
THE MEDIATING ROLE OF EXTRINSIC WORK MOTIVATION ON THE INFLUENCE OF TRANSFORMATIONAL LEADERSHIP AND ORGANIZATIONAL CLIMATE ON EMPLOYEE ENGAGEMENT TEACHERS

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Abstract

This study aims to analyze the mediating role of Extrinsic Work Motivation (EWM) in the influence of Transformational Leadership (TL) and Organizational Climate (OC) on Employee Engagement (EE). The population and sample in this study were all permanent teachers of Yayasan Bina Insan Mulia Batam Riau Islands, totaling 84 respondents. Sampling uses a non-probability sampling method, especially a saturated sampling method. This study used a survey method with a research instrument in the form of a questionnaire. The data analysis method was carried out with the Partial Least Square-Structural Equation Model (SEM PLS) 4.0.9.6. The results showed that TL had no direct and insignificant effect on EE, OC had a significant positive effect on EE, EWM had a significant positive effect on EE, TL had a significant positive effect on EWM, and OC had a significant effect on EE. EWM fully mediates the influence of TL on EE, and EWM partially mediates the influence of OC on EE. Transformational Leadership and Organizational Climate each contribute positively to teachers' Extrinsic Work Motivation. Furthermore, Extrinsic Work Motivation becomes a full mediator between Transformational Leadership and Employee Engagement, also partially mediating the relationship between Organizational Climate and teacher-employee engagement.

Keywords

Employee Engagement, Extrinsic Work Motivation, Organizational Climate, Social Exchange Theory, Transformational Leadership



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INTRODUCTION

The implementation of optimal human resource management, especially through employee engagement, is very important to improve the performance of the institution. High employee engagement in an organization can have a positive impact on the organization. Employee engagement is measured by looking at how employees are committed and involved in an organization because employees will have an emotional attachment to their organization (Phina et al., 2021).

Yayasan Bina Insan Mulia Batam (YBIMB) Riau Islands is one of the foundations registered with the Ministry of Human Rights of the Republic of Indonesia with the National Foundation Principal Number AG2814. By the end of 2023, the number of permanent teachers of the foundation will be 84 employees. YBIMB has the main values of faith and piety, such as trust, loyalty, dedication, discipline, and the skills of each employee. By carrying out the main values, YBIMB employees are expected to have high employee engagement.

The phenomenon related to employee engagement at YBIMB, regarding employee turnover, is included in the fairly high category. The results of interviews conducted with YBIMB's Human Resources Development showed low employee engagement with an increase in employee turnover from 2019 - 2023 every year, even above 10%. Bhardwaj et al. (2021) suggest that the creation of employee engagement does not arise spontaneously but can be influenced by various factors, one of which is transformational leadership.

A transformational leader not only provides clear direction and vision but also motivates employees to reach their best potential so that they feel inspired and motivated in the work environment. YBIMB teachers' extrinsic work motivation shows different variations reflected in their daily behavior patterns in the workplace. Problems that occur in institutions show that discipline data present on time is quite high. The discipline of being present on time at YBIMB has not been going well. Where in 2022 and 2023, each month, there are 10-12 teachers who are late (reaching almost 20% of YBIMB's total employees). This shows that the extrinsic work motivation of YBIMB employees is still low.

Suggests that one of the things that can increase employee engagement is the organizational climate. Organizational climate is one of the important indicators that affect organizational and employee performance. Therefore, it is not surprising that the work climate is an excellent predictor of organizational and employee performance, and an employee will be able to work well only if he

is engaged in work (Rožman & Štrukelj, 2021).

Based on observations and the results of interviews that have been conducted, there are several reasons for employees who decide to leave, including a) Employees feel that unit leaders lack care and motivation for employee needs in doing their jobs; b) Employees feel a work environment that is not conducive, such as poor communication or internal conflicts between employees or between subordinates and superiors; c) The leader of each unit does not give praise for the work of employees. This shows that there are problems related to the organizational climate and leadership at YBIMB.

The existence of transformational leaders in any organization will lead to improved employee performance and skills so as to form high employee engagement (Eldaghashy et al., 2022). Research conducted by Agarwal & Gupta, 2021 Balwant et al., 2020 Diko & Saxena, 2023; Islam et al., 2021; Rabiul et al., 2022; Thanh & Quang, 2022; Yaneta et al., 2023; Yulman & Trinanda, 2023 explained that transformational leadership has a positive and significant effect on employee engagement. The results of this study are contrary to research conducted by Juliasa et al. (2022) and Santoso & Nugraheni (2022), which suggests that leadership does not have a significant effect on employee engagement.

Research conducted by Dewi & Surya, 2022 Manurung, 2020 Rahman et al., 2023 and Wiandhani et al. 2022 stated transformational leadership has a positive and significant effect on extrinsic work motivation. Hyseni Duraku & Hoxha (2021) in their research stated that the characteristics of transformational school leaders have a positive impact on teachers' extrinsic motivation. Contrary to research conducted by Pebrian et al. (2023), which states that transformative leadership does not have a significant effect on employee extrinsic work motivation. Making extrinsic work motivation a mediating variable or intermediate endogenous variable is the difference between this study and previous studies.

Research conducted by Hossny et al., 2023 Phina et al., 2021 Santoso & Nugraheni, 2022 and Yanand et al., 2023 suggests that the organizational climate has a positive and significant effect on employee engagement. In contrast, research conducted by Abdullah (2022) and Juliasa et al. (2022) suggests that the organizational climate does not have a significant effect on employee engagement. In his research, Becaro (2022) states that the overall organizational climate affects employee engagement. Among the climate dimensions, only clarity and appreciation significantly affect employee engagement. The difference between this study and previous research is that extrinsic

work motivation variables are added as mediation variables.

With regard to the work motivation of permanent teachers who work at YBIMB, it has been conveyed that employees feel that unit leaders lack concern and motivation for employees' needs in doing their work. On the other hand, motivated employees tend to be willing to take on tasks, produce high-quality work, and be creative, persistent, and productive (Engidaw, 2021).

Research conducted by Anjasmara & Gunarto, 2022 Otyola et al. 2023; and Ross, 2022 suggest that extrinsic work motivation has a positive and significant effect on employee engagement. This is in contrast to research conducted by Miao et al. (2020), which states that the employee engagement component is more influenced by intrinsic motivation than by extrinsic motivation.

The difference between previous research and this study is that extrinsic work motivation is an intermediary endogenous variable on the influence of transformational leadership and organizational climate as an exogenous variable on employee engagement, which is an endogenous variable where it is difficult or even rare to find previous studies that examine the variables mentioned.

Wiandhani et al. (2022), in their research, stated that extrinsic work motivation mediates the direct influence of transformational leadership on employee performance with regard to increasing employee engagement. Research conducted by Hossan (2021) shows that extrinsic motivation factors mediate the relationship between transformational leadership style and employee engagement.

Based on the exposure of phenomena that occur in the YBIMB environment regarding employee engagement and the factors that influence it, relevant previous studies, research gaps, and inconsistencies in previous research results, the researcher wrote to compile the following research questions: (1) Whether there is the effect of TL on EE YBIMB teachers?; (2) Whether there is any influence of OC on EE teachers at YBIMB; (3) Is there any influence of EWM on EE YBIMB teachers?; (4) Is there any influence of TL on YBIMB teachers' EWM?; (5) Is there any influence of OC on YBIMB teachers' EWM?; (6) Is there a mediating role of EWM in the relationship between TL and EE YBIMB teachers?; (7) Is there a mediating role of EWM in the relationship between OC and EE teachers at YBIMB?

The purpose of this study is to measure variables, test hypotheses, and gain a deep understanding of the influence between independent variables and dependent variables. The relationship to be investigated in this study is TL and OC as independent variables that affect EE as

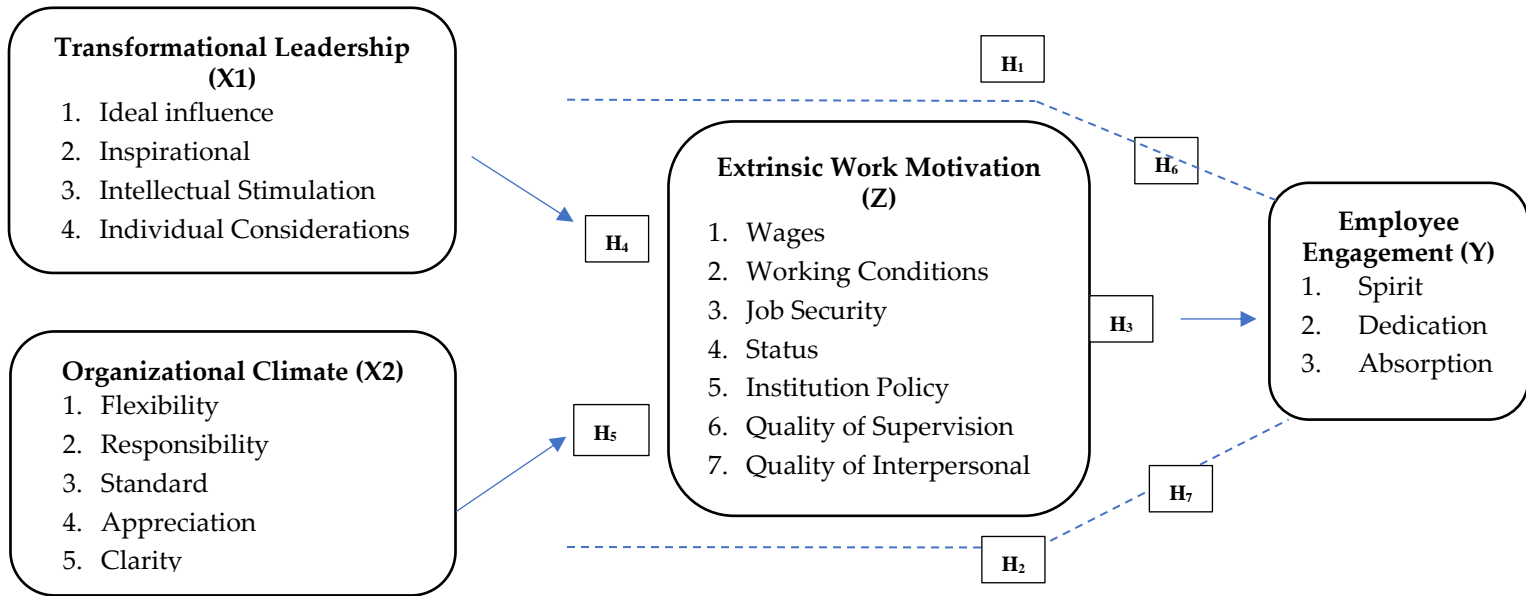
a dependent variable mediated by EWM. Theoretically, the benefit of this study is to add insight into how extrinsic work motivation mediators can affect the relationship between TL and OC to EE. While practically providing deeper insight and understanding of how TL and OC can affect EE employees, especially for YBIMB through EWM as mediation and generally for all other institutions.

METHOD

The method used in this study uses quantitative research research methods. Quantitative research is research that focuses on collecting and analyzing data based on numbers and statistics. The strategy used is associative causality based on the level of explanation, which is the approach used to identify causal relationships between two or more variables (Sugiyono, 2018 in Haya et al., 2023). The population and sample in this study were all YBIMB permanent teachers, totaling 84 respondents. In this study, sampling used the Non-Probability Sampling method, especially the saturated sampling method.

This study used two types of data, namely primary data and secondary data. Primary data is information collected directly by researchers for specific research needs. The primary data in this study was obtained through the collection of new information from relevant sources through interviews with YDIMB's human resources division heads and teachers. Secondary data is pre-existing data for different purposes. Secondary data in this study were obtained from literature and previous studies in the last five years. The instrument used in data collection is the questionnaire. The type of questionnaire used is a closed questionnaire. The questionnaire contains a list of statements that correspond to the research objectives (Creswell, 2009 in Hariadi & Muafi, 2022). The questionnaire is then given to the respondents to fill out, in this case, YBIMB teachers. The distribution of questionnaires is carried out through Google Forms. The measurement scale used is the Likert scale with 5 points. Researchers describe empirical thinking as follows:

Figure 1. Conceptual Framework of Transformational Leadership and Organizational Climate for Employee Engagement through Mediating Extrinsic Work Motivation



Source: Employee Engagement (Schaufeli et al., 2002 and Saks, 2022)), Extrinsic Work Motivation (Herzberg, 1959; Engidaw, 2021; and Sidik et al., 2022), Transformational Leadership (Bass & Avolio, 1990; Thanh & Quang, 2022), and Organizational Climate (Putter, 2010 and Becaro, 2022). Based on this conceptual framework, here are the hypotheses in this study:

The first hypothesis

- H₀: TL does not have a positive and significant effect on EE.
- H_a: TL has a positive and significant effect on EE.

Second hypothesis

- H₀: OC does not have a positive and significant effect on EE.
- H_a: OC has a positive and significant effect on EE.

Third hypothesis

- H₀: EWM does not have a positive and significant effect on EE.
- H_a: EWM has a positive and significant effect on EE.

Fourth hypothesis

- H₀: TL does not have a positive and significant effect on EWM.
- H_a: TL has a positive and significant effect on EWM.

Fifth hypothesis

- H₀: OC does not have a positive and significant effect on EWM.
- H_a: OC has a positive and significant effect on EWM.

Sixth hypothesis

- H₀: EWM does not mediate the influence of the relationship between TL and EE.
- H_a: EWM mediates the influence of the relationship between TL and EE.

Seventh hypothesis

- H₀: EWM does not mediate the influence of the relationship between OC and EE.
- H_a: EWM mediates the influence of the relationship between OC and EE.

The data analysis techniques used in this study are descriptive statistics and inferential statistics. The presentation of data in a statistical descriptive manner was assisted by IBM SPSS Statistics 25. The data analysis method was carried out with the SEM PLS 4.0.9.6. The selection of PLS-SEM is based on the explanation of Hair Jr et al. (2021) that PLS-SEM is chosen when the analysis involves testing theoretical frameworks from a predictive perspective, complex structural models with many constructs, indicators, and relationships, relatively small samples, as well as the need for latent variable scores for follow-up analysis.

FINDINGS AND DISCUSSION

Findings

This research was conducted at Yayasan Bina Insan Mulia Batam Riau Islands, with a sample of 84 respondents. In this study, researchers outlined the demographic traits of respondents, including gender, age, marital status, educational qualifications, organizational unit, and length of service. Researchers present data obtained from the results of respondents' responses to questionnaires related to research indicators and variables to explain the results of the discussion.

The measure of validity is described in outer loading values where the outer loading value received is $(LF) \geq 0.60$ (Chin, 1998). The level of reliability of research variables was seen from the size of Cronbach's Alpha and Composite Reliability (CR) ≥ 0.70 , and convergent valid was city seen from the size of Average Variance Extracted (AVE) $\geq .50$ (Hair Jr et al., 2021). In addition, the evaluation of the measurement model also needs to check the discriminant validity, where the statistical measures for discriminant validity are Fornell and Lacker criteria, Cross Loading, and HTMT (Heterotrait Monotrait Ratio).

Based on the initial processing, it can be seen thin at the PLS or outer model measurement mode of 51 statement ite, ms there are 11 indicators or statement items with outer loading less than 0.60 (invalid), namely TL1, TL11, OC1, OC7, OC9, OC12, OC15, OC16, EE1, EE2, and EE7. Furthermore, invalid indicators are removed from the PLS model and reestimated (respecification of the model). Here are the results of the processing:

Table 1. Outer Loadings Respecification

Items	Outer Loadings	Items	Outer Loadings	Items	Outer Loadings	Items	Outer Loadings
TL2	0.704	OC2	0.795	EWM1	0.751	EE3	0.730
TL3	0.733	OC3	0.890	EWM2	0.704	EE4	0.657
TL4	0.858	OC4	0.744	EWM3	0.907	EE5	0.756
TL5	0.650	OC5	0.722	EWM4	0.811	EE6	0.826
TL6	0.734	OC6	0.651	EWM5	0.673	EE8	0.715
TL7	0.774	OC8	0.780	EWM6	0.692	EE9	0.763
TL8	0.700	OC10	0.687	EWM7	0.868	EE10	0.627
TL9	0.732	OC11	0.727	EWM8	0.641		
TL10	0.700	OC13	0.742	EWM9	0.665		
		OC14	0.683	EWM10	0.799		
				EWM11	0.787		
				EWM12	0.767		
				EWM13	0.781		
				EWM14	0.681		

Source: Data processed SmartPLS 4.0.9.6 (2023)

Based on PLS model estimates, all measurement items used in this study are valid with outer loading above 0.60. Transformational leadership is measured by nine measurement items with outer loading between 0.650 and 0.858, indicating that all nine measurement items are valid. Organizational Climate is measured by ten measurement items with outer loading between 0.651 and 0.890, indicating that all ten measurement items are valid. Extrinsic work motivation is measured by 14 measurement items with outer loading between 0.641 and 0.907, indicating that all fourteen measurement items are valid. Employee Engagement is measured by seven measurement items with outer loading between 0.627 – 0.826, which shows that all seven measurement items are valid. Here are the levels of Convergent Validity with AVE:

Table 2. AVE Convergent Validity

Variable	Average Variance Extracted (AVE)
Transformational Leadership	0.538
Organizational Climate	0.555
Extrinsic Work Motivation	0.571
Employee Engagement	0.529

Source: Data processed SmartPLS 4.0.9.6 (2023)

Based on the processing of AVE values, all research variables above 0.50 show the accepted convergent validity.

Table 3. Validity of Cross-Loading Discriminants

ITEM	EE	EWM	OC	TL
EE10	0.627	0.352	0.317	0.251
EE3	0.730	0.621	0.598	0.432
EE4	0.657	0.486	0.475	0.277

EE5	0.756	0.481	0.509	0.376
EE6	0.826	0.504	0.473	0.357
EE8	0.716	0.472	0.471	0.351
EE9	0.763	0.468	0.381	0.283
EWM1	0.491	0.751	0.503	0.392
EWM10	0.560	0.799	0.638	0.616
EWM11	0.463	0.787	0.541	0.501
EWM12	0.443	0.767	0.565	0.423
EWM13	0.488	0.781	0.587	0.520
EWM14	0.487	0.681	0.471	0.433
EWM2	0.519	0.705	0.532	0.467
EWM3	0.613	0.907	0.754	0.629
EWM4	0.539	0.811	0.574	0.535
EWM5	0.462	0.673	0.387	0.558
EWM6	0.508	0.692	0.506	0.478
EWM7	0.560	0.868	0.573	0.583
EWM8	0.543	0.641	0.440	0.415
EWM9	0.474	0.665	0.407	0.479
OC10	0.406	0.674	0.687	0.612
OC11	0.556	0.592	0.727	0.413
OC13	0.481	0.488	0.742	0.393
OC14	0.427	0.451	0.683	0.377
OC2	0.492	0.434	0.795	0.325
OC3	0.589	0.628	0.890	0.463
OC4	0.476	0.518	0.744	0.438
OC5	0.482	0.554	0.722	0.496
OC6	0.370	0.413	0.651	0.233
OC8	0.513	0.508	0.780	0.378
TL10	0.271	0.300	0.227	0.700
TL3	0.389	0.539	0.567	0.733
TL4	0.286	0.534	0.434	0.858
TL5	0.296	0.493	0.342	0.650
TL6	0.341	0.546	0.410	0.734
TL7	0.377	0.509	0.434	0.774
TL8	0.380	0.462	0.414	0.700
TL9	0.384	0.505	0.390	0.732
TL2	0.326	0.461	0.426	0.704

Source: Data processed SmartPLS 4.0.9.6 (2023)

All measurement items TL2, TL3, ..., and TL10 correlate higher with transformational leadership variables than correlate with other variables, so this shows that the evaluation of discriminant validity for each transformational leadership item is met. Likewise, with the evaluation of other measurement items, overall measurement items correlate higher with the variable they measure and are low correlated with other variables. The results of the discriminant validity evaluation with cross-loading are met.

Table 4. Validity of the Fornell-Lacker Criterion Discriminant

Variable	EE	EWM	OC	TL
EE	0.728			
EWM	0.678	0.756		
OC	0.649	0.716	0.745	
TL	0.467	0.670	0.564	0.734

Source: Data processed SmartPLS 4.0.9.6 (2023)

Overall, the evaluation results show that discriminant validity evaluations for variables Transformational Leadership, Organizational Climate, Employee Engagement, and Extrinsic Work Motivation are acceptable. The root AVE for employee engagement was 0.728, with a greater correlation compared to organizational climate (0.678), a higher correlation with transformational leadership (0.467), and extrinsic work motivation (0.678). Likewise, with other variables, where the entire AVE root of each variable is greater than its correlation with other variables, the discriminatory validity of the Fornell and Lacker criteria is accepted.

Table 5. Heterotrait Monotrait Ratio

Variable	EE	EWM	OC	TL
EE				
EWM	0.744			
OC	0.716	0.759		
TL	0.520	0.718	0.605	

Source: Data processed SmartPLS 4.0.9.6 (2023)

The estimation results show that all variable pairs have an HTMT of less than 0.90, so the discriminant validity evaluation is accepted.

Table 6. Cronbach's Alpha Reliability and Composite Reliability

Variable	Cronbach's Alpha	Composite Reliability (rho_c)	Information
Employee Engagement	0.851	0.887	Reliable
Extrinsic Work Motivation	0.941	0.949	Reliable
Organizational Climate	0.910	0.925	Reliable
Transformational Leadership	0.892	0.913	Reliable

Source: Data processed SmartPLS 4.0.9.6 (2023)

The reliability level of all research variables shows accepted results where Cronbach's Alpha values for the variables Transformational Leadership, Organizational Climate, Employee Engagement, and Extrinsic Work Motivation are above 0.70, and Composite Reliability is above (0.70). These results indicate that the internal consistency of each measurement item that measures all research variables is met (reliable).

Table 7. R Square

	R-square
EXtrinsic Work Motivation	0.617
Employee Engagement	0.516

Source: Data processed SmartPLS 4.0.9.6 (2023)

Based on the results of the processing above, it can be said that the magnitude of the joint influence of Transformational Leadership and Organizational Climate on Extrinsic Work Motivation is 0.617 or 61.7%, and the remaining 38.3% is influenced by other variables. The two magnitudes of the joint influence of Transformational Leadership, Organizational Climate, and Extrinsic Work Motivation on Employee Engagement was 0.516 or 51.6%, and the remaining 48.4% was influenced by other variables.

Q-square describes a measure of prediction accuracy, namely how well each change in exogenous/endogenous variables is able to predict endogenous variables. This measure is a form of validity in PLS to express the predictive relevance of the model. A q-square value above 0 indicates that the model has predictive relevance.

Table 8. Q-square

	SSO	SSE	Q² (=1-SSE/SSO)
EWM	1.176.000	778.571	0.338
EE	588.000	441.171	0.250

Source: Data processed SmartPLS 4.0.9.6(2023)

Based on the results of the processing above, the value of the Q-square variable Extrinsic Work Motivation and Employee Engagement is 0.338, and 0.250 above 0 shows that the model built has predictive relevance.

Table 9. Standardized Root Mean Square Residual (SRMR)

Estimated Model	
SRMR	0,084

Source: Data processed SmartPLS 4.0.9.6(2023)

Based on processing, the SRMR (Standardized Root Mean Square Residual) value is 0.084, whereas according to Schermelleh et al., 2003 in Yamin (2023), the SRMR value is located between 0.08 – 0.10, indicating acceptable fit or acceptable PLS models. According to Wetzels et al. (2009) in Yamin S (2022), the interpretation of GoF index values is 0.1 (low), 0.25 (medium), and 0.36 (high).

Table 10. GoF Index

Communality	R Square	GoF Index
0,548	0,567	0,558

Source: Data processed in 2023

The calculation results show that the GoF value of the model is 0.558, including the high GoF category. This means that empirical data can explain measurement models and measurement models with a high match rate.

The next test step, which is used to determine whether a hypothesis is accepted or rejected, involves observing significance values between statistical t-constructs and p-values. In this study, through the bootstrapping resampling method, significant results with a value of 0.05 can be seen in the following table:

Table 11. Path Coefficients

Hypothesis		Original	Mean	STDEV	(O/STDEV)	P values
H ₁	TL -> EE	-0.029	-0.025	0.104	0.278	0.391
H ₂	OC -> EE	0.340	0.346	0.108	3.140	0.001
H ₃	EWM -> EE	0.454	0.451	0.114	3.995	0.000
H ₄	TL -> EWM	0.391	0.399	0.074	5.306	0.000
H ₅	OC -> EWM	0.496	0.493	0.081	6.089	0.000

Source: Data processed SmartPLS 4.0.9.6 (2023)

Hypothesis testing is also carried out to mediate variables so that results can be seen in Table 12. below:

Table 12. Specific Indirect Effect

Hypothesis		Original	Mean	STDEV	(O/STDEV)	P-values
H ₆	TL -> EWM -> EE	0.177	0.181	0.059	3.010	0.001
H ₇	OC -> EWM -> EE	0.225	0.222	0.066	3.424	0.000

Source: Data processed SmartPLS 4.0.9.6 (2023)

Based on the results of hypothesis testing in Table 11 and Table 12 above, it is known as follows:

1. The first hypothesis (H₁) shows no direct effect of TL on EE by path coefficient -0.029 and statistical $t\ 0.278 < 1.645$ or p-value $0.391 > 0.05$. This means that H₀ is accepted and H_a is rejected. The results of the first hypothesis analysis provide findings that transformational leadership has no direct and insignificant effect on YBIMB teacher-employee engagement.
2. The second hypothesis (H₂) shows a significant direct effect of OC on EE of path coefficient 0.340 and statistical $t\ 3.140 > 1.645$ or p-value $0.001 < 0.05$. This means that H₀ is rejected. The results of

the second hypothesis analysis provide findings, namely, that the organizational climate has a positive and significant effect on employee engagement. A supportive organizational climate can increase employee engagement of YBIMB teachers.

3. The third hypothesis (H_3) shows a significant direct effect of EWM on EE of path coefficient 0.454 and statistical t 3.995 > 1.645 or p -value 0.000 < 0.05. This means that H_0 is rejected. The results of the third hypothesis analysis provide findings, namely, extrinsic work motivation has a positive and significant effect on employee engagement. Increasing extrinsic work motivation can increase employee engagement of YBIMB teachers.
4. The fourth hypothesis (H_4) shows a significant direct effect of TL on EWM of path coefficient 0.391 and statistical t of 5.306 > 1.645 or p -value 0.000 < 0.05. This means that H_0 is rejected. The results of the fourth hypothesis analysis provide findings, namely that transformational leadership has a positive and significant effect on the extrinsic work motivation of YBIMB teachers.
5. The fifth hypothesis (H_5) shows a significant effect of OC on EWM of path coefficient 0.496 and statistical t 6.089 > 1.645 or p -value 0.000 < 0.05. This means that H_0 is rejected. The results of the fifth hypothesis analysis provide findings that organizational climate has a positive and significant effect on the extrinsic work motivation of YBIMB teachers.
6. The sixth hypothesis (H_6) shows that EWM plays a significant role as a mediating variable, namely a variable that mediates the indirect influence of TL on increasing EE with a path coefficient of mediation (0.177) and statistical t (3.010 > 1.645) or p -value (0.001 < 0.05). Because TL has no direct and insignificant effect on EE in the first hypothesis (H_1), the mediating effect of extrinsic work motivation includes full mediation. This means that H_0 is rejected. The results of the sixth hypothesis analysis provide findings, namely, extrinsic work motivation mediates transformational leadership toward YBIMB teacher-employee engagement.
7. The seventh hypothesis (H_7) shows that EWM plays a significant role as a mediating variable, namely the variable that mediates the indirect influence of OC on increasing EE with a path coefficient of mediation (0.225) and statistical t (3.424 > 1.645) or p -value (0.000 < 0.05). Because OC has a significant direct effect on EE on the second hypothesis (H_2), the mediating effect of extrinsic work motivation includes partial mediation. This means that H_0 is rejected. The results of the seventh hypothesis analysis provide findings, namely, extrinsic work motivation mediates the organizational climate for YBIMB teacher-employee engagement.

Discussion

Based on the literature review that has been discussed and the empirical study above, a detailed discussion of the results of the analysis and testing of research hypotheses is explained as follows:

TL Positively and Significantly Impacts Teacher EE

The H_1 test proves that transformational leadership does not have a direct and significant effect on teacher-employee engagement at the Bina Insan Mulia Foundation, Batam, Riau Islands, so H_a is rejected. Measurement items with TL4 and TL7 codes on inspirational dimensions and intellectual stimulation are the most dominant indicators in reflecting transformational leadership, where the leader of each YBIMB unit builds trust and involves teachers in teamwork and solving problems with different points of view is not aligned with significant positive perceptions related to Transformational Leadership in building teacher engagement at YBIMB. This finding supports research conducted by Juliasa et al. (2022) and Santoso & Nugraheni (2022), which suggests that Transformational Leadership does not have a significant effect on employee Engagement.

OC Positively and Significantly Affects Teacher EE

The results of the H_a Test were received, showing that the organizational climate had a significant positive impact on YBIMB teacher engagement. Measurement items with OC3 and OC8 codes on the dimensions of flexibility and standards, where YBIMB teachers are encouraged to take reasonable risks and asked to compare with the external environment to perform better the most significant measurement items representing the organizational climate that can increase teacher engagement in YBIMB. These findings support research conducted by research conducted by Hossny et al., 2020 Phina et al., 2021 Santoso & Nugraheni, 2020; Yaneta et al. 2023 suggest that organizational climate has a positive and significant effect on employee engagement.

EWM Positively and Significantly Affects Teacher EE

The results of the H_a Test were accepted, showing that extrinsic work motivation had a significant positive impact on teacher engagement at YBIMB. The highest and most significant measurement representing extrinsic work motivation is in the measurement item with the code EWM3 on the dimension of working conditions, where teachers feel motivated when the institution has adequate work facilities. This can make teachers more involved with the institution. These findings support research conducted by research conducted by Anjasmara & Gunarto, 2022 Otyola et al., 2023 Ross, 2022 suggests that extrinsic work motivation has a positive and significant effect on

employee engagement. The results of this study are also in line with Engidaw (2021). In his research, it was concluded that the influence of extrinsic motivation is stronger on employee attachment.

TL Positively and Significantly Affects Teachers' EWM

The H_a test proves that transformational leadership has a significant effect on the extrinsic work motivation of teachers at YBIMB, so H_a is accepted. These findings support research conducted by Dewi & Surya, 2022 Manurung 2020 Rahman et al., 2023 and Wiandhani et al., 2022 stated that transformational leadership has a positive and significant effect on extrinsic work motivation. The results of this study are in line with Hyseni Duraku & Hoxha's (2021) research, stating that the characteristics of transformational school leaders have a positive impact on teacher work motivation.

OC Positively and Significantly Affects Teachers' EWM

The results of the H_a Test were received, showing that the organizational climate had a significant positive effect on the extrinsic work motivation of teachers at YBIMB. This indicates that factors related to organizational climate, including the dimensions of reward, flexibility, responsibility, and standards, have a significant impact on the level of extrinsic motivation of teachers at YBIMB. This finding supports research conducted by research conducted by Dewi & Surya (2022) and Wuryandini & Abdullah (2023), which suggests that organizational climate positively affects employees' external work motivation.

EWM Plays a Role in Mediating TL to Teacher EE

The H_a test is accepted where extrinsic work motivation plays a role in mediating transformational leadership towards teacher-employee engagement Bina Insan Mulia Foundation Batam Riau Islands. In H_1 , transformational leadership has no direct effect on employee engagement, so the mediating effect of extrinsic work motivation includes full mediation. These findings support research conducted by Hossan (2021), which states that extrinsic motivational factors mediate the relationship between transformational leadership style relationships and employee engagement.

EWM plays a role in Mediating the OC for Teacher EE

H_a testing is accepted where extrinsic work motivation plays a role in mediating the organizational climate for teacher-employee engagement Bina Insan Mulia Foundation Batam Riau Islands. Because Organizational Climate has a significant direct effect on Employee Engagement in the second hypothesis, the mediating effect of Extrinsic Work motivation includes partial mediation. This supports the opinion of Roth et al. (2022) and Phina et al. (2021), who put forward that the organizational climate itself is attractive for employees to work comfortably. Many factors influence

the formation of organizational climate, such as material motivation and moral support. When the organizational climate is high, employee engagement will also increase.

CONCLUSION

Based on the analysis of the results and discussion in this study, it can be concluded as follows: TL has no direct and insignificant effect on EE, OC had a significant positive effect on EE, EWM had a significant positive effect on EE, TL had a significant positive effect on EWM, OC had a significant effect on EE. EWM fully mediates the influence of TL on EE, and EWM partially mediates the influence of OC on EE. In this study, Transformational Leadership does not directly affect teacher-employee engagement. Organizational climate, especially in the dimension of flexibility, has a positive and significant impact on teacher-employee engagement. Extrinsic work motivation through the dimension of working conditions, especially with respect to adequate work facilities, plays an important role in increasing teacher-employee engagement. Transformational Leadership and Organizational Climate each contribute positively to teachers' Extrinsic Work Motivation. Furthermore, Extrinsic Work Motivation becomes a full mediator between Transformational Leadership and Employee Engagement, also partially mediating the relationship between Organizational Climate and teacher-employee engagement.

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