

ABSTRACT

As one of Indonesian banking institutions, PT Bank Mandiri (Persero) Tbk aware of greater challenges in the future. The more challenging situation comes with the weakened economic state and the higher-risk money market. It has impacts towards the growth of banking business in Indonesia which tends to impede. According to this condition, PT Bank Mandiri (Persero) must provide excellent and competitive human resources to improve the company's performance in facing the competition between banks and deficient business condition. The management of human resources must be well-designed to support the employees. In addition, the employees are expected to show their involvement and attachment to Bank Mandiri. The term of attachment is known as engagement. The non-physical environment becomes one of the important factors to create a good engagement attitude.

This study aims to determine the influence of non-physical working environment towards employee engagement in Bank Mandiri Micro Banking unit and Business Banking of Bandung Asia Afrika Area. The samples in this study are 150 employees in Micro Banking and Business Banking of Bandung Asia Africa Area. Data were collected by using questionnaires. The data analysis technique in this study is Path Analysis. Moreover, this study analyzes the data by using SPSS version 23 for Windows.

The result of data analysis in simultaneous test shows that employees' feeling of security (X1), employees loyalty (X2), and employees satisfaction (X3) have influence toward employee engagement (Y) which equals to 28,2%. Meanwhile, the 71.8% influenced by the other factors that are not analyzed by the researcher. The result of path analysis in the partial test shows the result of the path coefficient that does not have a significant effect on the employee engagement (Y) variable. It is the employee's feeling of security. While employee loyalty (X2) and employee satisfaction (X3) have a significant effect on employee engagement in PT. Bank Mandiri (Persero) Micro Banking unit and Business Banking of Bandung Asia Africa Area.

Key Word : *feeling of security, employees loyalty, and employees satisfaction, employee engagement*