

THE IMPACT OF EMPLOYEE EMPOWERMENT AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE THROUGH WORK ENGAGEMENT AS A MEDIATING VARIABLE AT PT PABRIK KERTAS TJIWI KIMIA, TBK

Achmad Nuril Huda^{1*}, Budi Eko Soetjipto², Ely Siswanto³

^{1,2,3} Universitas Negeri Malang, Malang, Indonesia

¹achmad.nuril.2404138@students.um.ac.id*; ²budi.eko.fe@um.ac.id; ³ely.siswanto.fe@um.ac.id

*Achmad Nuril Huda. Email: achmad.nuril.2404138@students.um.ac.id

Received : 10 June 2026

Revised : 22 June 2026

Accepted : 04 July 2026

Published : 20 July 2026

Abstract

This study aims to examine the impact of employee empowerment and organizational culture on employee performance through the mediating role of work engagement at PT Pabrik Kertas Tjiwi Kimia Tbk, a pulp and paper manufacturing company. This study uses an explanatory quantitative research approach. Primary data were collected using questionnaires from 257 permanent employees in the Stationery Division, selected through probability sampling techniques. Data analysis was conducted using Structural Equation Modeling-Partial Least Squares (SEM-PLS). The results indicate that employee empowerment does not have a significant direct effect on employee performance. On the other hand, organizational culture is proven to have a positive and significant direct effect on employee performance. Other findings show that both employee empowerment and organizational culture significantly enhance work engagement. Work engagement itself is proven to have the strongest direct effect on improving employee performance. Furthermore, the mediation analysis results confirm that work engagement significantly mediates the relationship between employee empowerment and employee performance, as well as the relationship between organizational culture and employee performance. Practically, these findings provide managerial insights for manufacturing companies to strengthen employee performance in supporting corporate sustainability through a supportive culture and high levels of work engagement.

Keywords: Employee Empowerment; Organizational Culture; Employee Performance; Work Engagement; Manufacturing Industry.

INTRODUCTION

Natural resource-based manufacturing industries, particularly the pulp and paper sector, are under increasing pressure to balance operational excellence with corporate sustainability. The industry's heavy dependence on wood resources, intensive energy and water consumption, and considerable environmental and social impacts have elevated sustainability from a regulatory requirement to a strategic business imperative. Globally, the pulp and paper industry accounts for a substantial share of industrial wood consumption, making sustainable resource utilization, energy efficiency, and integrated environmental management essential for reducing ecological impacts while maintaining long-term competitiveness (Industrial Info Resources, 2025). Consequently, manufacturing firms are expected not only to achieve operational and financial performance but also to integrate Environmental, Social, and Governance (ESG) principles into their organizational strategies and daily operations (APKI, 2022; Antara News, 2022). Achieving these sustainability objectives ultimately depends on employees who are capable of translating strategic initiatives into operational practices.

From the perspective of strategic human resource management, employee empowerment and organizational culture represent two fundamental organizational resources that shape employee behavior and organizational effectiveness. Employee empowerment enables employees to exercise autonomy, participate in decision-making, access relevant information, and contribute to continuous improvement initiatives, thereby strengthening psychological ownership and responsibility toward organizational goals (Spreitzer, 1995; Seibert et al., 2011).

THE IMPACT OF EMPLOYEE EMPOWERMENT AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE THROUGH WORK ENGAGEMENT AS A MEDIATING VARIABLE AT PT PABRIK KERTAS TJIWI KIMIA, TBK

Achmad Nuril Huda et al

Likewise, organizational culture provides a system of shared values, beliefs, and norms that guides employees' attitudes and behaviors while fostering coordination, collaboration, and organizational commitment (Schein, 2017; Galpin et al., 2015). Together, these organizational practices establish an environment that supports employees in achieving both operational excellence and sustainability objectives. Nevertheless, organizational resources alone may not automatically generate superior employee performance. Their effectiveness depends on employees' psychological responses toward their work. In this regard, work engagement has emerged as an important psychological mechanism linking organizational practices with employee outcomes. Characterized by vigor, dedication, and absorption, work engagement reflects employees' willingness to invest physical, cognitive, and emotional resources in their work. Employees with higher levels of work engagement are generally more proactive, adaptive, committed, and persistent in accomplishing organizational objectives. Accordingly, work engagement has been widely recognized as a key mechanism through which organizational practices influence employee performance (Aboramadan, 2022; Kim et al., 2023).

Despite the well-established theoretical relationships among employee empowerment, organizational culture, work engagement, and employee performance, previous empirical findings remain inconclusive. Several studies have demonstrated that employee empowerment significantly enhances employee performance by improving employees' autonomy, competence, and responsibility (Seibert et al., 2004; Ahearne et al., 2005; Chen et al., 2007; Zhang & Bartol, 2010; Seibert et al., 2011; Kim & Beehr, 2018). However, other studies reported insignificant relationships, suggesting that empowerment may not directly improve performance without adequate organizational support or effective implementation mechanisms (Maynard et al., 2012; Humborstad & Kuvaas, 2013; Wong et al., 2014; Staw & Epstein, 2000; Cordery et al., 2010). Similar inconsistencies have been reported in the relationship between organizational culture and employee performance. While several studies found significant positive effects (Eccles et al., 2014; Wagner, 2015; Zhu et al., 2013; Paillé et al., 2014; Xie et al., 2019), others reported weak or nonsignificant relationships (Horváthová, 2010; Testa et al., 2016; Hartnell et al., 2011; Yesil & Kaya, 2013; Xenikou & Simosi, 2006).

Likewise, employee empowerment and organizational culture have been identified as important antecedents of work engagement (Fong et al., 2019; Albrecht & Andreetta, 2011; Afsar et al., 2020; Aboramadan, 2020), although several studies suggested that these relationships vary across organizational contexts (Tuckey et al., 2012; Cheong et al., 2019; Norton et al., 2015; Ren et al., 2018). Furthermore, although numerous studies confirmed that work engagement significantly improves employee performance (Bakker & Bal, 2010; Karatepe, 2019; Jiang et al., 2023; Rich et al., 2010; Harter et al., 2002), other researchers found that its influence becomes insignificant under particular organizational conditions (Taris, 2006; Halbesleben, 2010; Shimazu et al., 2018; Yao et al., 2022; Christian et al., 2011). Similar inconsistencies are also evident in mediation studies, where some researchers confirmed that work engagement mediates the effects of employee empowerment and organizational culture on employee performance (Fong et al., 2019; Albrecht et al., 2018; Ugwu et al., 2014; Afsar et al., 2020; Saks, 2006), whereas others reported insignificant mediating effects (Tuckey et al., 2012; Baird et al., 2020; Norton et al., 2015; Ren et al., 2018; Hartnell et al., 2011).

These inconsistent findings reveal several important research gaps. First, empirical evidence regarding the direct and indirect relationships among employee empowerment, organizational culture, work engagement, and employee performance remains fragmented, indicating that the underlying mechanisms through which organizational practices influence employee performance are not yet fully understood. Second, previous studies have predominantly examined employee empowerment and organizational culture independently, with limited attention given to their complementary roles in shaping employee performance through work engagement. Third, most existing studies have focused on service, hospitality, healthcare, or knowledge-intensive organizations, while evidence from resource-intensive manufacturing industries remains relatively scarce. This contextual limitation is particularly important because manufacturing organizations operate under hierarchical structures, standardized operational procedures, and sustainability pressures that may produce different behavioral responses from employees. Consequently, extending this research to the pulp and paper industry offers an opportunity to enrich existing knowledge regarding employee performance within sustainability-oriented manufacturing organizations.

Therefore, this study aims to examine the effects of employee empowerment and organizational culture on employee performance through the mediating role of work engagement in PT Pabrik Kertas Tjiwi Kimia Tbk. This study contributes to the literature in several ways. Theoretically, it extends the understanding of employee performance by integrating employee empowerment and organizational culture within a single framework that explains how these organizational resources enhance performance through work engagement. Empirically, it provides evidence from the resource-intensive pulp and paper manufacturing industry, a context that has received relatively

limited scholarly attention. Practically, the findings offer managerial insights for manufacturing organizations seeking to strengthen employee performance while supporting corporate sustainability through empowerment, a supportive organizational culture, and higher levels of employee engagement.

THEORETICAL FRAMEWORK

The theoretical foundation of this study is primarily grounded in the Job Demands–Resources (JD-R) Theory, complemented by Psychological Empowerment Theory, the Denison Organizational Culture Model, and the Individual Work Performance Model. These complementary perspectives provide an integrated explanation of how organizational resources influence employees' psychological states and ultimately improve employee performance. Specifically, the JD-R Theory explains the motivational mechanism linking organizational resources to employee outcomes, while Psychological Empowerment Theory clarifies the intrinsic psychological processes underlying employee empowerment. The Denison Organizational Culture Model explains how organizational values and practices shape employees' work behaviors, whereas the Individual Work Performance Model provides a comprehensive framework for conceptualizing employee performance.

The Job Demands–Resources (JD-R) Theory, originally proposed by Demerouti *et al.* (2001) and further developed by Bakker and Demerouti (2007, 2017), argues that every occupation consists of job demands and job resources. Job demands represent aspects of work requiring sustained physical or psychological effort, whereas job resources facilitate goal attainment, reduce work-related strain, and promote learning, motivation, and personal development. Among the two underlying processes of the JD-R model, this study adopts the motivational process, which proposes that adequate job resources stimulate employees' work engagement and consequently improve work outcomes. Within this framework, employee empowerment and organizational culture are conceptualized as organizational resources that provide employees with autonomy, guidance, support, and opportunities for participation. These organizational resources strengthen employees' psychological attachment to their work and consequently enhance individual performance.

Recent developments of the JD-R Theory emphasize that organizational resources extend beyond job design and include organizational practices that create supportive work environments (Bakker & Demerouti, 2017). In manufacturing organizations operating under high operational pressure and sustainability challenges, employee empowerment and organizational culture become strategic organizational resources that enhance employees' resilience, motivation, and willingness to contribute beyond formal job requirements. Consequently, work engagement functions as the central motivational mechanism through which these organizational resources are translated into superior employee performance.

The concept of employee empowerment in this study is primarily derived from Psychological Empowerment Theory developed by Thomas and Velthouse (1990) and operationalized by Spreitzer (1995). Unlike structural empowerment, psychological empowerment emphasizes employees' intrinsic perceptions regarding their work, encompassing meaning, competence, self-determination, and impact. Employees who perceive their work as meaningful, believe in their capabilities, possess autonomy in decision-making, and recognize their contribution to organizational outcomes are more likely to display intrinsic motivation, proactive behavior, and stronger psychological attachment to their work. Consistent with the JD-R perspective, psychological empowerment represents an important job resource that increases employees' work engagement and ultimately contributes to higher individual performance.

Organizational culture represents another important organizational resource within the proposed framework. This study adopts the Denison Organizational Culture Model, which conceptualizes organizational culture through four interrelated dimensions: involvement, consistency, adaptability, and mission (Denison & Mishra, 1995). These dimensions reflect organizational values and managerial practices that encourage employee participation, coordination, organizational learning, and strategic alignment. From the JD-R perspective, organizational culture functions as an organizational-level resource by providing behavioral guidance, reducing uncertainty, strengthening organizational commitment, and creating a supportive work environment. Such conditions enable employees to become more engaged with their work while facilitating higher individual and organizational effectiveness.

Work engagement occupies a central position within the theoretical framework because it represents the motivational mechanism connecting organizational resources with employee performance. Following Schaufeli *et al.* (2002), work engagement is characterized by vigor, dedication, and absorption, reflecting employees' physical energy, emotional commitment, and cognitive involvement in their work. Employees experiencing high work engagement are more likely to demonstrate persistence, initiative, adaptability, and discretionary effort in accomplishing organizational objectives. Consequently, work engagement is expected to mediate the effects of employee

empowerment and organizational culture on employee performance by transforming organizational resources into positive work behaviors. Employee performance is conceptualized using the Individual Work Performance Model developed by Koopmans et al. (2011), which defines performance as work behaviors contributing to organizational objectives. This multidimensional model comprises task performance, contextual performance, and counterproductive work behavior, thereby providing a comprehensive evaluation of both positive and negative work behaviors. Unlike traditional approaches focusing solely on task accomplishment, this framework captures employees' overall contribution to organizational effectiveness. Within the integrated theoretical framework, employees who experience greater empowerment, work in supportive organizational cultures, and develop higher work engagement are expected to demonstrate stronger task and contextual performance while minimizing counterproductive work behaviors.

Overall, the integration of the JD-R Theory, Psychological Empowerment Theory, the Denison Organizational Culture Model, and the Individual Work Performance Model provides a coherent theoretical explanation for the proposed research model. Employee empowerment and organizational culture are conceptualized as organizational resources that stimulate work engagement through the motivational process described by the JD-R Theory. Work engagement subsequently functions as the underlying psychological mechanism through which these organizational resources are translated into higher employee performance. This integrated perspective provides a robust theoretical foundation for explaining employee behavior in sustainability-oriented manufacturing organizations, particularly within the pulp and paper industry.

RESEARCH METHODOLOGY

This study employed a quantitative research approach with an explanatory research design to examine the causal relationships among employee empowerment, organizational culture, work engagement, and employee performance. A quantitative explanatory design is appropriate for testing theoretically derived hypotheses and evaluating both direct and indirect relationships among latent constructs using empirical data (Creswell, 2014; Hair et al., 2022). The proposed research model was developed based on the Job Demands–Resources (JD-R) Theory, which conceptualizes employee empowerment and organizational culture as organizational resources that stimulate work engagement and ultimately enhance employee performance (Bakker & Demerouti, 2007, 2017). Psychological Empowerment Theory (Spreitzer, 1995), the Denison Organisational Culture Model (Denison & Mishra, 1995), and the Individual Work Performance Model (Koopmans et al., 2011) further provide the conceptual foundation for operationalising the research variables and for explaining the underlying psychological and behavioural mechanisms.

The study was conducted at PT Pabrik Kertas Tjiwi Kimia Tbk, one of Indonesia's leading pulp and paper manufacturers. The target population consisted of 767 permanent employees working in the Stationery Division. The minimum sample size was determined using the Sample Size Calculator available at Calculator.net, a widely used statistical tool for estimating representative sample sizes in quantitative research. The calculation employed a 95% confidence level, a 5% margin of error, and a population proportion of 50%, resulting in a minimum recommended sample size of 257 respondents. These parameters are commonly adopted in social science research to ensure adequate statistical representativeness and precision. Probability sampling was employed to provide each eligible employee with an equal opportunity to participate in the study, thereby reducing sampling bias and enhancing the generalizability of the findings.

Primary data were collected using a structured self-administered questionnaire measured on a five-point Likert scale ranging from 1 ("strongly disagree") to 5 ("strongly agree"). Employee empowerment was measured using Spreitzer's (1995) Psychological Empowerment Scale, consisting of the dimensions of meaning, competence, self-determination, and impact. Organizational culture was measured using the Denison Organizational Culture Model (Denison & Mishra, 1995), which includes involvement, consistency, adaptability, and mission. Work engagement was assessed using the Utrecht Work Engagement Scale (UWES) developed by Schaufeli et al. (2002), encompassing vigor, dedication, and absorption. Employee performance was measured using the Individual Work Performance Questionnaire (IWPQ) developed by Koopmans et al. (2014), covering task performance, contextual performance, and counterproductive work behavior.

Data were analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS software. SEM-PLS was selected because it is suitable for simultaneously estimating complex structural relationships involving multiple latent constructs and mediating effects while accommodating predictive research objectives and data that may not satisfy multivariate normality assumptions (Hair et al., 2022). The analytical procedure comprised two stages. First, the measurement model was evaluated by examining indicator reliability, internal consistency reliability, convergent validity, and discriminant validity. Second, the structural model was assessed using path

THE IMPACT OF EMPLOYEE EMPOWERMENT AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE THROUGH WORK ENGAGEMENT AS A MEDIATING VARIABLE AT PT PABRIK KERTAS TJIWI KIMIA, TBK

Achmad Nuril Huda et al

coefficients, coefficients of determination (R^2), effect sizes (f^2), predictive relevance (Q^2), and bootstrapping procedures to test the significance of both direct and indirect effects. The mediating role of work engagement was examined through the significance of indirect effects within the proposed structural model.

RESULT AND DISCUSSION

Respondent Description

The respondents in this study represent employees working in a resource-intensive manufacturing environment where operational efficiency and corporate sustainability are equally prioritized. The study was conducted among permanent employees of the Stationery Division at PT Pabrik Kertas Tjiwi Kimia Tbk (PKTK), a publicly listed company and a member of the Asia Pulp & Paper (APP) Group, one of the world's leading integrated pulp and paper manufacturers. Operating within a highly competitive industry characterized by stringent quality standards, sustainability commitments, and continuous improvement initiatives, the company emphasizes employee empowerment and a strong organizational culture as strategic human resource practices to support operational excellence. These organizational characteristics provide an appropriate context for examining how employee empowerment and organizational culture foster work engagement and, consequently, enhance employee performance. Accordingly, understanding the demographic characteristics of the respondents is essential for interpreting the empirical findings and assessing the representativeness of the study sample within the organizational setting.

Table 1		
Distribution of Respondents by Age		
Age Range	Frequency	Percentage
18–30 years	55	21%
31–40 years	45	18%
41–50 years	72	28%
>50 years	85	33%
Total	257	100%

Source: Processed by the Researcher, 2026

Out of 257 respondents who participated, the age distribution indicates that the majority of respondents were mature employees, with those aged over 50 years for 33% of the sample, followed by employees aged 41–50 years (28%), 18–30 years (21%), and 31–40 years (18%). This demographic profile suggests that most respondents possessed substantial work experience and organizational tenure, providing a reliable basis for evaluating employee empowerment, organizational culture, work engagement, and employee performance. Employees with longer work experience generally exhibit stronger role understanding, greater confidence in decision-making, and deeper internalization of organizational values, which may strengthen their engagement and performance (Ugwu et al., 2014; Wong et al., 2014). At the same time, the presence of younger employees contributes diversity in terms of energy and adaptability, creating a balanced workforce that supports organizational effectiveness. Overall, the age composition of the respondents reflects a representative workforce capable of providing meaningful insights into the relationships among the study variables.

Table 2		
Distribution of Respondents by Gender		
Gender	Frequency	Percentage
Male	220	86%
Female	37	14%
Total	257	100%

Source: Processed by the Researcher, 2026

The gender distribution of the respondents indicates that the workforce was predominantly male, with 220 respondents (86%) compared to 37 female respondents (14%). This composition reflects the demographic characteristics commonly found in labor-intensive manufacturing industries, where operational and production activities are largely performed by male employees. Consequently, the findings primarily represent employees' perceptions of employee empowerment, organizational culture, work engagement, and employee performance within a male-dominated organizational environment. Nevertheless, the inclusion of female respondents provides additional perspectives and enhances the representativeness of the sample. Overall, the gender composition is consistent with

the organizational context of the pulp and paper manufacturing industry and provides an appropriate basis for interpreting the relationships among the study variables.

Table 3
Distribution of Respondents by Organizational Tenure

Organizational Tenure	Frequency	Percentage
1–5 years	42	16%
6–10 years	54	21%
11–15 years	85	33%
>20 years	76	30%
Total	257	100%

Source: Processed by the Researcher, 2026

The distribution of respondents by organizational tenure indicates that most employees had substantial work experience within the company. Employees with 11–15 years of service represented the largest group (33%), followed by those with more than 20 years (30%), 6–10 years (21%), and 1–5 years (16%). This profile suggests that the majority of respondents possessed extensive organizational knowledge and familiarity with the company's work systems, policies, and organizational culture. Employees with longer tenure are generally better positioned to evaluate organizational practices such as employee empowerment, organizational culture, work engagement, and employee performance because of their accumulated experience and deeper understanding of the organizational environment (Ugwu *et al.*, 2014; Wong *et al.*, 2014). Overall, the tenure distribution indicates that the sample was well suited to provide reliable assessments of the organizational and psychological constructs examined in this study.

Table 4
Distribution of Respondents by Formal Educational Level

Formal Education Level	Frequency	Percentage
Junior High School	0	0%
Senior High School	186	72%
Diploma	2	1%
Bachelor's Degree	67	26%
Master's/Doctoral Degree	2	1%
Total	257	100%

Source: Processed by the Researcher, 2026

The respondents' educational background was predominantly at the senior high school level, accounting for 72% of the sample, followed by bachelor's degree holders (26%), while diploma and master's/doctoral degree holders each represented 1% of the respondents. This distribution reflects the educational profile commonly found in labor-intensive manufacturing organizations, where operational positions are primarily occupied by employees with secondary education. Despite the predominance of senior high school graduates, the presence of respondents with higher educational qualifications provides a broader perspective in evaluating employee empowerment, organizational culture, work engagement, and employee performance. Overall, the educational composition indicates that the sample adequately represents the workforce characteristics of the organization and provides a reliable basis for assessing the organizational and behavioral constructs examined in this study.

Table 5
Distribution of Respondents by Job Position

Job Position	Frequency	Percentage
Operator	226	88%
Admin	25	10%
Group/Shift Leader	4	2%
Supervisor	2	1%
Manager	0	0%
Total	257	100%

Source: Processed by the Researcher, 2026

THE IMPACT OF EMPLOYEE EMPOWERMENT AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE THROUGH WORK ENGAGEMENT AS A MEDIATING VARIABLE AT PT PABRIK KERTAS TJIWI KIMIA, TBK

Achmad Nuril Huda *et al*

The distribution of respondents by job position indicates that the majority were production operators, for 226 respondents (88%), followed by administrative staff (10%), team leaders/shift leaders (2%), and supervisors (1%), while no respondents held managerial positions. This distribution reflects the operational workforce structure of the Stationery Division, where employees are directly involved in production activities and organizational processes. Consequently, the respondents were well positioned to evaluate organizational practices related to employee empowerment, organizational culture, work engagement, and employee performance from an operational perspective. Overall, the job position profile is consistent with the labor-intensive nature of the pulp and paper manufacturing industry and supports the relevance of the study in examining employee behavior at the operational level.

Table 6

Distribution of Respondents by Awareness and Exposure to Sustainability Policies at PT Pabrik Kertas Tjiwi Kimia Tbk

Question	Frequency		Percentage	
	Yes	No	Yes	No
I am aware of the sustainability policies implemented at PT Pabrik Kertas Tjiwi Kimia Tbk.	257	0	100%	0%
I have received information and communication regarding the sustainability policies implemented at PT Pabrik Kertas Tjiwi Kimia Tbk.	257	0	100%	0%
I have participated in training related to the sustainability policies implemented at PT Pabrik Kertas Tjiwi Kimia Tbk.	218	34	85%	13%

Source: Processed by the Researcher, 2026

The results indicate that all respondents (100%) were aware of the sustainability policies implemented at PT Pabrik Kertas Tjiwi Kimia Tbk and had received information and communication regarding these policies, suggesting that sustainability-related information has been effectively disseminated throughout the organization. However, differences were observed in training participation. A total of 218 respondents (85%) reported having participated in sustainability policy training, whereas 34 respondents (13%) had not received such training. This finding suggests that although awareness and communication have been broadly established, opportunities for structured learning have not yet been uniformly distributed across all employees. From the perspective of the study, this condition is relevant because training strengthens employees' understanding of organizational practices and supports the implementation of sustainability initiatives. Overall, the findings indicate that while the company has successfully promoted awareness of its sustainability policies, expanding training participation could further reinforce employees' organizational capabilities and support more consistent implementation of sustainability practices.

THE IMPACT OF EMPLOYEE EMPOWERMENT AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE THROUGH WORK ENGAGEMENT AS A MEDIATING VARIABLE AT PT PABRIK KERTAS TJIWI KIMIA, TBK

Achmad Nuril Huda et al

Research Findings

Table 7
Hypothesis Test

Variable (Independent)	Intervening Variable	Dependent Variable	Path Coefficient (β)	T Statistics	P Value	Significancy
Employee Empowerment (X1)		Employee Performance (Y)	0.042	0.603	0.546	Not Significant
Organizational Culture (X2)		Employee Performance (Y)	0.289	3.397	0.001	Significant
Employee Empowerment (X1)	Work Engagement (Z)		0.315	3.586	0.000	Significant
Organizational Culture (X2)	Work Engagement (Z)		0.481	5.685	0.000	Significant
Work Engagement (Z)		Employee Performance (Y)	0.577	7.267	0.000	Significant
Employee Empowerment (X1)	Work Engagement (Z)	Employee Performance (Y)	0.182	3.07	0.002	Significant
Organizational Culture (X2)	Work Engagement (Z)	Employee Performance (Y)	0.277	4.285	0.000	Significant

Source: Processed by the Researcher, 2026

The hypothesis testing results are presented in Table 7 above. Of the seven proposed hypotheses, six were supported, while one was rejected. The findings reveal that employee empowerment does not have a significant direct effect on employee performance ($\beta = 0.042$, $t = 0.603$, $p = 0.546$), indicating that H1 is not supported.

Conversely, organizational culture has a significant positive effect on employee performance ($\beta = 0.289$, $t = 3.397$, $p = 0.001$), supporting H2. The results also demonstrate that employee empowerment significantly enhances work engagement ($\beta = 0.315$, $t = 3.586$, $p < 0.001$), while organizational culture exhibits an even stronger positive effect on work engagement ($\beta = 0.481$, $t = 5.685$, $p < 0.001$), thereby supporting H3 and H4.

Furthermore, work engagement has the strongest direct influence on employee performance among all structural relationships examined ($\beta = 0.577$, $t = 7.267$, $p < 0.001$), confirming H5. The mediation analysis also indicates that work engagement significantly mediates the relationship between employee empowerment and employee performance ($\beta = 0.182$, $t = 3.070$, $p = 0.002$), as well as the relationship between organizational culture and employee performance ($\beta = 0.277$, $t = 4.285$, $p < 0.001$), supporting H6 and H7.

Overall, these findings suggest that work engagement plays a central role in explaining employee performance. While organizational culture contributes to employee performance through both direct and indirect pathways, employee empowerment improves performance only indirectly through work engagement, highlighting the importance of employees' psychological engagement in translating organizational resources into performance outcomes.

Discussion

Organizational Resources, Work Engagement, and Employee Performance

The findings demonstrate that organizational resources influence employee performance through different mechanisms within the operational context of PT Pabrik Kertas Tjiwi Kimia Tbk. Among the proposed relationships, organizational culture exerts both direct and indirect effects on employee performance, whereas employee empowerment contributes to performance only indirectly through work engagement. These findings indicate that

organizational practices alone are insufficient to improve employee performance unless they are translated into employees' psychological engagement. Consequently, work engagement emerges as the central motivational mechanism linking organizational resources with employee performance in a sustainability-oriented manufacturing environment.

This finding extends the motivational process proposed by the Job Demands–Resources (JD-R) Theory (Bakker & Demerouti, 2017). The theory argues that organizational resources stimulate motivation, which subsequently enhances work outcomes. The present study provides empirical evidence that organizational resources do not contribute equally to employee performance. Instead, their effectiveness depends on employees' psychological responses, particularly their level of work engagement. This finding is particularly relevant in labor-intensive manufacturing organizations, where operational activities are highly standardized and employees' discretion in performing tasks is relatively limited. Under such conditions, organizational resources become effective only when they foster employees' vigor, dedication, and absorption in their work.

Employee Empowerment and Employee Performance

The results indicate that employee empowerment does not significantly influence employee performance directly ($\beta = 0.042$, $t = 0.603$, $p = 0.546$). This finding suggests that granting employees greater authority, autonomy, and participation in decision-making does not automatically improve individual performance within the organizational context examined in this study.

From the JD-R perspective, employee empowerment represents an important job resource because it enhances employees' perceptions of autonomy and competence (Bakker & Demerouti, 2017). However, the theory also emphasizes that job resources influence performance primarily through motivational processes rather than through direct behavioral effects. The insignificant relationship found in this study indicates that empowerment alone is insufficient to improve performance in highly standardized manufacturing systems. Employees in the Stationery Division operate under strict production procedures, quality standards, and operational targets, limiting their ability to transform perceived autonomy directly into measurable performance improvements.

This finding supports previous studies by Maynard et al. (2012), Humborstad and Kuvaas (2013), Wong et al. (2014), Staw and Epstein (2000), and Cordery et al. (2010), which reported that empowerment does not always generate higher employee performance. However, it contradicts studies conducted by Seibert et al. (2004, 2011), Ahearne et al. (2005), Chen et al. (2007), Zhang and Bartol (2010), and Kim and Beehr (2018). These inconsistent findings may be explained by differences in organizational context. Most previous studies demonstrating significant effects were conducted in organizations characterized by relatively flexible work systems and decentralized decision-making. In contrast, PT Pabrik Kertas Tjiwi Kimia Tbk operates in a highly regulated manufacturing environment where operational consistency and compliance with production standards take precedence over individual discretion.

Importantly, although employee empowerment does not directly improve employee performance, mediation analysis demonstrates that empowerment significantly enhances work engagement, which subsequently improves performance. Therefore, empowerment functions primarily as a psychological resource rather than as a direct determinant of performance.

Organizational Culture and Employee Performance

Unlike employee empowerment, organizational culture exhibits a significant positive direct effect on employee performance ($\beta = 0.289$, $t = 3.397$, $p = 0.001$). This finding suggests that shared organizational values, norms, and behavioral expectations directly influence employees' work behavior and performance. According to organizational culture theory (Schein, 2017), culture provides a shared system of meaning that guides employees' actions and facilitates coordination across organizational units. Within manufacturing organizations, strong organizational culture promotes discipline, consistency, collaboration, and adherence to operational standards, all of which directly contribute to higher employee performance.

This finding supports previous studies conducted by Eccles et al. (2014), Wagner (2015), Zhu et al. (2013), Paillé et al. (2014), and Xie et al. (2019), while differing from Horváthová (2010), Hartnell et al. (2011), Testa et al. (2016), Yesil and Kaya (2013), and Xenikou and Simosi (2006). The stronger influence observed in the present study may reflect the hierarchical nature of the manufacturing industry, where organizational values and standardized work practices are consistently reinforced through daily operational activities.

Organizational Resources and Work Engagement

The findings further demonstrate that both employee empowerment ($\beta = 0.315$, $p < 0.001$) and organizational culture ($\beta = 0.481$, $p < 0.001$) significantly enhance work engagement. However, organizational culture exerts a considerably stronger influence than employee empowerment, indicating that collective organizational values play a more substantial role in shaping employees' psychological attachment to their work.

This finding supports the JD-R Theory, which identifies organizational resources as key antecedents of work engagement. Employee empowerment enhances employees' sense of competence and autonomy, whereas organizational culture creates an environment characterized by trust, collaboration, and shared organizational purpose. Together, these resources foster employees' vigor, dedication, and absorption, thereby strengthening their engagement with work.

The findings are consistent with studies by Fong et al. (2019), Kim and Beehr (2018), Albrecht and Andreetta (2011), Afsar et al. (2020), Aboramadan (2020), and Pham et al. (2019). Nevertheless, the stronger coefficient for organizational culture suggests that collective organizational characteristics are more influential than individual empowerment practices within highly structured manufacturing environments.

Work Engagement and Employee Performance

Among all direct relationships examined in this study, work engagement demonstrates the strongest positive effect on employee performance ($\beta = 0.577$, $t = 7.267$, $p < 0.001$). This finding confirms that employees' psychological engagement represents the primary driver of superior performance.

Highly engaged employees are more willing to invest physical, cognitive, and emotional resources in completing their work, resulting in higher productivity, greater persistence, and stronger commitment to organizational objectives. Within manufacturing organizations, these characteristics contribute directly to production quality, operational efficiency, and continuous improvement initiatives.

The findings support previous studies by Bakker and Bal (2010), Rich et al. (2010), Harter et al. (2002), Karatepe (2019), and Jiang et al. (2023). More importantly, the magnitude of the relationship confirms the central proposition of the JD-R Theory that motivational processes constitute the principal pathway through which organizational resources influence work outcomes.

The Mediating Role of Work Engagement

The mediation analysis provides the most important contribution of this study. Work engagement significantly mediates the relationships between employee empowerment and employee performance ($\beta = 0.182$, $p = 0.002$) as well as between organizational culture and employee performance ($\beta = 0.277$, $p < 0.001$). These findings indicate that organizational resources enhance employee performance primarily by strengthening employees' psychological engagement.

Interestingly, different mediation patterns emerge. Employee empowerment influences employee performance exclusively through work engagement, indicating full mediation, whereas organizational culture influences employee performance both directly and indirectly, indicating partial mediation. This distinction suggests that empowerment first requires employees to develop psychological attachment to their work before performance improvements become evident. In contrast, organizational culture simultaneously shapes employee behavior through shared norms and enhances motivation through greater work engagement.

Overall, these findings extend the JD-R Theory by demonstrating that the effectiveness of organizational resources depends not only on their availability but also on the psychological processes they activate. Within sustainability-oriented manufacturing organizations such as PT Pabrik Kertas Tjiwi Kimia Tbk, work engagement functions as the critical mechanism that transforms organizational resources into superior employee performance. This study therefore contributes to the organizational behavior and human resource management literature by showing that employee empowerment alone is insufficient to improve performance in highly standardized operational settings, whereas organizational culture remains a more comprehensive organizational resource because it simultaneously influences employee behavior and strengthens work engagement. This distinction offers both theoretical refinement and practical guidance for manufacturing organizations seeking to improve performance while supporting long-term sustainability objectives.

CONCLUSION AND RECOMMENDATIONS

This study examined the effects of employee empowerment and organizational culture on employee performance through the mediating role of work engagement within the sustainability-oriented manufacturing context of PT Pabrik Kertas Tjiwi Kimia Tbk. Overall, the findings indicate that employee empowerment, organizational culture, work engagement, and employee performance were perceived at relatively high levels, reflecting a workplace characterized by strong organizational values and employee involvement. The findings further suggest that organizational culture provides a stronger contribution to employee performance than employee empowerment by influencing performance both directly and indirectly through work engagement.

Among the structural relationships examined, employee empowerment did not exert a significant direct effect on employee performance, whereas organizational culture significantly enhanced employee performance. Both employee empowerment and organizational culture significantly promoted work engagement, with organizational culture demonstrating the stronger effect. In addition, work engagement emerged as the strongest predictor of employee performance, confirming its central role in translating organizational resources into improved work outcomes. The mediation analysis further revealed that work engagement fully mediated the relationship between employee empowerment and employee performance, while partially mediating the relationship between organizational culture and employee performance.

These findings contribute to the Job Demands–Resources (JD-R) Theory by demonstrating that organizational resources do not contribute equally to employee performance in highly standardized manufacturing environments. Rather than directly improving performance, employee empowerment primarily functions as a motivational resource whose effectiveness depends on employees' psychological engagement. In contrast, organizational culture serves as a broader organizational resource that simultaneously shapes employee behavior through shared values and strengthens work engagement. The findings also provide empirical evidence that, within sustainability-oriented manufacturing organizations, employees' psychological engagement represents the primary mechanism through which organizational resources are translated into superior performance.

From a practical perspective, the findings highlight the importance of integrating empowerment initiatives with organizational practices that strengthen work engagement while maintaining a strong organizational culture. Such an integrated approach may support not only employee performance but also the consistent implementation of corporate sustainability initiatives within manufacturing organizations.

This study is subject to several limitations. First, the analysis was conducted within a single manufacturing company, which may limit the generalizability of the findings across different organizational contexts. Second, the cross-sectional research design does not capture changes in employee attitudes and behaviors over time. Future research is therefore encouraged to validate the proposed model in different industries, adopt longitudinal research designs, and incorporate additional organizational and psychological variables, such as leadership style, perceived organizational support, psychological safety, or organizational commitment, to further explain employee performance in sustainability-oriented organizations.

REFERENCES

- Aboramadan, M. (2020). The effect of green human resource management on employee green behaviors in higher education. *International Journal of Organizational Analysis*, 28(4), 835–857. <https://doi.org/10.1108/IJOA-05-2019-1732>
- Aboramadan, M. (2022). The effect of green human resource management on employee green behaviors: The mediating role of green work engagement. *International Journal of Organizational Analysis*, 30(1), 1–20.
- Afsar, B., & Umrani, W. A. (2020). Corporate social responsibility and proactive environmental strategy. *Business Strategy and the Environment*, 29(8), 3218–3231. <https://doi.org/10.1002/bse.2567>
- Afsar, B., Al-Ghazali, B. M., & Umrani, W. A. (2020). Sustainable leadership and employee green behavior: The role of green work engagement. *Corporate Social Responsibility and Environmental Management*, 27(1), 123–134. <https://doi.org/10.1002/csr.1804>
- Ahearne, M., Mathieu, J., & Rapp, A. (2005). To empower or not to empower your sales force? An empirical examination of the influence of leadership empowerment behavior on customer

- satisfaction and performance. *Journal of Applied Psychology*, 90(5), 945–955.
<https://doi.org/10.1037/0021-9010.90.5.945>
- Al Mehrzi, N., & Singh, S. K. (2019). How organizational culture drives performance: The role of work engagement in public sector organizations. *International Journal of Public Sector Management*, 32(5), 1–17. <https://doi.org/10.1108/IJPSM-03-2018-0063>
- Albrecht, S. L. (2012). The influence of job, team and organizational level resources on employee well-being, engagement, commitment and extra-role performance. *International Journal of Manpower*, 33(7), 840–853. <https://doi.org/10.1108/01437721211268357>
- Albrecht, S. L., & Andreetta, M. (2011). The influence of empowering leadership on employee engagement. *Leadership & Organization Development Journal*, 32(3), 235–255.
<https://doi.org/10.1108/01437731111123992>
- Albrecht, S. L., Breidahl, E., & Marty, A. (2018). Organizational resources, organizational engagement climate, and employee engagement. *Career Development International*, 23(1), 67–85.
<https://doi.org/10.1108/CDI-04-2017-0063>
- ANTARA News Sumatera Selatan. (2024, September 26). Tjiwi Kimia raih penghargaan Indonesia Green and Sustainable Companies Award 2024. *ANTARA News*.
- Antara News. (2022, March 24). APKI wujudkan pengembangan industri pulp dan kertas berbasis ESG. *ANTARA News*. <https://www.antaranews.com/berita/2780981/apki-wujudkan-pengembangan-industri-pulp-dan-kertas-berbasis-esg>
- Bailey, C., Madden, A., Alfes, K., & Fletcher, L. (2022). The meaning, antecedents and outcomes of employee engagement: A narrative synthesis. *International Journal of Management Reviews*, 24(3), 321–345. <https://doi.org/10.1111/ijmr.12277>
- Baird, K., Su, S., & Munir, R. (2020). The relationship between the enabling use of controls, employee empowerment, and performance. *Accounting, Organizations and Society*, 80, 101058.
<https://doi.org/10.1016/j.aos.2019.101058>
- Bakker, A. B., & Bal, M. P. (2010). Weekly work engagement and performance: A study among starting teachers. *Journal of Occupational and Organizational Psychology*, 83(1), 189–206.
<https://doi.org/10.1348/096317909X402596>
- Bakker, A. B., & Demerouti, E. (2007). The job demands–resources model: State of the art. *Journal of Managerial Psychology*, 22(3), 309–328. <https://doi.org/10.1108/02683940710733115>
- Bakker, A. B., & Demerouti, E. (2017). Job demands–resources theory: Taking stock and looking forward. *Journal of Occupational Health Psychology*, 22(3), 273–285.
<https://doi.org/10.1037/ocp0000056>
- Bakker, A. B., Demerouti, E., & Verbeke, W. (2004). Using the job demands–resources model to predict burnout and performance. *Human Resource Management*, 43(1), 83–104.
<https://doi.org/10.1002/hrm.20004>
- Bansal, P., Jiang, G., & Jung, D. (2015). Managing human resources for sustainability. In *Managing sustainable business* (pp. 129–149). Springer. https://doi.org/10.1007/978-3-319-10043-1_7
- Borman, W. C., & Motowidlo, S. J. (1997). Task performance and contextual performance: The meaning for personnel selection research. *Human Performance*, 10(2), 99–109.
https://doi.org/10.1207/s15327043hup1002_3
- Breevaart, K., Bakker, A. B., Demerouti, E., & Derks, D. (2016). Who takes the lead? A multi-source diary study on leadership and engagement. *Journal of Organizational Behavior*, 37(3), 309–325. <https://doi.org/10.1002/job.2041>
- Campbell, J. P. (1990). Modeling the performance prediction problem in industrial and organizational psychology. In M. D. Dunnette & L. M. Hough (Eds.), *Handbook of industrial and organizational psychology* (Vol. 1, pp. 687–732). Consulting Psychologists Press.
- Campbell, J. P. (1993). Modeling the performance prediction problem in industrial and organizational psychology. In M. D. Dunnette & L. M. Hough (Eds.), *Handbook of industrial and organizational psychology* (Vol. 1, 2nd ed., pp. 687–732). Consulting Psychologists Press.
- Carter, W. R., Nesbit, P. L., Badham, R. J., Parker, S. K., & Sung, L. K. (2018). The effects of employee engagement and self-efficacy on job performance. *The International Journal of Human Resource Management*, 29(24), 1–23. <https://doi.org/10.1080/09585192.2017.1423103>

- Chen, G., Kirkman, B. L., Kanfer, R., Allen, D., & Rosen, B. (2007). A multilevel study of leadership, empowerment, and performance. *Journal of Applied Psychology*, 92(2), 331–346. <https://doi.org/10.1037/0021-9010.92.2.331>
- Cheong, M., Spain, S. M., Yammarino, F. J., & Yun, S. (2019). Two faces of empowering leadership: Enabling and burdening. *The Leadership Quarterly*, 30(4), 535–551. <https://doi.org/10.1016/j.leaqua.2019.02.001>
- Cheung, M. F. Y., Wong, C. S., & Wu, W. P. (2017). Toward an organizational culture framework in construction. *Journal of Business Research*, 70, 36–44. <https://doi.org/10.1016/j.jbusres.2016.08.011>
- Chiang, F. F., & Hsieh, T. S. (2012). The impact of employee work engagement on job performance. *International Journal of Hospitality Management*, 31(1), 145–156. <https://doi.org/10.1016/j.ijhm.2011.05.016>
- Christian, M. S., Garza, A. S., & Slaughter, J. E. (2011). Work engagement: A quantitative review and test of its relations with task and contextual performance. *Personnel Psychology*, 64(1), 89–136. <https://doi.org/10.1111/j.1744-6570.2010.01203.x>
- Cohen, J. (1988). *Statistical power analysis for the behavioral sciences* (2nd ed.). Lawrence Erlbaum Associates.
- Cordery, J. L., Morrison, D., Wright, B. M., & Wall, T. D. (2010). The impact of autonomy and task uncertainty on team performance. *Journal of Organizational Behavior*, 31(5), 695–716. <https://doi.org/10.1002/job.657>
- Creswell, J. W., & Creswell, J. D. (2018). *Research design: Qualitative, quantitative, and mixed methods approaches* (5th ed.). SAGE Publications.
- Daily, B. F., Bishop, J. W., & Massoud, J. A. (2012). The role of training and empowerment in environmental performance. *International Journal of Operations & Production Management*, 32(5), 631–647. <https://doi.org/10.1108/01443571211226524>
- Demerouti, E., Bakker, A. B., Nachreiner, F., & Schaufeli, W. B. (2001). The job demands–resources model of burnout. *Journal of Applied Psychology*, 86(3), 499–512. <https://doi.org/10.1037/0021-9010.86.3.499>
- Denison, D. R. (1990). *Corporate culture and organizational effectiveness*. Wiley.
- Denison, D. R., & Mishra, A. K. (1995). Toward a theory of organizational culture and effectiveness. *Organization Science*, 6(2), 204–223. <https://doi.org/10.1287/orsc.6.2.204>
- Dewettinck, K., & van Ameijde, M. (2011). Linking leadership empowerment behaviour to employee attitudes and behavioural intentions: Testing the mediating role of psychological empowerment. *Leadership & Organization Development Journal*, 32(3), 226–247. <https://doi.org/10.1108/01437731111119866>
- Discover Sustainability. (2025). Sustainable leadership, organizational culture and organizational commitment: A pathway to enhanced employee performance through employee engagement in Malaysia's oil and gas sector. *Discover Sustainability*. <https://doi.org/10.1007/s43621-025-01869-4>
- Dumont, J., Shen, J., & Deng, X. (2017). Effects of green HRM practices on employee workplace green behavior: The role of psychological green climate and employee green values. *Human Resource Management*, 56(4), 613–627. <https://doi.org/10.1002/hrm.21792>
- Eccles, R. G., Ioannou, I., & Serafeim, G. (2014). The impact of corporate sustainability on organizational performance. *Management Science*, 60(11), 2835–2857. <https://doi.org/10.1287/mnsc.2014.1984>
- Fong, K. H., Snape, E., & Redman, T. (2019). Employee voice and work engagement. *Human Resource Management Journal*, 29(3), 425–442. <https://doi.org/10.1111/1748-8583.12219>
- Frontiers in Sustainability. (2025). Evolving (dis)engagement: Analyzing employees' responses to sustainability initiatives through causal loop diagrams. *Frontiers in Sustainability*. <https://doi.org/10.3389/frsus.2025.166662>
- Gürlek, M., & Tuna, M. (2018). The relationship between organizational culture and employee performance: Evidence from Turkish SMEs. *International Journal of Business and Management Studies*, 10(2), 15–27.

THE IMPACT OF EMPLOYEE EMPOWERMENT AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE THROUGH WORK ENGAGEMENT AS A MEDIATING VARIABLE AT PT PABRIK KERTAS TJIWI KIMIA, TBK

Achmad Nuril Huda et al

- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2021). *Multivariate data analysis* (8th ed.). Cengage Learning.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2019). *A primer on partial least squares structural equation modeling (PLS-SEM)* (2nd ed.). Springer. <https://doi.org/10.1007/978-3-030-80519-7>
- Halbesleben, J. R. B. (2010). A meta-analysis of work engagement: Relationships with burnout, demands, resources, and consequences. *Work & Stress*, 24(1), 102–117. <https://doi.org/10.1080/02678373.2010.488848>
- Hariani, M., & Mardikaningsih, R. (2025). Encouraging employee engagement in sustainability initiatives to improve organizational performance and sustainable achievement of social goals. *International Journal of Service Science, Management, Engineering, and Technology*, 16(1), 1–13. <https://doi.org/10.4018/IJSSMET.20250101>
- Hart, S. L., & Ahuja, G. (1996). Does it pay to be green? *Business Strategy and the Environment*, 5(1), 30–37. [https://doi.org/10.1002/\(SICI\)1099-0836\(199603\)5:1<30::AID-BSE38>3.0.CO;2-Q](https://doi.org/10.1002/(SICI)1099-0836(199603)5:1<30::AID-BSE38>3.0.CO;2-Q)
- Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, engagement, and business outcomes: A meta-analysis. *Journal of Applied Psychology*, 87(2), 268–279. <https://doi.org/10.1037/0021-9010.87.2.268>
- Hartnell, C. A., Ou, A. Y., & Kinicki, A. (2011). Organizational culture and organizational effectiveness: A meta-analytic investigation. *Journal of Applied Psychology*, 96(4), 677–694. <https://doi.org/10.1037/a0021987>
- Horváthová, E. (2010). Environmental performance and financial performance. *Ecological Economics*, 70(1), 52–59. <https://doi.org/10.1016/j.ecolecon.2010.04.004>
- Humborstad, S. I. W., & Kuvaas, B. (2013). Mutuality in leader–subordinate empowerment expectation: Its impact on role ambiguity and intrinsic motivation. *The Leadership Quarterly*, 24(2), 363–377. <https://doi.org/10.1016/j.leaqua.2013.01.003>
- Humborstad, S. I. W., Nerstad, C. G. L., & Dysvik, A. (2014). Empowering leadership, employee goal orientations and work performance: A competing hypothesis approach. *Personnel Review*, 43(2), 246–271. <https://doi.org/10.1108/PR-01-2012-0008>
- Inceoglu, I., Arnold, K. A., Leroy, H., Lang, J. W. B., & Stephan, U. (2021). Leadership and job resources: A meta-analysis of the JD-R model. *Journal of Organizational Behavior*, 42(5), 1–21. <https://doi.org/10.1002/job.2524>
- Industrial Info Resources. (2025). ESG projects attract pulp & paper investments. *Industrial Info*. <https://www.industrialinfo.com/news/article/esg-projects-attract-pulp-and-paper-investments--350803>
- Jabbour, C. J. C., & Santos, F. C. A. (2008). The central role of HRM in sustainability. *International Journal of Human Resource Management*, 19(12), 2133–2154. <https://doi.org/10.1080/09585190802479389>
- Jabbour, C. J. C., Santos, F. C. A., & Nagano, M. S. (2010). Contributions of HRM to environmental management. *Journal of Cleaner Production*, 18(6), 509–517. <https://doi.org/10.1016/j.jclepro.2009.12.011>
- Jiang, K., Hu, J., Liu, S., & Lepak, D. P. (2023). Understanding employees' work engagement and performance: A meta-analytic investigation. *Academy of Management Journal*, 66(4), 1152–1178. <https://doi.org/10.5465/amj.2021.0445>
- Jose, G., & Mampilly, S. R. (2015). Relationships among perceived organizational support, employee engagement, and job performance. *International Journal of Productivity and Performance Management*, 64(5), 679–700. <https://doi.org/10.1108/IJPPM-01-2014-0013>
- Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, 33(4), 692–724. <https://doi.org/10.5465/256287>
- Karatepe, O. M. (2019a). Does hotel employees' engagement influence their job outcomes? *International Journal of Contemporary Hospitality Management*, 31(2), 786–804. <https://doi.org/10.1108/IJCHM-11-2017-0721>
- Karatepe, O. M. (2019b). Job crafting and employee performance. *International Journal of Contemporary Hospitality Management*, 31(3), 1609–1626. <https://doi.org/10.1108/IJCHM-05-2018-0390>

- Karatepe, O. M., Rezapouraghdam, H., & Hassannia, R. (2020). Linking organizational culture, work engagement, and performance in the hospitality industry. *International Journal of Hospitality Management*, 87, 102472. <https://doi.org/10.1016/j.ijhm.2020.102472>
- Kim, M., & Beehr, T. A. (2018a). Empowering leadership and engagement. *Journal of Leadership & Organizational Studies*, 25(4), 441–456. <https://doi.org/10.1177/1548051818771335>
- Kim, M., & Beehr, T. A. (2018b). Empowering leadership: Leading people to be present through affective organizational commitment? *International Journal of Human Resource Management*, 29(14), 2237–2256. <https://doi.org/10.1080/09585192.2017.1423097>
- Kim, Y. J., Kim, W. G., Choi, H. M., & Phetvaroon, K. (2019). The effect of green human resource management on hotel employees' eco-friendly behavior and environmental performance. *International Journal of Hospitality Management*, 76, 83–93. <https://doi.org/10.1016/j.ijhm.2018.04.007>
- Koopmans, L., Bernaards, C. M., Hildebrandt, V. H., Schaufeli, W. B., de Vet, H. C. W., & van der Beek, A. J. (2014). Improving the individual work performance questionnaire using Rasch analysis. *Journal of Applied Measurement*, 15(2), 160–175.
- Koopmans, L., Bernaards, C. M., Hildebrandt, V. H., van Buuren, S., van der Beek, A. J., & de Vet, H. C. (2011). Conceptual frameworks of individual work performance: A systematic review. *Journal of Occupational and Environmental Medicine*, 53(8), 856–866. <https://doi.org/10.1097/JOM.0b013e318225f6f9>
- Koopmans, L., Bernaards, C. M., Hildebrandt, V. H., van Buuren, S., van der Beek, A. J., & de Vet, H. C. (2013). Development of an individual work performance questionnaire. *International Journal of Productivity and Performance Management*, 62(1), 6–28. <https://doi.org/10.1108/17410401311285273>
- Laschinger, H. K. S., Finegan, J., & Shamian, J. (2001). Impact of structural and psychological empowerment on job strain in nursing work settings. *Health Care Management Review*, 26(3), 7–23. <https://doi.org/10.1097/00004010-200107000-00002>
- Laschinger, H. K. S., Finegan, J., Shamian, J., & Wilk, P. (2004). A longitudinal analysis of the impact of workplace empowerment on work satisfaction. *Journal of Organizational Behavior*, 25(4), 527–545. <https://doi.org/10.1002/job.261>
- Lee, A., Wong, D., & Wang, Y. (2025). Promoting corporate financial sustainability through ESG practices: An employee-centric perspective and the moderating role of Asian values. *Research in International Business and Finance*, 75, 102733. <https://doi.org/10.1016/j.ribaf.2024.102733>
- Linnenluecke, M. K., & Griffiths, A. (2010). Corporate sustainability and organizational culture. *Journal of World Business*, 45(4), 357–366. <https://doi.org/10.1016/j.jwb.2009.08.006>
- López-Gamero, M. D., Molina-Azorín, J. F., & Claver-Cortés, E. (2010). Environmental management and firm performance. *Journal of Cleaner Production*, 18(10–11), 963–974. <https://doi.org/10.1016/j.jclepro.2010.02.015>
- Lubis, Z. A., Lubis, Y., & Efendi, I. (2024). The influence of work engagement, organizational culture, workload and work stress on employee performance. *Jurnal Bisnis dan Manajemen*, 11(1), 137–150. <https://doi.org/10.26905/jbm.v11i1.12748>
- Luu, T. T. (2019). Organizational citizenship behavior for the environment. *Journal of Business Ethics*, 155(2), 341–356. <https://doi.org/10.1007/s10551-017-3496-3>
- Martin, S. L., Liao, H., & Campbell, E. M. (2013). Directive versus empowering leadership: A field experiment. *Academy of Management Journal*, 56(5), 1372–1395. <https://doi.org/10.5465/amj.2011.0113>
- Maynard, M. T., Gilson, L. L., & Mathieu, J. E. (2012). Empowerment—fad or fab? A multilevel review. *Journal of Management*, 38(4), 1231–1281. <https://doi.org/10.1177/0149206311432289>
- Nazir, O., & Islam, J. U. (2019). Organizational culture, work engagement, and job performance among employees. *Personnel Review*, 48(3), 1–20. <https://doi.org/10.1108/PR-10-2017-0324>
- Norton, T. A., Zacher, H., & Ashkanasy, N. M. (2014). Organisational sustainability policies and employee green behaviour: The mediating role of work climate perceptions. *Journal of Environmental Psychology*, 38, 49–54. <https://doi.org/10.1016/j.jenvp.2013.12.005>

THE IMPACT OF EMPLOYEE EMPOWERMENT AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE THROUGH WORK ENGAGEMENT AS A MEDIATING VARIABLE AT PT PABRIK KERTAS TJIWI KIMIA, TBK

Achmad Nuril Huda et al

- Norton, T. A., Zacher, H., & Ashkanasy, N. M. (2015a). Organizational sustainability policies and employee green behavior: The mediating role of work climate perceptions. *Journal of Organizational Behavior*, 36(S1), S103–S129. <https://doi.org/10.1002/job.1989>
- Norton, T. A., Zacher, H., & Ashkanasy, N. M. (2015b). Sustainability policies and employee green behavior: A longitudinal study. *Journal of Organizational Behavior*, 36(7), 1036–1050. <https://doi.org/10.1002/job.2014>
- Paais, M., & Pattiruhu, J. R. (2020). The impact of organizational culture on employee performance: The mediating role of employee engagement. *Journal of Asian Finance, Economics and Business*, 7(8), 451–460. <https://doi.org/10.13106/jafeb.2020.vol7.no8.451>
- Paillé, P., Boiral, O., & Chen, Y. (2013). Linking environmental management practices and organizational citizenship behavior for the environment: A social exchange perspective. *Journal of Business Ethics*, 109(3), 451–463. <https://doi.org/10.1007/s10551-011-1132-9>
- Paillé, P., Chen, Y., Boiral, O., & Jin, J. (2014). The impact of human resource management on environmental performance: An employee-level study. *Journal of Business Ethics*, 121(3), 451–466. <https://doi.org/10.1007/s10551-013-1732-0>
- Pham, N. T., Tučková, Z., & Jabbour, C. J. C. (2019). Greening the hospitality industry: How do green human resource management practices influence organizational citizenship behavior? *Tourism Management*, 72, 386–399. <https://doi.org/10.1016/j.tourman.2018.12.009>
- Pham, N. T., Tučková, Z., & Phan, Q. P. T. (2019). Greening human resource management and employee commitment toward the environment: An interaction model. *Journal of Business Economics and Management*, 20(3), 446–465. <https://doi.org/10.3846/jbem.2019.9659>
- Pinzone, M., Guerci, M., Lettieri, E., & Redman, T. (2016a). Progressing in the change journey towards sustainability: Evidence from a case study. *Journal of Cleaner Production*, 122, 87–98. <https://doi.org/10.1016/j.jclepro.2016.02.083>
- Pinzone, M., Guerci, M., Lettieri, E., & Redman, T. (2016b). Sustainability change journey: The role of HRM. *Journal of Cleaner Production*, 122, 201–211. <https://doi.org/10.1016/j.jclepro.2016.02.031>
- PT Pabrik Kertas Tjiwi Kimia Tbk. (2025). *Sustainability report 2024 (Report period 1 January–31 December 2024; Sustainability roadmap vision 2030; GRI & POJK standards)*.
- Ramadhan, A. S., & Maswanto, M. (2025). Pengaruh budaya organisasi, keterlibatan kerja, dan employee engagement terhadap kinerja karyawan. *Jurnal Ekonomi, Manajemen Pariwisata dan Perhotelan*, 4(3). <https://doi.org/10.55606/jempper.v4i3.5115>
- Ren, S., Tang, G., & Jackson, S. E. (2018a). Green human resource management and employee workplace green behavior: A multilevel analysis. *Journal of Business Ethics*, 150(4), 1085–1100. <https://doi.org/10.1007/s10551-016-3195-6>
- Ren, S., Tang, G., & Jackson, S. E. (2018b). Green HRM research in emergence: A review and future directions. *International Journal of Human Resource Management*, 29(1), 104–130. <https://doi.org/10.1080/09585192.2016.1143866>
- Rich, B. L., Lepine, J. A., & Crawford, E. R. (2010). Job engagement: Antecedents and effects on job performance. *Academy of Management Journal*, 53(3), 617–635. <https://doi.org/10.5465/amj.2010.51468988>
- Robertson, J. L., & Barling, J. (2013). Greening organizations through leaders' influence on employees' pro-environmental behaviors. *Journal of Organizational Behavior*, 34(2), 176–194. <https://doi.org/10.1002/job.1820>
- Saks, A. M. (2019). Employee engagement revisited. *Journal of Organizational Effectiveness: People and Performance*, 6(1), 19–38. <https://doi.org/10.1108/JOEPP-06-2018-0034>
- Saks, A. M., & Gruman, J. A. (2014). What do we really know about employee engagement? *Human Resource Development Quarterly*, 25(2), 155–182. <https://doi.org/10.1002/hrdq.21187>
- Schaufeli, W. B., Bakker, A. B., & Salanova, M. (2006). The measurement of work engagement with a short questionnaire: A cross-national study. *Educational and Psychological Measurement*, 66(4), 701–716. <https://doi.org/10.1177/0013164405282471>
- Schaufeli, W. B., Salanova, M., González-Romá, V., & Bakker, A. B. (2002). The measurement of engagement and burnout: A two-sample confirmatory factor analytic approach. *Journal of Happiness Studies*, 3(1), 71–92. <https://doi.org/10.1023/A:1015630930326>

- Schein, E. H. (2010). *Organizational culture and leadership* (4th ed.). Jossey-Bass.
- Schneider, B., Yost, A. B., Kropp, A., Kind, C., & Lam, H. (2017). Workforce engagement: What it is and why it matters. *Journal of Organizational Behavior*, 38(3), 462–480. <https://doi.org/10.1002/job.2244>
- Scott, W. R. (2014). *Institutions and organizations: Ideas, interests, and identities* (4th ed.). SAGE Publications.
- Seibert, S. E., Silver, S. R., & Randolph, W. A. (2004). Taking empowerment to the next level: A multilevel model of empowerment, performance, and satisfaction. *Academy of Management Journal*, 47(3), 332–349. <https://doi.org/10.5465/20159585>
- Seibert, S. E., Wang, G., & Courtright, S. H. (2011). Antecedents and consequences of psychological and team empowerment in organizations: A meta-analytic review. *Journal of Applied Psychology*, 96(5), 981–1003. <https://doi.org/10.1037/a0022676>
- Sekaran, U., & Bougie, R. (2019). *Research methods for business: A skill-building approach* (8th ed.). Wiley.
- Shimazu, A., Schaufeli, W. B., Kubota, K., & Kawakami, N. (2018). Do workaholism and work engagement predict employee well-being and performance? *International Journal of Behavioral Medicine*, 25(4), 1–9. <https://doi.org/10.1007/s12529-018-9739-4>
- Spector, P. E., & Fox, S. (2005). The stressor–emotion model of counterproductive work behavior. In S. Fox & P. E. Spector (Eds.), *Counterproductive work behavior: Investigations of actors and targets* (pp. 151–174). American Psychological Association. <https://doi.org/10.1037/10893-007>
- Spreitzer, G. M. (1995). Psychological empowerment in the workplace: Dimensions, measurement, and validation. *Academy of Management Journal*, 38(5), 1442–1465. <https://doi.org/10.5465/256865>
- Staw, B. M., & Epstein, L. D. (2000). What bandwagons bring: Effects of popular management techniques on corporate performance, reputation, and CEO pay. *Administrative Science Quarterly*, 45(3), 523–556. <https://doi.org/10.2307/2667108>
- Sugiyono. (2022). *Metode penelitian kuantitatif, kualitatif, dan R&D*. Alfabeta.
- Taris, T. W. (2006). Is there a relationship between burnout and objective performance? A critical review of 16 studies. *Work & Stress*, 20(4), 316–334. <https://doi.org/10.1080/02678370601065893>
- Testa, F., Boiral, O., & Iraldo, F. (2016). Internalization of environmental practices and institutional complexity: Can stakeholders pressures encourage greenwashing? *Journal of Cleaner Production*, 124, 165–175. <https://doi.org/10.1016/j.jclepro.2016.02.064>
- Testa, M. R., Ehrhart, M. G., & Maxwell, G. A. (2016). Aligning organizational culture and service climate: Implications for service quality. *Cornell Hospitality Quarterly*, 57(1), 48–63. <https://doi.org/10.1177/1938965514563167>
- Tuan, L. T. (2019). Environmentally specific servant leadership and green creativity among tourism employees: Dual mediation paths. *Journal of Sustainable Tourism*, 27(11), 1695–1714. <https://doi.org/10.1080/09669582.2019.1601734>
- Ugwu, F. O., Onyishi, I. E., & Rodríguez-Sánchez, A. M. (2014). Linking organizational trust with employee engagement: The role of psychological empowerment. *Career Development International*, 19(5), 547–567. <https://doi.org/10.1108/CDI-11-2013-0138>
- Wong, C. A., Laschinger, H. K. S., & Cummings, G. G. (2014). Authentic leadership and nurses' voice behaviour and perceptions of care quality. *Journal of Nursing Management*, 22(7), 889–900. <https://doi.org/10.1111/jonm.12013>
- Xanthopoulou, D., Bakker, A. B., Demerouti, E., & Schaufeli, W. B. (2009). Work engagement and financial returns: A diary study on the role of job and personal resources. *Journal of Occupational and Organizational Psychology*, 82(1), 183–200. <https://doi.org/10.1348/096317908X285633>
- Xenikou, A., & Simosi, M. (2006). Organizational culture and transformational leadership as predictors of business unit performance. *Journal of Managerial Psychology*, 21(6), 566–579. <https://doi.org/10.1108/02683940610684409>

THE IMPACT OF EMPLOYEE EMPOWERMENT AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE THROUGH WORK ENGAGEMENT AS A MEDIATING VARIABLE AT PT PABRIK KERTAS TJIWI KIMIA, TBK

Achmad Nuril Huda et al

- Xie, J., Zhang, W., & Zhang, Y. (2019). Organizational culture and employee performance: The mediating role of work engagement. *Sustainability*, 11(5), 1345. <https://doi.org/10.3390/su11051345>
- Xie, X., Huo, J., & Zou, H. (2019). Green process innovation and firm performance: The moderating effect of environmental regulation. *Journal of Business Research*, 101, 123–135. <https://doi.org/10.1016/j.jbusres.2019.04.005>
- Yesil, S., & Kaya, A. (2013). The effect of organizational culture on firm financial performance: Evidence from a developing country. *Procedia - Social and Behavioral Sciences*, 81, 428–437. <https://doi.org/10.1016/j.sbspro.2013.06.455>
- Zhang, X., & Bartol, K. M. (2010). Linking empowering leadership and employee creativity: The influence of psychological empowerment, intrinsic motivation, and creative process engagement. *Academy of Management Journal*, 53(1), 107–128. <https://doi.org/10.5465/amj.2010.48037118>
- Zhu, Q., Sarkis, J., & Lai, K. (2013). Institutional-based antecedents and performance outcomes of internal and external green supply chain management practices. *Journal of Purchasing and Supply Management*, 19(2), 106–117. <https://doi.org/10.1016/j.pursup.2012.12.001>
- Zollo, M., Cennamo, C., & Neumann, K. (2013). Beyond what and why: Understanding organizational evolution toward sustainable enterprise models. *Organization & Environment*, 26(3), 241–259. <https://doi.org/10.1177/1086026613501990>