

The Effect of Proactive Personality and Core Self-Evaluation on Work Engagement Mediated by Entrepreneurial Resilience in Start-Up Companies in Greater Jakarta

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Abstract. Start-ups become a critical sector when the economy in Indonesia experiences a crisis. However, start-ups face challenges in running their business, one of which is human resources. This study aims to analyze the Effect of proactive personality and core self-evaluation on work engagement mediated by entrepreneurial resilience in Start-Up companies in Greater Jakarta. Data was obtained by distributing questionnaires to 150 respondents with 45 statements. The data analysis technique used is path analysis. The results show that proactive personality and core self-evaluation positively and significantly affect work engagement and entrepreneurial resilience. The results also show that entrepreneurial resilience positively and significantly affects work engagement. The proactive personality positively influences work engagement, which is mediated by entrepreneurial resilience. Core self-evaluation positively influences work engagement, which is mediated by entrepreneurial resilience.

Keywords: *Core self-evaluation; entrepreneurial resilience; proactive personality; work engagement*

I. Introduction

In Indonesia, start-ups play a strategic role in the economy. During the COVID-19 pandemic, people's purchasing power fell, unemployment increased, and the economy slowed down. However, the start-up business sector is a solution to the current crisis. Indonesia has at least 2,346 local start-ups (Annur & Mutia, 2022). The potential for internet use in Indonesia which is increasing every year, is also a catalyst for building a start-up. Therefore, some start-ups are taking advantage of the Covid-19 pandemic as the right time to innovate and provide the possibility to develop Indonesia's digital economy.

A start-up is a technology-based company that uses the added value of the combined technology to provide a new product or service. It is defined as "innovation through technology". Start-ups use a scalable business model; that is, a start-up invests in improving the technology on which its project is based, and once the technology is improved, it creates a product or service. There have been many start-up businesses in Indonesia, including Tokopedia, Gojek, Tokopedia, and others. All of these businesses focus on the service and trade sectors that meet the daily needs of consumers, the majority of whom are online.

Jabodetabek is an area in Indonesia with the most significant start-up development, not only local start-ups but also start-ups from other countries interested in running start-ups in Indonesia. Following data published on 27 July 2019, the Digital Creative Industry Society said that Jabodetabek is one of the top 3 regions with the highest number of start-ups in Indonesia. Five hundred twenty-two start-ups, or more than half, are in the Greater Jakarta area (Dihni & Ahdiat, 2022).

The main challenges and problems faced by start-ups are the market (7,94%), regulations and laws (8,82%), facilities (15,00%), human resources (29,41%), and capital (38,82%) (MIKTI dan Teknopreneur Indonesia, 2018). Dave McClure, the founding partner of 500 start-ups, stated that "a start-up is a business whose product is not clear, what the business model is, and who the customers are" (Rizka, 2019). Human resources are one of the factors that determine start-up performance.

The intention to start a new business depends on three perspectives: personal perspective (understanding existing entrepreneurial skills), economic opportunity perspective and network services (Fajrillah, et al., 2020). In this regard, work engagement is essential in determining start-up performance. Work engagement relates to all forms of challenging work. It describes the ability of employees to bring their total capacity to problem-solving, develop innovative management services that make a difference, relate to people, and employee responses to organizational structures, policies, and practices that affect their potential to be engaged (Heyns & Boikanyo, 2019).

To achieve good work engagement, it takes an entrepreneur to have a proactive personality or a proactive personality in running his business. A proactive person usually tends to recognize opportunities and take the necessary steps to pursue them while persisting in their efforts until the desired goal is achieved (Neneh, 2019). In addition, core self-evaluation in employees can encourage better work engagement. Everyone with a positive core self-evaluation has a better estimate of job characteristics that ultimately affect job satisfaction (Chhabra, 2018). Core self-evaluation represents a person's fundamental evaluation of his or her abilities and self-worth. These represent stable personality traits, including individuals' subconscious and fundamental evaluations of themselves, their abilities and self-control. Several studies

also explain that work engagement depends on proactive personality (Wang, et al., 2017; Cooper-Thomas, et al., 2014) and Core Self-Evaluation (Yang, et al., 2017).

Related to the resilience of start-ups, entrepreneurs with solid abilities are also needed who can take action in difficult times and have a higher tendency to act than non-resilient individuals, who are easily discouraged by challenges and a dangerous environment (Gorgievski & Stephan, 2016). Resilience entrepreneurs may perform well again when business opportunities arise or face difficulties (Santoro, et al., 2020).

Based on the phenomena above, this study aims to determine the effect of proactive personality and core self-evaluation on work engagement mediated by entrepreneurial resilience in start-up companies in Greater Jakarta.

State of the Art

This research is a development of research that has been done previously. In making a research model that shows the relationship between the variables used in the study, the researcher collaborates on several models and indicators derived from previous studies. The relationship between proactive personality and work engagement is developed from studies by (Wang, et al., 2017; Anugrahito & Muafi, 2020), the effect of core self-evaluation on work engagement is developed from studies by (Karatepe & Demir, 2014; Anugrahito & Muafi, 2020), and the role of entrepreneur resilience is developed from the studies by (Zakiy, 2019).

II. Literature Review

A proactive personality is an attitude that takes advantage of opportunities, is not afraid to act to decide something, and actively carries out the work (Zhu & Li, 2021). A proactive personality is an effort to deal with problems, take advantage of future opportunities, and fulfil all needs (Sriyanto & Alamidah, 2018). Proactive employees can continue to exchange information with several stakeholders from outside and within the organization (Zhang, et al., 2021). A proactive person is more persistent, dares to take action and is opportunistic in bringing about valuable change (Naz, et al., 2020). A proactive personality is someone who takes the initiative in shaping positive environmental changes through creating new things, overcoming obstacles, and increasing the flow of circumstances (Lukito, 2020). From these definitions, it can be understood that a proactive personality is an action that takes the initiative from within a person in contributing to changes in the environment that can impact the person or the environment by identifying opportunities. A proactive personality scale is an indicator for measuring this variable (Liñán & Chen, 2009).

The term core self-evaluation refers to a fundamental global assessment that makes a person who has morals, for example, if they can overcome a challenge and task faced in their life and feel it controls their life (Farčić, et al., 2020). Core self-evaluation (CSE) represents individuals' fundamental assessments of their self-worth and abilities. Core self-evaluation is a general personal characteristic that includes the shared elements of several well-studied personalities, such as neuroticism, self-esteem, and locus of control (Forgione, 2021). Core self-evaluation is the basic assumption that a person holds regarding his/her ability, worthiness, and function as a personality in their environment.

Work engagement is an effective, positive, and satisfying working condition. Engaged employees have high enthusiasm and energy to be involved with work (Costa, et al., 2014). Most authors agree that work engagement is an identification and energy dimension. Work engagement is characterized as a strong identification and high power towards an individual's work (Bakker & Leiter, 2010). When engagement occurs, employees become motivated to strive for challenging goals. Work engagement goes beyond simply addressing immediate conditions. Employees receive a personal commitment to achieving this. Work engagement describes the personal energy that employees bring to their work.

Entrepreneurial resilience is a multidimensional concept related to several fields, based on physical material properties to psychological behaviour, obtaining analytical perspectives and theoretical approaches (Santoro, et al., 2020). Resilience is a multidimensional construct that includes good behaviours and attitudes. Resilience can be assessed as a combination of several behavioural and personal qualities rather than a characteristic (Ayala & Manzano, 2014). Entrepreneurial resilience is a dynamic adaptation stage that allows business actors to always look ahead to the tough and volatile market conditions faced in the market (Bernard & Barbosa, 2016). Ayala & Manzano (2014) argue that successful entrepreneurs set business goals and make the right decisions in an uncertain environment. Entrepreneurial resilience underlies that extreme events can grow new businesses due to disrupted habits and weakening of traditional institutions, which can lead to a shift in the balance of power in favour of smaller, more flexible organizations (Brück, et al., 2011).

III. Research Method

This study uses an associative quantitative approach. The variables in this study are proactive personality and core self-evaluation as independent variables, entrepreneurial resilience as mediating variables, and work engagement as the dependent variable. The design of this research is as follows:

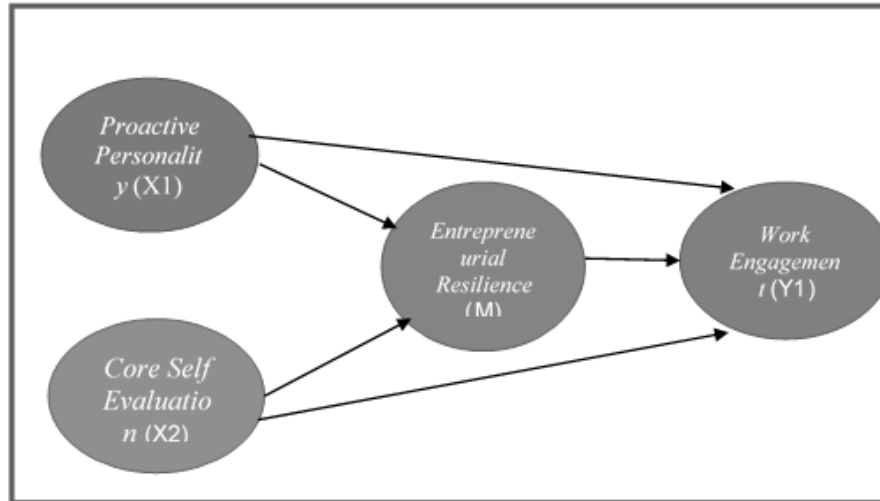


Figure 1 Research model

The research hypotheses are as follows:

- H₁ = Proactive personality has a positive and significant influence on work engagement
- H₂ = Core self-evaluation has a positive influence on work engagement
- H₃ = Proactive personality has a positive and significant influence on entrepreneurial resilience
- H₄ = Core self-evaluation has a positive and significant influence on entrepreneurial resilience
- H₅ = Proactive personality has a positive influence on work engagement mediated by entrepreneurial resilience
- H₆ = Core self-evaluation has a positive effect on work engagement mediated by entrepreneurial resilience

The population of this research is all employees in start-up companies in Jabodetabek. The research sample used the purposive sampling technique. The sample that became the respondents in this study were 150 employees at start-up companies in Greater Jakarta. The sample requirements in this study are employees at start-up companies in Greater Jakarta who have worked for at least one year. Research data were collected by questionnaire.

Data analysis was carried out by testing the quality of the data through validity tests, reliability tests, and classical assumption tests. The data analysis technique used is path analysis using LISREL 8.0 and SPSS 25.0 software.

IV. Results and Discussion

The Effect of Proactive Personality on Work Engagement

Based on the analysis results, proactive personality has a direct effect of 39% and an indirect effect through core self-evaluation of 13% on work engagement. Furthermore, the total effect of proactive personality on work engagement is 51%. Based on the test results, core self-evaluation has a positive and significant effect on work engagement. The path coefficient of 0,298 is positive, so the results of this test provide empirical evidence that higher or better core self-evaluation will increase work engagement.

A strong proactive personality tends to show initiative in his work. A person who has a strong proactive personality can set his challenges (Suthar, 2020) and actively strive to stay committed to work (Chong, et al., 2021). This condition makes employees more motivated to involve themselves in activities. Employees with a highly proactive personality seek to influence and shape the work environment into a supportive and conducive condition. The ability of employees to have a proactive personality in influencing

and adjusting the work environment can make employees more satisfied with their work (Mubarak, et al., 2021). This statement is reinforced by research (Wang, et al., 2017; Muafi & Si, 2020) which stated that there is a positive relationship between work engagement and proactive personality.

The Effect of Core Self-Evaluation on Work Engagement

The analysis results also show that the Core self-evaluation variable has a direct effect of 9% and an indirect effect through proactive personality of 13%. Furthermore, the total Effect of Core self-evaluation on Work Engagement is 22%. Based on the test results, it can be concluded that the core self-evaluation has a positive and significant effect on work engagement. The path coefficient of 0,298 is positive, so the results of this test provide empirical evidence that the higher or better the core self-evaluation will increase work engagement.

When employees believe that their job or role is significant and in line with the goals and values of themselves or the organization, they will bring themselves into the job and show their commitment. Research conducted by oleh (Karatepe & Demir, 2014) stated that core self-evaluation has a positive and significant effect on work engagement. It is supported by Yoo & Lee's research (2019) which supports that core self-evaluation has a positive and significant effect on work engagement.

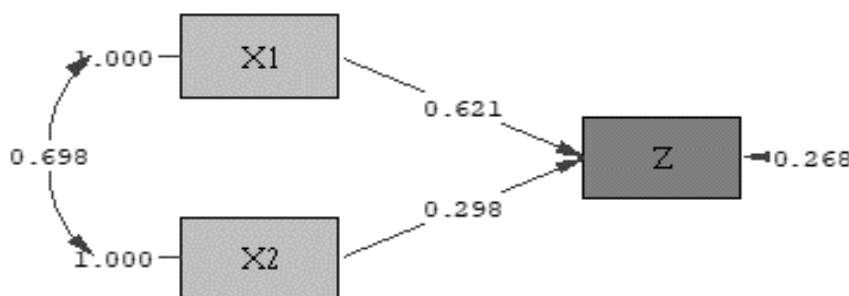


Figure 2 Path Diagram of *Proactive Personality* and *Core self-evaluation* on *Work Engagement*

The Effect of Proactive Personality on Entrepreneurial Resilience

Next, the proactive personality variable has a direct effect of 13% and an indirect effect through core self-evaluation of 14%. Furthermore, the total effect of proactive personality on entrepreneurial resilience is 27%. Based on the test results, it can be concluded that proactive personality positively and significantly influences entrepreneurial resilience. The path coefficient is 0,363 with positive direction, so the results of this test provide empirical evidence that the higher or better the proactive personality, the higher the entrepreneurial resilience.

Someone proactive is looking for opportunities to survive, act, and take the initiative until a significant change occurs. Someone who has a proactive personality always wants to influence the environment. Someone with a proactive personality tends to be more interested in opening a business and being responsible for his own business than being an employee and needs to report to management. Someone with a proactive personality has the skills to actively change the environment and show initiative to survive until change occurs. Individuals with proactive personality have the skills to be able to handle adverse situations, feel capable of achieving their goals, and feel that they can take control of their lives. (Ayala & Manzano, 2014; Delle & Amadu, 2015; Bernard & Barbosa, 2016).

The Effect of Core Self-Evaluation on Entrepreneurial Resilience

The calculation of the core self-evaluation variable analysis showed a direct effect of 30% and an indirect effect through proactive personality of 14% on entrepreneurial resilience . Furthermore, the total effect of core self-evaluation on entrepreneurial resilience is 44%. Based on the test results, it can be concluded that the core self-evaluation has a positive and significant effect on entrepreneurial resilience. The path coefficient is 0,545 with positive direction, so the results of this test provide empirical evidence that the higher or better the core self-evaluation, the higher the entrepreneurial resilience. Individuals with high core self-evaluation will feel confident and think positively about themselves, while people with low self-evaluation will lack self-confidence. A person with a good core self-evaluation is more motivated to do their job and is more agile in dealing with problems through better problem-solving strategies. Therefore, it will encourage the improvement of entrepreneur resilience. The results of this study are supported by

previous research (Bernard & Barbosa, 2016), which indicates that the strength of entrepreneurial resilience is inseparable from individuals who have sensitivity to their environment through evaluation of their competencies.

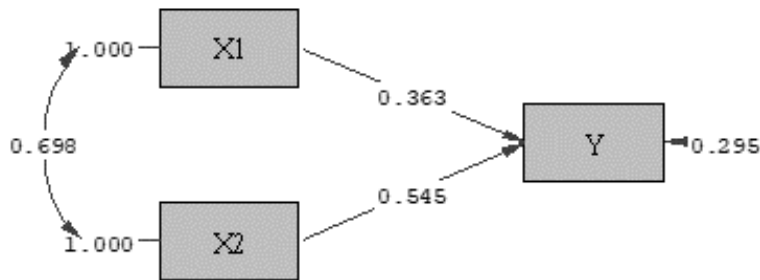


Figure 3 Path Diagram of *Proactive Personality* and *Core Self Evaluation* on *Entrepreneurial Resilience*

The Effect of Entrepreneurial Resilience on Work Engagement

Based on the test results in table 1, the t_{count} of the entrepreneurial resilience variable is 17,542. Because the value of t_{count} is higher than t_{table} ($17,542 > 1,976$), it was decided to reject H_0 and accept H_1 . Based on the test results, it can be concluded that entrepreneurial resilience positively and significantly affects work engagement. Furthermore, the path coefficient is 0,822 with positive direction, so the results of this test provide empirical evidence that the higher or better the entrepreneurial resilience, the higher the work engagement.

Table 1 Test Result of the Effect of Entrepreneurial Resilience on Work Engagement

Path Coefficient	T_{value}	t_{table} (db:147)	H_0	H_1
0,822	2	17,54	1,976	ed
			Reject	d
			Accepte	

The Effect of Proactive Personality on Work Engagement Mediated by Entrepreneurial Resilience

Based on the test results, the value of Z_{count} is greater than Z_{table} ($5,451 > 1,98$). H_0 is rejected, meaning that proactive personality positively influences work engagement mediated by entrepreneurial resilience. When employees have high initiative in their work, they can overcome obstacles, improve the flow of circumstances or create new things, and the employee will increase his ability in resilience. This resilience ability can ultimately have implications for increasing work engagement. The results of this study are also supported by previous research (Ayala & Manzano, 2014; Delle & Amadu, 2015) which explains the importance of proactive personality in increasing entrepreneurial resilience and has implications for work engagement (Wang, et al., 2017; Yang, et al. , 2017)

Table 2 The Sobel Test Results of The Effect of Proactive Personality on Work Engagement Mediated by Entrepreneurial Resilience

Z_{score}	Z_{table} (5%)	Conclusion
5,451	1,98	Significant

The Effect of Core Self-Evaluation on Work Engagement Mediated by Entrepreneurial Resilience

Based on the test results, the Z_{count} is 7,504. The value of Z_{count} is greater than Z_{table} ($7,504 > 1,98$). H_0 is rejected, meaning that core self-evaluation has a positive influence on work engagement mediated by entrepreneurial resilience.

Table 3 The Effect of Core Self-Evaluation on Work Engagement Mediated by Entrepreneurial Resilience

Z_{score}	Z_{table} (5%)	Conclusion
7,504	1,98	Significant

The results of this analysis show that in a positive work environment with lots of organizational resources, employees can increase their level of core self-evaluation and show a high level of work engagement. Core self-evaluation also encourages individuals to be able to face various possibilities that occur more readily. Previous research has also shown that individuals with high levels of core self-evaluation will be better prepared to face all possibilities. This indicates a high level of entrepreneurial resilience (Bernard & Barbosa, 2016) will have implications for high work engagement (Zakiy, 2019).

V. Conclusion

The results show that proactive personality and core self-evaluation positively and significantly affect work engagement and entrepreneurial resilience. The results also show that entrepreneurial resilience positively and significantly affects work engagement. The proactive personality positively influences work engagement, which is mediated by entrepreneurial resilience. Core self-evaluation positively influences work engagement, which is mediated by entrepreneurial resilience. Subsequent research can expand the variables that explain work engagement in start-ups such as its implications for employee performance. In addition, further research can be developed on start-up companies spread across several regions in Indonesia. The limitation of this research is data collection using questionnaires, so it cannot deepen the quality of respondents' answers. Subsequent research can add data collection methods through in-depth interviews or focus group discussions to obtain a more comprehensive analysis explanation.

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