Performance optimization through the dimension of job satisfaction

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Article Info

Article history:
Received Des 15th, 2022
Revised Jun 21st, 2023
Accepted Feb 29th, 2024

Keyword:
Engagement,
Digital work design,
IPC organizational culture,
Satisfaction,
Performance

ABSTRACT

This study attempts to explore more deeply the correlation between the effect of job involvement, digital work design, and IPC organizational culture on the main context of employee performance using job satisfaction as the main mediator. This method uses a quantitative approach with data collection through questionnaires to measure employee perceptions with an interval scale of 1-100 to organic employees, the sampling technique uses simplerandom sampling and data processing using the SEM-PLS instrument. Research findings describe a positive correlation between job involvement on direct performance as well as engagement, and IPC organizational culture on satisfaction. While digital work design does not affect satisfaction and satisfaction is found to not affect the performance context. This study was only conducted on tinplate manufacturing employees in the short term, future studies need to explore further using a longitudinal design approach with a more complex research locus.

Introduction

Rapid growth in each company by developing new models that appeal to consumers. Based on this, many companies improve the performance of human resources. The level of consumption growth, in Indonesia which has the largest population, of course, has an impact on the need for food consumption which is quite high (Khairunnisa et al., 2020). Metal packaging is one of the many packages currently circulating in the market, the Tinplate metal packaging industry is one of the downstream metal industries and is an essential industry in Indonesia (Sanusi et al., 2021). Every company strives to be competitive so that consumer perceptions and prices can be achieved.

The topic of employee performance has been widely studied in the world, and the correspondence of performance with the business world is in line with the growth rate and the main foundation in the success and failure of business development (Messersmith & Guthrie, 2010). Stated that it is a challenge to explore the topic of performance more comprehensively, and a wider repertoire of insights triggers a wider context so that the results of new research on the topic remain up-to-date (Hoskins, 2012).

Decreased performance was found in the condition that employees were less involved in aspects of work that were influenced by cognitive, physical, and emotional energy on performance ((Septiadi et al., 2017); (Zopiatis et al., 2014)) addition to other research findings showed that employees who have a feeling of not having power in the organization will feel himself to be feeling what is done is not meaningful (Brown, 1996).
Another study found that through the mediation of knowledge sharing among employees, job satisfaction was able to increase the positive correlation between work engagement and performance ((Giri et al., 2016);(Sutanto & Hendarto, 2020)), the tendency of greater motivation and more effort for employees who were faced with a problem. a lot of work (Chughtai & Buckley, 2010). Based on the controversy of the results of previous research the relationship between job involvement

Research papers on the effect of job satisfaction on performance have been widely studied during the era of the 20th and 21st centuries. The reciprocal correlation between motivation and organizational culture (Nusari et al., 2018) was found to have both positive and negative implications for satisfaction ((Alessandri et al., 2018); (Rosmaini & Tanjung, 2019)). Despite the research debate that finds a positive effect between satisfaction and performance (Alessandri et al., 2017) where the perception of employees who have good satisfaction will provide consistently higher performance over time, work relationships can fully mediate employee and peer associations that can improve performance ((Chaudhary & Bhaskar, 2016);(Menguc et al., 2016)) but the controversial results of other researchers (Sugiono et al., 2021) found a negative correlation that occurs due to the gap between satisfaction which can reduce employee performance output. High job satisfaction can increase an employee's desire to be involved in his work (Pushpamani, 2008), positive satisfaction was also found to be able to encourage management to include employees in the search for the best work design (Mikkelsen & Olsen, 2018), good insight then has an impact on job satisfaction. employee work which affects the growth of the strength of a strong organizational culture can be a catalyst in improving employee performance ((Dizgah et al., 2012); (Soomro & Shah, 2019)). The dynamic satisfaction felt by workers tends to increase worker performance from time to time and vice versa (Alessandri et al., 2017). The level of education of employees under their expertise tends to have a better impact, difficulties occur when the placement of employees is not under their skills and interests (Fidiyah et al., 2015), the organizational culture that is applied can work well if employees feel that the culture has according to what he needs to run so that there is a feeling of satisfaction in him ((Fidiyah et al., 2015); (Raharjo et al., 2018)).

The context of job satisfaction is interesting to study, especially its impact on job involvement, involvement was found to be able to promote better job opportunities and mediate the performance context partially and in the fulfillment of personal goals ((Gopinath & Kalpana, 2020);(Ting, 2011)), low levels of satisfaction can be shown with less involvement of employees in the company (Griffin et al., 2010). On the other hand, excessive involvement of an employee increases fatigue and work stress which results in decreased job satisfaction (Griffin et al., 2010).

The hegemony of industrialization in the world accelerates the transfer of knowledge and technology which requires employees to adapt more quickly to renewable systems (Zayyad & Toycan, 2018). Developing information and technology provides convenience in doing business, the COVID-19 pandemic crisis has changed the business map in the world to make more use of digitalization in business (Akram et al., 2021). The consistency of developing digital work designs in the world of work provides convenience in working which contributes to increase employee job satisfaction ((Makarchenko et al., 2020); (Ratna & Kaur, 2016)) but on the other hand, the dynamics of changing the context of analog to digital work that is too fast accompanied by rejection from employees sometimes result in delays in the process of adapting new work designs(Ipektsidou, 2017). Problems that can arise during business activities correlate with professional inability and employee weaknesses in understanding the behavior of others, adapting and adopting new strategies at work (Belias & Koustelios, 2015). So, the fundamental challenge for every organization is to make their employees reconstruct the demographics of the personnel they have in their organization.

Organizational culture is a fundamental aspect and identity for a company to be resistant to the influence of threats from outside the company ((Belias & Koustelios, 2015); (Ravasi & Schultz, 2006). Besides that, organizational culture determines the way the organization runs its business and the results also affect the process, the positive effect of a good organizational culture is found to make employees enjoy their work and affect their feelings and responsibilities towards their work (Ismail et al., 2015). Corporate culture is the shared beliefs, values, beliefs, and norms that characterize the company and are followed by members of the company.

The industry is one of the main pillars in the driving wheel of the national economy. In Indonesia, the food industry is a critical sector that is very basic for human needs. To accommodate products from the food industry, the packaging is needed that can provide image, information, protection, and bring seller branding (Harminingtyas, 2013). The types of packaging that are widely available in the market include those made of tinplate, aluminum, plastic, glass, etc(Akbar et al., 2013).

One of the downstream food packaging industries that is interesting to study is the Tinplate industry because Indonesia itself only has one tinplate manufacturer to meet national needs.
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Research conducted by (Suparjo et al., 2018) stated that job satisfaction has a significant positive effect on performance. Furthermore, research conducted by (Selya Geraldine, 2023) stated that job satisfaction has a positive and significant effect on performance. From the description of the data above, it can be seen that Indonesian tinplate manufacturing companies are only able to meet less than half of the national demand, so to fulfill this, Indonesia imports tinplate products. So based on the data exposure above, the authors are interested in researching employee performance, job satisfaction, and other factors that influence satisfaction such as work involvement and digital work design in tinplate manufacturers in Indonesia.

Method

This research is descriptive and quantitative, the research tries to describe the influence between job involvement, digital work design, IPC organizational culture, and its impact on employee performance through job satisfaction intervention. Collecting data for measuring respondents' perceptions using a questionnaire instrument with the use of an ordinal measurement scale of 1 means strongly disagree to 100 means strongly agree through a digital form with a numeric bar format accompanied by open questions. Questionnaires were distributed to 150 employees with 126 questionnaires with a return rate of 82% and then the data was sorted to obtain 115 final data. Respondents are dominated by men (91%), the age range of 25-35 years (53%) at the level of education the majority is D4/Strata 1 (44%). The data analysis technique in this study uses multivariate statistical techniques PLS (Partial Least Square) with multiple independent variable comparisons using SEM (Structural Equational Modeling) which is designed to solve multiple regression. Furthermore, the test on the instrument was carried out with descriptive statistics to test the validity and reliability of the respondents’ answers.

Results and Discussions

Outer Model Measurement

The validity of the instrument used to measure the variables used to test the validity of the construct variables through convergent validity and discriminant validity ((Ghozali& Latan, 2015); (Hair et al., 2017);(Kambara & Prahyawan, 2020)), the output of the measurement model is presented in the following Figure 2. The measurement is continued by measuring the convergent validity of the reflexive indicators for each construct indicator with the SmartPLS 3.2.9 program (Ghozali & Latan, 2015), then the measurement is continued by measuring the loading factor score with a minimum value of 0.6 > and an Average value Variance Extracted (AVE) of at least 0.5 > (Ghozali & Latan, 2015). Therefore, the KN1 indicator was dropped because it has a loading factor score below 0.6. Then we re-measured with the results of the loading factor measurements presented in the following Figure 3.
Figure 2. Measurement Model (Outer Loading) First
Source: SEM-PLS Data Processing Results

Figure 3. Measurement Model (Outer Loading) Second
Source: Results of data processing SmartPLS 3.2.9

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The data in table 4.1 shows that all loading factor values meet the requirements so that they are declared valid. In addition, the fulfillment of convergent validity which is evaluated from the AVE value for each construct is above 0.5. In addition, we also measure discriminant validity tests to measure two instruments that have differences to measure two predictable uncorrelated constructs producing results that remain unrelated (Kambara & Prahyawan, 2020), using the approach of Fornell and Larcker in the book [38] the cross loading value must be greater than 0.70, in table 4.2 the cross loading results for each indicator do not correlate with other variables. In reviewing the consistency, accuracy, and precision of the constructs made, Composite Reliability (CR) of at least 0.6 > [38]. The CR value in table 4.1 shows the range of results from 0.87 to 0.94. So that the model built does not find any problems regarding reliability. We also evaluated the internal reliability scale using Cronbach's Alpha (C- α) the statistical values obtained ranged from 0.80 - 0.91 which was greater than 0.7 ((Ghozali& Latan, 2015); (Wang & Wang, 2012)). Table 4.1 also presents the mean and values standard deviation for each construct.

**Inner Model Measurement**

In the next stage, the model construct is evaluated using the R-Square (R²) value, which has the main objective of obtaining a substantive effect between the implications of exogenous variables on endogenous variables [38] structurally the research model can be seen in Figure 4.1:
Figure 4. The structural model output image
Source: PLS Bootstrap Data Calculation Results

Table 3. Measurement Results of $R^2$

<table>
<thead>
<tr>
<th></th>
<th>$R^2$</th>
<th>Adjusted $R^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction</td>
<td>0.788</td>
<td>0.782</td>
</tr>
<tr>
<td>Performance</td>
<td>0.520</td>
<td>0.511</td>
</tr>
</tbody>
</table>

Source: SEM-PLS Processed Data

The results of the $R^2$ measurement in table 4.3 show that satisfaction is a strong model [38] (>0.75 = strong) which is explained through the variables of involvement, digital work design, and organizational culture of 0.788 or 78.8%, while 21.2% is explained through other variables. Then the measurement of $R^2$ on the Performance variable is 0.520 or 52.0% is a moderate model [38] (>0.50 = moderate) which is explained through the variable level of job involvement and job satisfaction while 48% was explained through other variables not included in this study. Then the evaluation continued by assessing the significance of the model formed based on t-statistics on each path with a significance level of 95% on the performance variable (KN), involvement (KK), digital work design (DK), IPC culture (CC), and job satisfaction (KP), the evaluation results are presented in the following table:

Table 4. Inner Weight. Measurement Results

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Original Sample</th>
<th>t-stats</th>
<th>p-value</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 KK → KN</td>
<td>0.35</td>
<td>2.04</td>
<td>0.04</td>
<td>Positive and significant effect</td>
</tr>
<tr>
<td>H2 KK → KP</td>
<td>0.28</td>
<td>2.98</td>
<td>0.00</td>
<td>Positive and significant effect</td>
</tr>
<tr>
<td>H3 DK → KP</td>
<td>0.24</td>
<td>2.83</td>
<td>0.00</td>
<td>Positive and significant effect</td>
</tr>
<tr>
<td>H4 CC → KP</td>
<td>0.47</td>
<td>6.65</td>
<td>0.00</td>
<td>Positive and significant effect</td>
</tr>
<tr>
<td>H5 KP → KN</td>
<td>0.41</td>
<td>2.54</td>
<td>0.01</td>
<td>Positive and significant effect</td>
</tr>
</tbody>
</table>

Source: SEM-PLS Processed Data

Table 4.4 above also answers the hypotheses put forward in this study, including in the context that if an employee is increasingly involved in work within the company, the greater the performance given, this proves that hypothesis 1 is accepted with a significant effect on job involvement on performance. In the study, it was
found that job involvement influences employee job satisfaction so that the more involved an employee is in a company, the more satisfaction will it provide for employees (hypothesis 2 is accepted). In the digital work design variable, the results were found to have a positive and significant effect on employee job satisfaction; the better the application of digitally created work designs, the more employee satisfaction will be (hypothesis 3 is accepted). IPC organizational culture was found to be able to provide a positive and significant influence on job satisfaction, so with the implementation of IPC culture in the company well, employees will further increase employee job satisfaction. At the end of the variable satisfaction was found to also have a positive and significant effect on performance so increasing employee satisfaction linearly also increases employee performance. In the final stage, we also conducted a mediation test of the satisfaction variable between the involvement variable and the performance variable with the results presented in the following table:

<table>
<thead>
<tr>
<th>Variable</th>
<th>T-stats</th>
<th>P-Value</th>
<th>Confidence Interval (97.5%)</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>IPC → SAT → PFM</td>
<td>22.41</td>
<td>0.03</td>
<td>0.35</td>
<td>Partial Mediation</td>
</tr>
<tr>
<td>DWG → SAT → PFM</td>
<td>16.94</td>
<td>0.09</td>
<td>0.23</td>
<td>Partial Mediation</td>
</tr>
<tr>
<td>INV → SAT → PFM</td>
<td>22.29</td>
<td>0.03</td>
<td>0.22</td>
<td>Partial Mediation</td>
</tr>
</tbody>
</table>

Note: IPC: IPC Culture, SAT: Satisfaction, INV: Involvement, PFM: Performance
Source: SEM-PLS processing data, 2022

Table 5 shows that satisfaction can mediate IPC culture and engagement with performance as evidenced by the t-value greater than the t-table (1.96) and the p-value smaller than 0.05, then the confidence interval value in mediation satisfaction is found to be 0.22 – 0.35 so it is a partial mediation. Meanwhile, satisfaction is not able to be a mediator of digital work design on performance.

This study found that work involvement affects job satisfaction, so the more employees are involved in a company, the more satisfied they will be (hypothesis 2 is accepted). In the digital work design variable, the results obtained have a positive and significant effect on employee job satisfaction; the better the application of work designs made digitally, the higher employee job satisfaction will be (hypothesis 3 is accepted). IPC organizational culture has a positive and significant impact on job satisfaction, so by properly implementing IPC culture in companies, employee job satisfaction will increase. In the end, it is known that the satisfaction variable also has a positive and significant effect on performance, so a linear increase in employee satisfaction also increases employee performance. And in this study also, satisfaction can mediate PPI culture and engagement with performance as evidenced by the t-value greater than the t table (1.96) and the p-value less than 0.05. The value of the confidence interval on mediation satisfaction is found to be 0, 22 - 0.35, so it is a partial mediation. Meanwhile, satisfaction cannot mediate digital work design on performance. So this research is in line with research conducted by (Suparjo et al., 2018) stating that job satisfaction has a significant positive effect on performance, and also in line with research conducted by (Selya Geraldine, 2023) stating that job satisfaction has a positive and significant effect on performance.

Conclusions

Research on job satisfaction has been very commonly carried out, especially on its impact on employee performance, but how it becomes relevant to dynamic changes, especially regarding employee that transforms from analog to digital and IPC culture is enough to take a role, especially from a holistic perspective. Therefore, the work model built by the company must be able to make its employees satisfied, the company needs to spur the role of involvement, work design, and IPC culture that leads to employee satisfaction, so that ultimately through mediation satisfaction will be able to directly improve performance. It has been proven that the satisfaction factor dominantly has a strong influence on performance.

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