel tied to the job and the company because of industry characteristics and mutual success.

Employee Well Being (EW) has effect on Job Satisfaction (JS)

Research shows a significant relationship between Employee Well Being (EW) and Job Satisfaction (JS) (DiPietro et al., 2020). Certain factors may explain this phenomenon. First, the dynamic and challenging work environment in the food industry plays an important role in shaping these relationships. Employees who feel support from the company, both physically and mentally, tend to have higher levels of job satisfaction. The existence of employee wellness programs, flexibility of working hours, and psychological support in the workplace are key factors in improving Employee Well Being, which further contributes to increased Job Satisfaction. Secondly, Food SMEs' awareness of the importance of employee well-being also plays a significant role. Efforts to create a work environment that supports well-being, such as providing health facilities, implementing balanced work policies, and promoting mental health, can have a positive impact on employee job satisfaction. Awareness of the close relationship between well-being and productivity is driving the implementation of this strategy.

Furthermore, working conditions that support well-being, such as a balanced workload, work-life balance, and the presence of social support in the work environment, also contribute positively to Employee Well Being. A sense of protection and support in maintaining work-life balance creates a conducive work environment for increased job satisfaction. Finally, a clear and well-implemented employee well-being policy in Food SMEs can be a determining factor. Involving employees in wellness programmes, providing wellbeing incentives, and providing support for skills development and mental health are concrete steps that can improve employees' well-being and, ultimately, their job satisfaction levels. Thus, the conclusion of these findings is that paying attention to employee well-being can be an effective strategy for Food SMEs in Indonesia to improve job satisfaction, productivity, and employee retention in the context of a typical food industry.

Employee Well Being (EW) has no effect on Organizational Commitment (OC)

Research shows that there is no significant relationship between Employee Well Being (EW) and Organizational Commitment (OC). Several factors may explain this phenomenon. First, the scale and size of organizations that tend to be smaller in Food SMEs creates different work dynamics. Employees focus more on direct interaction with small owners or management, which can affect the level of Organizational Commitment without being unduly influenced by a specifically measurable level of Employee Well-being. Secondly, a simple organizational structure and a flat hierarchy in Food SMEs can also be influential factors (Anam & Churiyah, 2023). Employees feel committed to the organization naturally without the need for highly measurable indicators of well-being. In this context, other factors such as emotional attachment to the company or shared values have a more significant impact on the level of Organizational Commitment (de Waal, 2018).

Cultural factors and local values in Indonesia also play an important role. A culture that emphasizes solidarity and togetherness among team members in Food SMEs can elicit commitment to the organization without requiring a particularly measurable level of well-being. Loyalty to cultural values and involvement in joint activities can create a strong bond to the organization. In conclusion, in Food SMEs in Indonesia, there is no significant relationship between Employee Well Being and Organizational Commitment, and this can be due to the unique work dynamics in the context of smaller and simpler organizations.

Job Satisfaction (JS) affects Organizational Commitment (OC)

The results showed a significant relationship between Job Satisfaction (JS) and Organizational Commitment (OC). Several factors may explain this phenomenon. First, Food SMEs that can create a work environment that supports employee job satisfaction tend to also cultivate a high level of commitment to the organization. Employees who feel satisfied with their jobs have a tendency to develop a strong emotional bond with the company, which is reflected in higher levels of Organizational Commitment. Second, the role of management in providing support and appreciation for employee performance can affect both Job Satisfaction and Organizational Commitment. When employees feel recognized and valued, this can increase their job satisfaction and, simultaneously, strengthen their commitment to the organization.

Cultural factors and local values in Indonesia can also contribute to the relationship between Job Satisfaction and Organizational Commitment in Food SMEs. If an organization's culture emphasizes the importance of job satisfaction as an integral ingredient in achieving common goals, it can strengthen the link between individual job satisfaction and commitment to the organization. In addition, in a Food SME environment, where the interaction between employees and management is more direct, the level of job satisfaction can play a more significant role in forming an emotional and normative bond to the organization. Closer personal engagement with the company can provide an additional boost to higher levels of commitment. Thus, in Indonesian Food SMEs, the positive relationship between Job Satisfaction and Organizational Commitment shows the importance of creating working conditions that promote employee satisfaction as a strategy to strengthen their commitment to the organization (Brown et al., 2019).

Job Satisfaction Mediate the relationship between Employee Engagement and Organizational Commitment

Research shows that Job Satisfaction (JS) has a mediating role in the relationship between Employee Engagement (EE) and Organizational Commitment (OC) in Indonesian Food SMEs. In this context, employee engagement, which reflects employees' level of engagement and commitment to their work, has a significant influence on organizational

commitment. However, through mediation analysis, it was found that Job Satisfaction acts as an intermediary that clarifies and strengthens the relationship between Employee Engagement and Organizational Commitment.

It is important to note that employees who feel a high level of employee engagement tend to have a higher level of job satisfaction, and then, that job satisfaction is positively related to the level of organizational commitment. In other words, employees who feel actively engaged in their work and have good levels of job satisfaction, tend to show a higher commitment to the organization they work for.

Factors that explain this phenomenon involve aspects such as management support, career development opportunities, and role clarity in the work environment of Food SMEs. Employees who feel supported, have opportunities to grow, and understand their role in achieving organizational goals, tend to experience higher levels of engagement and satisfaction, which then increases their level of commitment to the organization (Ambarwati et al., 2023).

These results provide important insights for Food SME management, demonstrating that creating a work environment that supports Employee Engagement and Job Satisfaction can have a positive impact on the level of Organizational Commitment. Human resource development strategies and management policies that support employee engagement and satisfaction can be key to strengthening their emotional and normative bonds to the organization, which in turn, can improve employee performance and retention in a dynamic food industry environment.

**Job Satisfaction Mediate the relationship between Employee Well Being and Organizational Commitment**

Research reveals that Job Satisfaction (JS) mediates the relationship between Employee Well Being (EW) and Organizational Commitment (OC) in Indonesian Food SMEs. These findings highlight the crucial role of job satisfaction as a mediator in linking employee well-being levels with commitment to the organization. Employee Well Being, which includes aspects such as physical and mental health, work-life balance, and general satisfaction with working conditions, is directly related to Organizational Commitment.

The explanation of this phenomenon may involve several factors. First, employees who feel healthy, happy, and satisfied with their working conditions tend to show higher levels of job satisfaction (Rachmawati & Suyatno, 2021). Awareness of personal well-being and positive working conditions positively impacts job satisfaction, thus creating a strong emotional and normative bond with the organization.

Furthermore, Job Satisfaction as a mediator shows that the level of job satisfaction serves as an intermediary that strengthens the relationship between Employee Well Being and Organizational Commitment. Employees who feel well-being directly engaged in their work and feel high satisfaction tend to develop a stronger commitment to the organization (Paul et al., 2019). Job Satisfaction, in this case, acts as a "bridge" that connects and clarifies the positive impact of Employee Well Being on the level of Organizational Commitment.

These results have significant implications for management practices in Food SMEs, emphasizing the importance of creating working conditions that support employee well-being to improve Job Satisfaction and, ultimately, the level of commitment to the organisation. A focus on aspects of well-being, such as employee wellness programs, psychological support, and work-personal life balance policies, can be an effective strategy for strengthening employee engagement and loyalty in the context of a dynamic food industry.

## Conclusion

Employee Engagement is related to Job Satisfaction. Employee Engagement (EE) is not related to Organizational Commitment (OC). Employee Well Being (EW) is related to Job Satisfaction (JS). Employee Well Being (EW) is not related to Organizational Commitment (OC). Job Satisfaction (JS) is related to Organizational Commitment (OC). Job Satisfaction Mediates the Relationship of Employee Engagement to Organizational Commitment. Job Satisfaction Mediates the Relationship between Employee Well Being to Organizational Commitment. The implication of these findings in the context of food SMEs in Indonesia is that it is important for food SME owners and managers to focus on increasing employee engagement and employee well-being to increase job satisfaction. This increase in job satisfaction can contribute positively to organizational commitment. By understanding that job satisfaction mediates the relationship between employee engagement and organizational commitment, as well as between employee well-being and organizational commitment, food SME owners can design more effective human resource management strategies. This includes efforts to create a supportive work environment, pay attention to employee well-being, and ensure that employees feel actively engaged in their work. Thus, it can help improve organizational performance and strengthen employee commitment to food SMEs in Indonesia.

### Contribution/Originality:

Contributes to the existing literature on the importance of increasing the mediating role of job satisfaction in the relationship between employee engagement and well-being on organizational commitment.

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