



Integrating social governance principles: The role of diversity management and trust in fostering employee engagement

Aditya Angga Darmawan¹, Eko Sakapurnama^{2,*}

¹ Department of Business Administration, Faculty of Administrative Sciences, Universitas Indonesia Depok, West Java, 16424, Indonesia.

*Correspondence: adityaanggadrm@gmail.com

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ABSTRACT

Background: Diversity in Human Resource management is a challenge in a company. The development of technology, globalization, and migration encourage the acceleration of workforce diversity, especially in urban communities. The company's competitive advantage is the target of every company in carrying out its operations, one of the important factors driving this advantage is the management of Human Resources which leads to employee engagement. Diversity management is one of the aspects needed to increase employee engagement in employees. **Methods:** This study aims to analyze the effect of diversity management on employee engagement with organizational trust as a mediating variable. This study uses a quantitative research approach with purposive sampling data collection techniques conducted through a survey of 105 employees at PT BNI (Persero) Tbk. The data collected was then processed using the Structural Equation Modeling - Partial Least Square (SEM-PLS) method using SmartPLS 4 tools. **Findings:** The results of the study indicate that diversity management has a positive effect on employee engagement, both directly and through the role of organizational trust as mediation. In addition, organizational trust also has a positive effect on employee engagement. **Novelty/Originality of this article:** This article uniquely examines the mediating role of organizational trust in the relationship between diversity management and employee engagement using a quantitative SEM-PLS approach, offering empirical insight into ESG-aligned human resource strategies.

KEYWORDS: diversity management; employee engagement; organizational trust.

1. Introduction

Globalization, urbanization, and technological developments have changed the dynamics of society to be more diverse (Koser, 2018). Indonesia, as a country with more than 1,300 ethnic groups (Portal Informasi Indonesia, 2023), has a major challenge in managing human resources (HR). This diversity provides an opportunity to create inclusive policies, but in its implementation, several challenges are found in managing employees in companies, starting from discrimination based on ethnicity and religion which is based on cultural and religious diversity in Indonesia which has different values and behaviors and inequality that occurs related to education (Bexley et al, 2023).

Diversity management is a practice in human resource management (HR) that focuses on managing individual needs, desires, and values to create an inclusive work environment (Udechukwu & Mujtaba, 2007). Research shows that good diversity management can

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increase employee loyalty, creativity, and competence (Guillaume et al., 2015). In addition, the situation in Indonesia shows that the female Labor Force Participation Rate/*Tingkat Partisipasi Angkatan Kerja* (TPAK) has shown an increasing trend since the pandemic (Annur, 2024). However, in its condition, gender inequality is still found for female workers in managerial and decision-making positions in companies (Bexley et al., 2023).

Human resource management (HR) in a company refers to employee satisfaction and commitment related to employee engagement in the company. Employee engagement refers to the level of employee involvement, enthusiasm, and dedication to their work (Schaufeli et al., 2002). High levels of employee engagement can improve performance while reducing employee turnover rates (Gallup, 2017). In addition, organizational trust plays an important role in strengthening the relationship between employees and the company, creating a sense of security, and increasing job satisfaction for employees (Berraies et al., 2021). Organizational trust is the belief and positive expectations that employees have towards the intentions and behavior of the organization based on experiences, relationships, and dependencies within the organization (Shockley-Zalabak et al., 2000). This trust can be seen from the fair treatment and respect for the needs of different employees, which ultimately drives employee engagement (Mazzetti & Schaufeli, 2022).

The banking sector is one of the industries that has very competitive competition and is included in the financial services sector. Every bank must have an advantage in providing the best service to its customers, so that competition in banking becomes one of the competitive sectors. Based on OJK Regulation of the Republic of Indonesia Number 24 of 2022, HR is an important asset in the banking sector because it has high competitiveness, so it is necessary to have HR management with integrity, such as talent integrity, special competence, and HR support that leads to increasing individual competency abilities (OJK, 2022).

PT BNI (Persero) Tbk has implemented the principle of inclusivity in HR management. Their policies include maternity leave, flexible working arrangements, and career acceleration programs for women. This policy is implemented by BNI to support the diversity that exists in BNI with the aim of increasing employee engagement which contributes to increasing the company's competitiveness (BNI, 2023). BNI's efforts to create an inclusive work environment are based on BNI's belief in helping to maximize employee performance with the aim of achieving superior BNI performance.

However, the level of employee engagement in Indonesia has a low percentage of 25% of employees who are fully engaged (Gallup, 2023). This shows that diversity in the world of work, especially in Indonesia, needs to be managed better to increase employee engagement. Further studies are needed to understand the relationship between diversity management and employee engagement, especially in the context of companies in Indonesia.

Diversity management through inclusive management and organizational trust is an important step in increasing employee engagement. Companies that successfully implement diversity management in the Americas, including the United States, have an EBIT increase of 0.8% (Hunt et al., 2015). This shows that companies that implement diversity management well have a stronger competitive advantage. Thus, the researcher conducted a study entitled "The Effect of Diversity Management on Employee Engagement: with Organizational Trust as a Mediating Variable (Study at PT BNI (Persero) Tbk). The study was conducted to analyze the relationship between diversity management and employee engagement with the help of organizational trust as a medium in the relationship and provide recommendations to BNI regarding programs related to diversity management that can increase BNI employee engagement.

1.1 Employee engagement

Employee engagement is defined as an individual's involvement, satisfaction, and enthusiasm in work that includes physical, cognitive, and emotional aspects, which help

achieve organizational goals (Harter et al., 2002; Kahn, 1990). The cognitive aspect of employee engagement involves beliefs about the organization, leaders, and work environment, where flexible organizational policies, supportive leadership, and a conducive work environment contribute significantly to increasing employee engagement (May et al., 2004; Richman et al., 2008; Schneider, 2009). Research shows that employee engagement can be a strategic tool in HR management to gain competitive advantage through a flexible and fair approach (Rama Devi, 2009). The indicator used in this study is the Utrecht Work Engagement Scale-9 (UWES-9) from Schaufeli et al. (2006), which has been validated internationally for positive organizational behavior studies, including research by Alshaabani et al. (2021). UWES-9 has 9 indicators that measure the level of employee engagement to the company.

1.2 Diversity management

Diversity management is defined as the management of individual diversity in a company, including gender, age, background, race, disability, personality, and work style, with the aim of creating an inclusive and productive work environment (Kandola & Fullerton, 1998; Schwarz & Maad, 2004). Good diversity management can improve the efficiency and effectiveness of HR management, optimally utilize employee talents, and encourage team synergy through diverse perspectives in solving problems (Bartz et al., 1990; Kossek & Lobel, 1996). In addition, companies that implement pragmatic policies to increase flexibility and job satisfaction can avoid discrimination and create a fair work environment (Kossek & Lobel, 1996; Schwarz & Maad, 2004). Diversity management contributes to the sustainability of the company by ensuring the competitiveness and success of the organization through maximum utilization of talent (Mullins, 2024). This study adopts indicators from Bizri (2018) which has 5 indicators adapted from Choi (2009) and the diversity management theory by Cox (1993) to measure the diversity management variable, as used in the research of Alshaabani et al. (2021).

1.3 Organizational trust

Organizational trust, according to Hon & Grunig (1999), is the level of trust and willingness of one party to open up to another party. Berraies et al. (2021) in Alshaabani et al. (2021) explained that this trust involves employees' belief that the organization will act fairly, respect their interests, and fulfill relevant promises, with three main dimensions: integrity, dependability, and competence. Factors such as employee empowerment, cultural norms, organizational structure, fairness, and distributed leadership contribute to strengthening this trust. Organizational trust is important in increasing employee engagement by creating a sense of security, respect, and appreciation, which has a positive impact on employee performance (Mazzetti & Schaufeli, 2022). In this study, organizational trust acts as a mediating variable in the relationship between diversity management and employee engagement, with the construct of trust in organization from Gabarro & Athos (1976) as a measuring tool with a total of 7 indicators. The description of the indicators of each variable with the theory used is explained in table 1 below.

Table 1. Operationalization of concepts

| Variables | Indicator |
|---------------------------------------|---|
| Diversity Management (Bizri, 2018) | <ol style="list-style-type: none"> Managers within this company have a track record of hiring and promoting employees fairly without regard to religion, sect, or ethnicity. Compensation and benefits policies are applied objectively to all employees regardless of religion, sect or ethnicity. Training and development opportunities are offered to employees objectively without regard to religion, sect or ethnicity. |

| | | |
|---|----|---|
| Employee Engagement Utrecht Work Engagement Scale-9 (UWES 9) (Schaufeli et al., 2006) | d. | Employee performance is evaluated objectively without regard to religion, sect, or ethnicity. |
| | e. | In this company, there is an atmosphere of inclusion, tolerance, and acceptance among fellow employees. |
| | a. | At work, I feel very energetic. |
| | b. | At work, I feel strong and enthusiastic. |
| | c. | I feel enthusiastic about the work being done |
| | d. | The work done can be personally inspiring |
| | e. | When I wake up in the morning, I feel like going to work. |
| | f. | I feel happy when I work intensely |
| | g. | I am proud of the work done |
| | h. | I am very focused and very involved in my work. |
| | i. | When I work, I feel like time flies. |
| Organizational Trust Trust in Organizations (Gabarro & Athos, 1976) | a. | I believe that my company's management has high integrity. |
| | b. | I can expect my company's management to treat me in a consistent and predictable manner. |
| | c. | My company management is not always honest and fair |
| | d. | In general, I believe that the motives and intentions of my company's management are good. |
| | e. | In my opinion, my company management is not treating me fairly. |
| | f. | My company management is open and frank with me. |
| | g. | I'm not sure that I fully trust my company's management. |

2. Methods

This study uses a quantitative approach, focusing on measuring a set of variables to answer questions in the formulation of the problem and the hypothesis of the problem with theory as a measuring tool for a variable (Creswell & Creswell, 2018). This study will test the diversity management construct by Bizri (2018), the Utrecht Work Engagement Scale 9 (UWES-9) construct by Schaufeli et al. (2006), and the Trust in Organization theory by Gabarro & Athos (1976). The three constructs are used to measure the three variables used in this study, starting from diversity management, employee engagement, and organizational trust in sequence.

This type of research is explanatory in nature, which aims to analyze and identify factors and indicators that are relevant to the variables studied. This objective is in accordance with explanatory research according to Neuman (2014), which focuses on developing and testing theories. This research is also purely because it is conducted for academic needs in gaining new understanding regarding the relationship between variables in the context of HR management. Furthermore, based on time, this research is cross-sectional, because data collection was carried out in a certain period, namely October-December 2024 (Neuman, 2014).

The data collection technique was carried out quantitatively through an online questionnaire using a 5-point Likert scale, which allows respondents to evaluate the relative intensity of different indicators in the study (Babbie, 2013). The study population was permanent employees of PT BNI (Persero) Tbk, with a focus on the non-managerial level. The sample determination used the purposive sampling method, which was selected based on certain criteria to represent the population. With guidance from Hair et al. (2017), the sample was calculated between 105–210 respondents, based on the number of variable indicators multiplied by a minimum of five to ten respondents per indicator.

Before conducting the research, the research construct was first pre-tested to test the quality of the construct whether or not each indicator could be used for research. The validity of the questionnaire was tested using the Kaiser-Meyer-Olkin (KMO) and Bartlett's Test, with a KMO value >0.5, anti-image >0.5 and Bartlett's significance <0.5 as minimum requirements (Field, 2009). Reliability was measured using Cronbach's Alpha, with a minimum value of 0.7 to indicate the consistency of the measuring instrument (Hair et al.,

2019). The questionnaire pretest was conducted on 30 respondents who were similar to the target population to ensure the accuracy of the measuring instrument.

In this study, descriptive statistical analysis and inferential statistical analysis were conducted. Descriptive statistical analysis is used to describe the basic pattern of data through measures such as mean, median, and standard deviation. The results of the mean test for the variables diversity management, employee engagement, and organizational trust are categorized into three levels, high, medium, and low (Neuman, 2014).

Table 2. Mean test class limits

| Positive Indicators Interval | Category | Negative Indicators Interval |
|------------------------------|-----------|------------------------------|
| $3.66 < x \leq 5.00$ | Tall | $1.00 < x \leq 2.33$ |
| $2.33 < x \leq 3.66$ | Currently | $2.33 < x \leq 3.66$ |
| $1.00 < x \leq 2.33$ | Low | $3.66 < x \leq 5.00$ |

The inferential statistical analysis conducted in this study used the Structural Equation Modeling-Partial Least Squares (SEM-PLS) method with the help of SmartPLS software version 4.0.9.8. SEM-PLS was chosen to analyze complex relationships between variables, especially when the data distribution does not meet parametric assumptions (Hair et al., 2019). The analysis was carried out in two stages, namely the outer model to test the validity and reliability of the construct, and the inner model to test the direction and strength of the relationship between variables.

The figure below shows the analysis model used to describe the relationship between variables with the aim of making it easier for readers to understand the relationship between the three variables that will be analyzed through this study. The three variables consist of *diversity management* as an independent variable, *employee engagement* as a dependent variable, and *organizational trust* as a mediating variable.

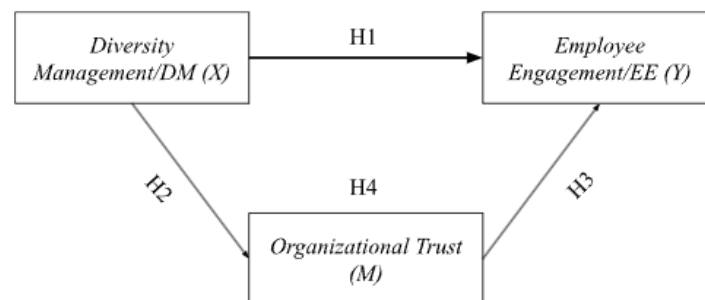


Fig. 1. Analysis model

This study has four hypotheses used to test the relationship between the three variables. The four hypotheses are, H1, *Diversity management* (X) has a positive effect on *employee engagement* (Y) of PT BNI (Persero) Tbk employees. H2, *diversity management* (X) has a positive effect on *organizational trust* (M) of employees of PT BNI (Persero) Tbk. H3, *diversity management* (X) has a positive effect on *organizational trust* (M) of employees of PT BNI (Persero) Tbk. H4, *diversity management* (X) has a positive effect on *employee engagement* (Y) through *organizational trust* (M) as a mediating variable for employees of PT BNI (Persero) Tbk.

3. Results and Discussion

3.1 Pre-test

The pre-test was conducted on 30 BNI permanent employee respondents conducted by the BNI Education Center which was distributed at the BNI Head Office. The pre-test results

showed that all research constructs, starting from diversity management (DM), employee engagement (EE), and organizational trust (OT) had met the validity requirements using the KMO, anti-image, and Bartlett's tests, as well as the reliability requirements using the Cronbach's alpha test, namely with a KMO value above 0.5, an anti-image value above 0.5 and a Bartlett's test value less than 0.5. The results of the reliability test also showed a Cronbach's alpha value above 0.7.

3.2 Descriptive statistical analysis

Based on the table above, the mean test results show that the diversity management variable has the highest mean value of 4.26 which is included in the high category. This shows that BNI's efforts in managing diversity for employees have been carried out well in relation to programs that create an inclusive work environment. The next results also show high values, starting from organizational trust (positive indicator) 4.12, employee engagement of 4.00, and organizational trust (negative indicator) 1.96.

Table 3. Mean of variables

| Variables | Mean | Category |
|---|------|----------|
| Diversity Management | 4.26 | Tall |
| Employee Engagement | 4.00 | Tall |
| Organizational Trust (Positive Indicator) | 4.12 | Tall |
| Organizational Trust (Negative Indicator) | 1.96 | Tall |

3.3 Inferential statistical analysis

3.3.1 Measurement model analysis (outer model)

The first test on *the outer model* is to conduct a convergence test. The results of the analysis in table 4 show that the three variables are declared valid because they have met the minimum requirements of *outer loading* of more than 0.6 and an AVE value of more than 0.5.

Table 4. Convergent validity test results

| Variables | Item | Outer Loading (>0.6) | AVE (> 0.5) | Caption |
|----------------------|------|----------------------|-------------|---------|
| Diversity Management | DM_1 | 0.768 | 0.565 | Valid |
| | DM_2 | 0.643 | | |
| | DM_3 | 0.781 | | |
| | DM_4 | 0.797 | | |
| | DM_5 | 0.758 | | |
| Employee Engagement | EE_1 | 0.687 | 0.511 | Valid |
| | EE_2 | 0.739 | | |
| | EE_3 | 0.643 | | |
| | EE_4 | 0.702 | | |
| | EE_5 | 0.685 | | |
| | EE_6 | 0.767 | | |
| | EE_7 | 0.816 | | |
| | EE_8 | 0.669 | | |
| | EE_9 | 0.713 | | |
| Organizational Trust | OT_1 | 0.765 | 0.530 | Valid |
| | OT_2 | 0.710 | | |
| | OT_3 | 0.809 | | |
| | OT_4 | 0.702 | | |
| | OT_5 | 0.790 | | |
| | OT_6 | 0.689 | | |
| | OT_7 | 0.613 | | |

HTMT is the first approach in this test. Table 5 shows that the construct is declared valid because it has met the requirements of HTMT, namely the HTMT value above 0.9.

Table 5. HTMT values

| | Diversity Management | Employee Engagement | Organizational Trust |
|----------------------|----------------------|---------------------|----------------------|
| Diversity Management | | | |
| Employee Engagement | 0.873 | | |
| Organizational Trust | 0.808 | 0.756 | |

In the second approach, the researcher conducted the *Fornell-Larcker criterion test*. Table 6 shows that all constructs are declared valid because the AVE root value of each variable is greater than the correlation value between the variable and other variables.

Table 6. *Fornell-larcker criterion test results*

| | Diversity Management | Employee Engagement | Organizational Trust |
|----------------------|----------------------|---------------------|----------------------|
| Diversity Management | 0.751 | | |
| Employee Engagement | 0.179 | 0.715 | |
| Organizational Trust | 0.221 | 0.096 | 0.728 |

In the third approach, the researcher conducted a cross loadings test. Table 7 shows that the construct is declared valid because the loading value of each item on the tested construct is greater than the loading value of each item on other constructs.

Table 7. Cross loading values

| Indicator | Diversity Management | Employee Engagement | Organizational Trust |
|-----------|----------------------|---------------------|----------------------|
| DM_1 | 0.768 | 0.649 | 0.512 |
| DM_2 | 0.643 | 0.606 | 0.412 |
| DM_3 | 0.781 | 0.500 | 0.585 |
| DM_4 | 0.797 | 0.536 | 0.591 |
| DM_5 | 0.758 | 0.497 | 0.469 |
| EE_1 | 0.451 | 0.687 | 0.467 |
| EE_2 | 0.518 | 0.739 | 0.470 |
| EE_3 | 0.474 | 0.643 | 0.320 |
| EE_4 | 0.486 | 0.702 | 0.437 |
| EE_5 | 0.451 | 0.685 | 0.400 |
| EE_6 | 0.618 | 0.767 | 0.436 |
| EE_7 | 0.669 | 0.816 | 0.663 |
| EE_8 | 0.577 | 0.669 | 0.575 |
| EE_9 | 0.489 | 0.713 | 0.492 |
| OT_1 | 0.655 | 0.545 | 0.765 |
| OT_2 | 0.402 | 0.374 | 0.710 |
| OT_3 | 0.520 | 0.529 | 0.809 |
| OT_4 | 0.397 | 0.411 | 0.702 |
| OT_5 | 0.602 | 0.569 | 0.790 |
| OT_6 | 0.450 | 0.518 | 0.689 |
| OT_7 | 0.386 | 0.443 | 0.613 |

3.4 Reliability test

Based on Table 8, the results show that in the reliability test stage, the three variables were declared reliable because they had Cronbach's alpha and composite reliability values above 0.7.

Table 8. Cronbach's alpha and composite reliability values

| Variables | Cronbach's Alpha | Composite Reliability | Caption |
|----------------------|------------------|-----------------------|----------|
| Diversity Management | 0.805 | 0.808 | Reliable |
| Employee Engagement | 0.880 | 0.888 | Reliable |
| Organizational Trust | 0.851 | 0.863 | Reliable |

3.4.1 Structural Model Analysis (Inner Model)

The coefficient of determination test (R^2) is used to measure the influence of exogenous latent variables on endogenous latent variables with a value range of 0-1. The greater the value of R^2 , the greater the influence of exogenous variables on endogenous. The results in table 9 show that the employee engagement variable has a R^2 value of 0.606, which means that diversity management influences 60.6% of employee engagement, while 39.4% is influenced by other factors outside the study. Meanwhile, the organizational trust variable has a R^2 value of 0.473, this shows that diversity management influences 47.3% of organizational trust, with 52.7% influenced by other factors outside this study.

Table 9. R- square value

| Variables | R^2 |
|----------------------|-------|
| Employee Engagement | 0.606 |
| Organizational Trust | 0.473 |

The path coefficient test is used to evaluate the relationship between variables based on the research hypothesis, with a range of values from -1 to 1. A positive relationship is indicated by a coefficient value approaching 1, while a value approaching -1 indicates a negative relationship. In this study, four hypotheses were tested, three of which measure direct relationships and one measures indirect relationships. The results in table 10 show that all hypotheses have positive path coefficient values, which means there is a positive correlation between the independent, dependent, and mediating variables according to the proposed hypothesis.

Table 10. Path coefficient values

| Hypothesis | Path Coefficient | Note |
|---|------------------|----------|
| H1. Diversity Management -> Employee Engagement | 0.533 | Positive |
| H2. Diversity Management -> Organizational Trust | 0.687 | Positive |
| H3. Organizational Trust -> Employee Engagement | 0.309 | Positive |
| H4. Diversity Management -> Organizational Trust -> Employee Engagement | 0.213 | Positive |

Significance Test is reviewed by calculating the t-statistics value of more than 1.960 and p-value <0.050. The relationship between variables in the four hypotheses is stated as significant and the four hypotheses are accepted because the values obtained meet the criteria. Table 11 shows the results of the significance test in this study.

Table 11. Significance test values

| Hypothesis | T- Statistics | p-Values | Interpretation | Note |
|---|---------------|----------|----------------|----------|
| H1. Diversity Management -> Employee Engagement | 4.828 | 0.000 | Significant | Accepted |
| H2. Diversity Management -> Organizational Trust | 9.395 | 0.000 | Significant | Accepted |
| H3. Organizational Trust -> Employee Engagement | 2.700 | 0.003 | Significant | Accepted |
| H4. Diversity Management -> Organizational Trust -> Employee Engagement | 2.377 | 0.009 | Significant | Accepted |

3.5 Discussion

3.5.1 Hypothesis Test Analysis 1

The first hypothesis in this study is " Diversity management (X) has a positive effect on employee engagement (Y) of PT BNI (Persero) Tbk employees". The results of this study show that the path coefficient, t-statistics, and p-value values sequentially have values of

0.533, 4.828, and 0.000. This shows that the diversity management variable has a significant influence on employee engagement of PT BNI (Persero) Tbk employees and shows that hypothesis 1 is accepted. This also shows that the implementation of diversity in the company properly and correctly has aspects and indicators in diversity management, such as managers who have a good track record, objective compensation policies, opportunities for employee development and training, objective employee performance related to their assessments, and there is an atmosphere of inclusion and tolerance in the work environment.

3.5.2 Hypothesis test analysis 2

The second hypothesis of this study is " Diversity management (X) has a positive effect on organizational trust (M) of employees of PT BNI (Persero) Tbk". The results of this study show that the path coefficient , t-statistics , and p-value values sequentially have values of 0.687, 9.395, and 0.000. This shows that the diversity management variable has a significant positive effect on the organizational trust of employees of PT BNI (Persero) Tbk and shows that hypothesis 2 is accepted. According to the researcher, diversity management can positively affect organizational trust because in the practice of diversity management there are policies that can facilitate employees in improving their competence, team collaboration, flexibility in work, and compensation that is in accordance with the achievements of each employee, so that it can encourage the level of employee trust in terms of emotional employees who feel appreciated for their existence in the company.

3.5.3 Hypothesis test analysis 3

The third hypothesis of this study is " Organizational trust (M) has a positive effect on employee engagement (Y) of PT BNI (Persero) Tbk employees". The results of this study show the path coefficient , t-statistics , and p-value values respectively of 0.309, 2.700, and 0.003. This shows that the organizational trust variable has a significant positive effect on employee engagement of PT BNI (Persero) Tbk employees and shows that hypothesis 3 is accepted. This shows that employees who have a high level of trust in the company will have a greater attachment to the company which leads to Human Resource management.

3.5.4 Hypothesis test analysis 4

The fourth hypothesis of this study is " Diversity management (X) has a positive effect on employee engagement (Y) through organizational trust (M) as a mediating variable". The results of this study show the path coefficient , t-statistics , and p-value values sequentially of 0.213, 2.377, and 0.009. These results indicate that the diversity management variable has a positive effect on employee engagement of PT BNI (Persero) Tbk employees through organizational trust as a mediating variable and shows that hypothesis 4 is accepted. According to the researcher's analysis, this relationship can have a significant effect, because good diversity management can influence employees' views to trust the company with management that can support self-ability and the absence of discrimination in work that can increase the level of trust in employees. Furthermore, this influence can make employees more motivated, proactive, and involved in their work which refers to employee engagement because they feel safe, valued, and supported by the company, so that these results can provide an illustration that diversity management can have a positive impact on employee engagement through organizational trust.

4. Conclusions

Based on the results of the data analysis that has been carried out, the conclusions of this study are: diversity management has a significant effect on employee engagement with a positive relationship. This shows that employees who receive a high level of diversity

management from the company have a high level of employee engagement. Diversity management has a significant effect on employee organizational trust with a positive relationship, this shows that employees who receive a high level of diversity management from the company have a high level of organizational trust. Organizational trust has a significant effect on employee engagement with a positive relationship. This shows that employees with a high level of organizational trust have a high level of employee engagement.

Diversity management has an effect on employee engagement through organizational trust as a mediating variable significantly with a positive relationship. This shows that the higher the level of diversity management carried out by the company to employees, it not only has a direct effect on increasing employee engagement, but also has an effect through the mediating role of organizational trust.

According to the research that has been conducted, the results show that diversity management has a positive relationship with employee engagement. Therefore, the researcher has several recommendations to BNI related to the results of the research that has been conducted, namely, in optimizing the implementation of diversity management, BNI can form a forum or team related to diversity that can facilitate employees to convey their ideas and experiences related to inclusivity in the office environment. This is also a further review of the implementation of the Respectful Workplace Policy (RWP) which can cover all levels of the company (bottom-top & top-bottom). To improve the maximum quality of work for each employee, BNI can develop an objective assessment system related to the identification of employee capabilities so that the work obtained by each individual is in accordance with the capabilities and abilities of the individual, and BNI can form a team or evaluation body that oversees the evaluation of the workload of each employee so that it can be distributed evenly according to level and capacity. In order to increase employee trust in BNI, BNI can re-evaluate the policy on fairness and equality for BNI employees by involving employees in the evaluation process to obtain perspectives from management and basic employees, as well as communicating company policies transparently regarding the promotion process, performance appraisal, and reward system in order to increase the level of employee trust in the company.

By implementing some of the suggestions above, it is hoped that the HRM Division of PT BNI (Persero) Tbk can maximize diversity management with the aim of increasing the level of employee engagement and organizational trust of BNI employees which can help the company maximize superior company performance.

From the research that has been conducted, researchers provide several recommendations to academics for consideration in further research, the results of the study indicate that employee engagement can be influenced by other factors. Therefore, further researchers can use other independent variables in conducting further research to obtain other results that help improve employee engagement. The subjects of this study were BNI employees who were at non-managerial levels and were at the BNI Head Office. To get a different perspective, further researchers can conduct research in other fields, such as manufacturing, FMCG, and so on. The amount of data taken from this study is 105 respondents, this can be expanded again for the scope of research locations that do not only take one place, but many locations based on region, such as the Sumatra Region, Kalimantan Region, and so on to obtain a wider research coverage with diverse data from various respondents in each region.

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Author Contribution

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Not available.

Conflicts of Interest

The authors declare no conflict of interest.

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Biographies of Authors

Aditya Angga Darmawan, Department of Business Administration, Faculty of Administrative Sciences, Universitas Indonesia, Depok, West Java, 16424, Indonesia.

- Email: adityaanggardm@gmail.com
- ORCID: N/A
- Web of Science ResearcherID: N/A
- Scopus Author ID: N/A
- Homepage: <https://id.linkedin.com/in/aditya-angga-darmawan-601548218>

Eko Sakapurnama, Department of Business Administration, Faculty of Administrative Sciences, Universitas Indonesia, Depok, West Java, 16424, Indonesia.

- Email: eko.sakapurnama@ui.ac.id
- ORCID: 0000-0002-0491-1173
- Web of Science ResearcherID: N/A
- Scopus Author ID: 56052326800
- Homepage: <https://fia.ui.ac.id/eko-sakapurnama-s-psi-mba/>