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The Influence Of Organizational Trust On Employee Engagement With Work Stress As A Moderating Variable Among Employees Of Bank Lampung In Bandar Lampung

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Abstrak

Employee engagement is one of the key factors that supports the achievement of organizational goals. This study aims to examine the effect of organizational trust on employee engagement, with work stress serving as a moderating variable among employees of Bank Lampung in Bandar Lampung. This study employed a quantitative approach using a survey method. The sampling technique was conducted through a questionnaire survey involving 124 employees of Bank Lampung across all branches in Bandar Lampung. The data were analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS). The results support the proposed hypotheses, indicating that organizational trust has a positive and significant effect on employee engagement. Furthermore, work stress was found to moderate the relationship between organizational trust and employee engagement. These findings highlight the importance of continuously enhancing organizational trust through open communication, consistent organizational policies, and organizational support for employees. In addition, work stress should be managed effectively so that it can serve as a factor that strengthens employee engagement in carrying out their work.

Keywords : Organizational trust, Employee angagement, Work stress

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INTRODUCTION

Competitive advantage in the banking sector in the digital age depends heavily on the quality of human resources, particularly the level of employee engagement. Employee engagement is a positive psychological state characterized by vigor, dedication, and absorption, which contributes to increased productivity and the quality of customer service (Schaufeli et al., 2002; Mubashar et al., 2022). One factor that drives employee engagement is organizational trust—that is, employees' belief in the organization's integrity, competence, and care. This trust creates a sense of psychological security, thereby encouraging employees to demonstrate greater dedication and contribute more to their work (McAllister, 1995; Ali et al., 2024).

However, the relationship between organizational trust and employee engagement does not always function optimally because it is influenced by levels of work stress. In the banking industry, high work targets, administrative burdens, the digitization of services, and demands for accuracy are often sources of stress that can reduce work effectiveness (Robbins & Judge, 2017; Obiora et al., 2023). According to Beehr et al. (2018), work stress stems from job characteristics, role conflicts, interpersonal relationships, organizational style, career development, and work-family conflicts. Therefore, in this study, work stress is positioned as a moderating variable that has the potential to strengthen or weaken the influence of organizational trust on employee engagement (Solomon et al., 2020).

This phenomenon is relevant to the situation at Bank Lampung, which continues to strive to improve service quality by strengthening its human resources amid rising business targets and digital transformation. Based on data from the Human Resources Department of Bank Lampung's Bandar Lampung Branch Office for the year 2025, the study population consisted of 344 employees spread across the head office and seven sub-branches in Bandar Lampung. The head office has 232 employees, while the Antasi Sub-Branch has 18, the Kartini Sub-Branch has 23, the South Teluk Betung Sub-Branch has 14, the Teuku Umar Sub-Branch has 18, the Panjang Sub-Branch has 12, the Ryacudu Sub-Branch has 16, and the Kemiling Sub-Branch has 11, meaning that Bank Lampung has a total of 344 employees.

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Table 1. Absenteeism Rates for All Employees at the Bank Lampung Branch Office in Bandar Lampung in 2025

NO.	MONTH	NUMBER OF WORKING DAYS (PER MONTH)	NUMBER OF ABSENCES (%)
1.	January	19	98,98%
2.	February	19	99.51%
3.	March	19	99,22%
4.	April	15	98,94%
5.	May	18	98,68%
6.	June	19	98,82%
7.	July	21	99,16%
8.	August	22	99,31%
9.	September	22	99,25%
10.	October	20	97,22%
11.	November	23	99,17%
12.	December	21	99,41%

Source: Human Resources Department, Bank Lampung, Bandar Lampung Branch Office

Operations are conducted over five business days, with an eight-hour workday. In addition, employee attendance is very high, with an average attendance rate of 98.97% throughout 2025, although there was a decline to 97.22% in October. The high attendance rate demonstrates employee discipline; however, it does not fully reflect the level of employee engagement, as employee engagement is influenced by psychological factors, such as trust in the organization and work-related stress levels. In line with Bank Lampung's vision to become a trusted and competitive regional bank, human resource management is one of the top priorities in supporting the achievement of organizational goals. Building organizational trust and managing work-related stress are crucial for ensuring that employees remain highly engaged in performing their duties. Based on this background, this study aims to analyze the effect of organizational trust on employee engagement, with work-related stress serving as a moderating variable, among Bank Lampung employees in Bandar Lampung.

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LITERATURE REVIEW

Organizational trust is employees' belief in the organization's integrity, competence, and consistency in fulfilling its commitments, thereby serving as the foundation for improved employee performance, commitment, engagement, and collaboration (Mishra, 1996; Mishchuk et al., 2023). According to Zanabazar et al. (2024), organizational trust is influenced by management integrity, organizational competence, and transparent communication.

Employee engagement is a positive psychological state that reflects an employee's physical, cognitive, and emotional commitment to their work, thereby driving improved performance and the achievement of organizational goals (Alkasim & Prahara, 2020; Albrecht in Ekel et al., 2019). Employee engagement is influenced by various factors, such as organizational culture, leadership, management style, communication, trust, organizational reputation, performance, career development opportunities, competency development, and organizational support (Anggreana, 2015; Fidyantika, 2021).

Work-related stress is an individual's response to an imbalance between job demands and the resources or abilities available to meet them (Wu et al., 2018). This condition arises when workload, pressure, or organizational demands exceed an employee's capacity, thereby affecting their physical and psychological well-being as well as their performance (Hassan, 2017; Pandey, 2020). Although stress can, to a certain extent, serve as a motivator and enhance performance, excessive stress tends to reduce productivity and the quality of work (Robbins & Judge, 2017).

METHODOLOGY

This study employs a quantitative approach using a survey method. Sampling was conducted through a questionnaire survey of 124 Bank Lampung employees across all branches in Bandar Lampung, and the data were analyzed using Structural Equation Modeling-Partial Least Squares (SEM-PLS).

DISCUSSION

Validity Test

Table 2. Recapitulation of Validity Test Results

Variable	Indicators	Outer Loadings	AVE	Description (≥ 0,50 = Valid)
	K0 1	0,815	0,650	Valid

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Variable	Indicators	Outer Loadings	AVE	Description (≥ 0,50 = Valid)
Organizational Trust	KO 2	0,812		Valid
	KO 3	0,809		Valid
	KO 4	0,809		Valid
	KO 5	0,810		Valid
	KO 6	0,808		Valid
	KO 7	0,780		Valid
	KO 8	0,782		Valid
	KO 9	0,795		Valid
	KO 10	0,826		Valid
	KO 11	0,783		Valid
	KO 12	0,841		Valid
	KO 13	0,802		Valid
	KO 14	0,813		Valid
	KO 15	0,796		Valid
	KO 16	0,805		Valid
	KO 17	0,841		Valid
	KO 18	0,778		Valid
	KO 19	0,807		Valid
Employee Engagement	KK 1	0,827	0,666	Valid
	KK 2	0.808		Valid
	KK 3	0.804		Valid
	KK 4	0.824		Valid
	KK 5	0.818		Valid
	KK 6	0.815		Valid
Work-Related Stress	SK 1	0,832	0,675	Valid
	SK 2	0,834		Valid
	SK 3	0,855		Valid
	SK 4	0,841		Valid
	SK 5	0,809		Valid
	SK 6	0,817		Valid

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Variable	Indicators	Outer Loadings	AVE	Description (≥ 0,50 = Valid)
	SK 7	0,800		Valid
	SK 8	0,830		Valid
	SK 9	0,820		Valid
	SK 10	0,819		Valid
	SK 11	0,799		Valid
	SK 12	0,794		Valid
	SK 13	0,806		Valid
	SK 14	0,822		Valid
	SK 15	0,816		Valid
	SK 16	0,812		Valid
	SK 17	0,834		Valid
	SK 18	0,822		Valid
	SK 19	0,823		Valid
	SK 20	0,846		Valid
Organizational Trust x Work-Related Stress	KO x SK	1.000	-	Valid

Source: SmartPLS results, processed by the researcher (2026)

Based on Table 2, all indicators have outer loading values of ≥ 0.70 and Average Variance Extracted (AVE) values > 0.50, namely Organizational Trust (0.650), Employee Engagement (0.666), and Work Stress (0.675). Thus, all indicators and constructs are deemed to meet the criteria for convergent validity.

Reliability test

Table 3. Reliability Test Results

	Cronbach's alpha	Composite reliability (rho_a	Composite reliability (rho_c)	Average variance extracted (AVE)	Description
Organizational Trust	0,970	0,972	0,972	0,650	Reliable

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	Cronbach's alpha	Composite reliability (rho_a	Composite reliability (rho_c)	Average variance extracted (AVE)	Description
Employee Engagement	0,900	0,905	0,923	0,666	Reliable
Work Related Stress	0,975	0,976	0,977	0,675	Reliable

Source: SmartPLS results, processed by the researcher (2026)

The results of the reliability test show that all constructs have Cronbach's alpha, rho_A, and composite reliability values of ≥ 0.70, and are therefore deemed reliable. In addition, the AVE values for all constructs are also ≥ 0.50, indicating that the research instrument is valid and consistent in measuring each variable.

Discriminant Validity Test

Table 4. Fornell-Larcker Criterion

	Organizational Trust	Employee Engagement	Work Related Stress
Organizational Trust	0,806	-	-
Employee Engagement	0,523	0,816	-
Work Related Stress	0,528	0,659	0,822

Source: SmartPLS results, processed by the researcher (2026)

The results of the discriminant validity test based on the Fornell-Larcker criteria indicate that all constructs meet the validity requirements. The root-mean-square error of estimation (RMSE) values for Organizational Trust (0.806), Employee Engagement (0.816), and Work Stress (0.822) were higher than the correlation coefficients between constructs, indicating that each variable could be clearly distinguished and was deemed to meet the criteria for discriminant validity.

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Table 5. Heterotrait-Monotrait Ratio (HTMT)

	Organizational Trust	Employee Engagement	Work Related Stress
Organizational Trust	-	-	-
Employee Engagement	0.545	-	-
Work Related Stress	0.535	0.690	-
Work Related Stress x Organizational Trust	0.382	0.046	0.236

Source: SmartPLS results, processed by the researcher (2026)

Based on Table 5, all Heterotrait-Monotrait Ratio (HTMT) values across constructs fall below the 0.85 – 0.90 threshold, thus meeting the criteria for discriminant validity. These results indicate that each variable clearly distinguishes itself from the others and does not overlap in measuring the constructs under study.

Structural Model Results (Inner Model)

Table 6. R-Square (R^2) Values

	R- *Square*	R-square adjusted
Employee Engagement	0,512	0,500

Source: SmartPLS results, processed by the researcher (2026)

According to Table 6, the R^2 value for employee engagement is 0.512, indicating that organizational trust and work-related stress account for 51.2% of the variation in employee engagement, while the remaining 48.8% is influenced by other factors outside the research model.

F-Square Value (F2)

Table 7. F-Square Value (F2)

	Organizational Trust	Employee Engagement	Work Related Stress
Organizational Trust	-	0,131	-
Employee Engagement	-	-	-

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	Organizational Trust	Employee Engagement	Work Related Stress
Work Related Stress		0,433	-
Work Related Stress x Organizational Trust		0,071	-

Source: SmartPLS results, processed by the researcher (2026)

Based on Table 4.15, the results of the F-square (f^2) test indicate that Organizational Trust has a small effect on Employee Engagement ($f^2 = 0.131$), while Job Stress has a large effect ($f^2 = 0.433$). The moderating effect of Work Stress × Organizational Trust has a small effect ($f^2 = 0.071$). Thus, Work Stress is the variable that contributes the most to Employee Engagement in the research model.

Predictive Relevance Test (Q^2)

Table 8. Predictive Relevance (Q^2)

	Q^2 predict	RMSE	MAE
Employee Engagement	0.455	0,749	0,533

Source: SmartPLS results, processed by the researcher (2026)

The Predictive Relevance (Q^2) results show a Q^2 value of 0.455 for employee engagement, indicating that the model has moderate to strong predictive relevance (Hair et al., 2021). In addition, the RMSE value of 0.749 and the MAE value of 0.533 indicate a relatively low level of prediction error, suggesting that the model has good predictive capability and is suitable for hypothesis testing.

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Hypothesis Test Results

Table 9. Results of Path Coefficients and Significance

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	t-statistics	p-values	Hypothesis
Organizational Trust-> Employee Engagement	0,312	0,307	0,111	2,808	0,005	Supported
Work Related Stress x Organizational Trust-> Employee Engagement	0,188	0,169	0,083	2,273	0,023	Supported

Source: SmartPLS results, processed by the researcher (2026)

1. The Effect of Organizational Trust on Employee Engagement at Bank Lampung

The results of the hypothesis testing indicate that organizational trust has a positive and significant effect on employee engagement (β = 0.312; t = 2.808; p = 0.005), thus supporting the first hypothesis (H1). These findings suggest that the higher employees' trust in the organization, the higher their level of engagement at work. These findings are consistent with the research by Ugwu et al. (2014), Akbar (2020), Aman, Rafiq, and Dastane (2023), and Psychology (2024), which state that organizational trust is a key factor in enhancing employee engagement. At Bank Lampung, these results indicate that open communication, organizational integrity, managerial competence, and concern for employees play a role in increasing employee engagement.

2. The Role of Work Related Stress as a Moderating Variable Among Employees of Bank Lampung

The results of the hypothesis testing indicate that job stress positively and significantly moderates the effect of organizational trust on employee engagement (β =

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0.188; t = 2.273; p = 0.023), thus supporting the second hypothesis (H2). The positive moderation coefficient indicates that job stress strengthens the relationship between organizational trust and employee engagement. This finding is consistent with the research by Jarrar and Ibrahim (2021), which states that organizational trust helps employees remain engaged in their work despite facing work-related pressures. In the context of Bank Lampung, these results indicate that organizational trust is a key factor in maintaining employee engagement when facing high work demands.

CONCLUSION

This study shows that organizational trust has a positive and significant effect on employee engagement at Bank Lampung; thus, the higher the level of employee trust in the organization, the higher their engagement at work. In addition, work stress was found to positively moderate the relationship between organizational trust and employee engagement, indicating that under conditions of higher work stress, trust in the organization becomes an increasingly important factor in maintaining employee engagement. Therefore, Bank Lampung is advised to strengthen an organizational culture based on integrity, transparency, open communication, and fair leadership; create a conducive work environment; implement a transparent and consistent compensation system; and provide opportunities for employee competency development.

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