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# Effect of Job Satisfaction and Competence to Organizational Performance through Organizational Commitment PT. Bhinneka Mentari Dimensi

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**Abstract:** This study aims to determine the effect of job satisfaction and competence to organizational performance simultaneously, determine the effect of job satisfaction on organizational performance partially, the effect of competence to organizational performance partially determine the effect of organizational commitment on organizational performance partially determine the effect of job satisfaction on performance through commitment to the organization of work and the effect of competence to organizational performance through organizational commitment variable. The study was conducted on the organization of PT. Mentari Diversity Dimensions. Sampling using random samples involving 87 employees in all parts of the organization. Analysis of data using path analysis.

Based on data analysis found that the variable job satisfaction, competence, and organizational commitment affect the performance of the organization.

**Keywords:** Job satisfaction, competency, organizational commitment, organizational performance.

#### INTRODUCTION

To improve the performance of organizations required employee satisfaction and development of employee competencies. Job satisfaction according to Martoyo [1], essentially a psychological one aspect that reflects one's feelings toward his work, he will be satisfied with the fit between the capabilities, skills, and expectations with the job he faced.

Satisfaction is actually a condition that is subjective is the result of conclusions based on a comparison of what is received by employees from their jobs compared with the expected, desired, and thinking as being inappropriate or entitled to it. While every employee/employee subjectively determine how the work was satisfactory.

Research Indrawati [2] stated that job satisfaction affects the performance. This study was done on some employees of Private Hospital in Denpasar. Influence of satisfaction on the positive performance means higher employee satisfaction, the performance of employees at the hospital are also getting bigger. It is also delivered by Rosita and Yuniarti [3] which states that job satisfaction affects the performance of employees. This research was conducted on a number of employees of PT. Pharos Indonesia Surabaya.

On the other hand, namely, competence basic properties owned or part-depth personality and inherent to the person and behavior that can be predicted in a variety of circumstances and the job duties as an encouragement for achievement and a desire to have tried to carry out tasks effectively. Discrepancies incompetencies is what distinguishes a superior perpetrator of actors who excel limited.

Competence is mastery against a set of knowledge, skills, values , and attitudes that lead to performance and reflected in the habit of thinking and acting in accordance with the profession.

In Osel research and Ackah [4] states that competence is essential for the development of organizational performance. In this research submitted that competence affects the performance of the organization. This research was conducted on the employees of a pharmaceutical factory in the state of Ghana.

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Based on research Rina, Mus, Nujum, and Sukmawati [5] concluded that the employee competence variable impact on performance. The research was conducted on a number of employees in Kopertis IX. The higher the competence, the performance is also getting bigger.

#### LITERATURE REVIEW

#### **Job Satisfaction**

Job satisfaction according to Martoyo [1], essentially a psychological one aspect that reflects one's feelings toward his work, he will be satisfied with the fit between the capabilities, skills, and expectations with the job he faced. Satisfaction is actually a condition that is subjective is the result of conclusions based on a comparison of what is received by employees from their jobs compared with the expected, desired, and thinking as being inappropriate or entitled to it. While every employee/employee subjectively determine how the work was satisfactory.

By As'ad [6] job satisfaction is closely related to the attitude of employees toward his own work, the work situation, cooperation between leaders and employees. Meanwhile, according to As'ad [6] suggests that job satisfaction is the general attitude is the result of some special attitude towards factors - factors work, adjustment and individual social relationships outside of work.

Of limits on job satisfaction, we can conclude simply that job satisfaction is one's feelings toward his work. This means that the concept of job satisfaction to see it as the result of human interaction in their work environment.

Factors that influence job satisfaction can basically into two parts: intrinsic factor or factors that would come from within the employees themselves as the expectations and needs of individuals and the second are factors extrinsic, extrinsic factors are factors that come from outside employees, among others company policies, the physical condition of the working environment, interaction with other employees, the payroll system, and so on. Theoretically, factors that may affect job satisfaction are numerous, such as leadership styles, behavior, a locus of control fulfillment of expectations payroll and work effectiveness.

Factors that are typically used to measure the satisfaction of an employee is: (a) the content of the work, the appearance of an actual job duties and as control on work; (B) supervision; (C) organization and management; (D) the opportunity to go forward; (E) the salaries and other financial advantages in fields such as incentives; (F) co-workers; and (g) conditions of employment [7].

#### Competence

Competence according to Spencer and Spencer [8] is the basic characteristics that are owned by an individual related causally to meet the criteria necessary to occupy a position. Competence consists of five types of characteristics, namely the motive (consistent willingness as well as a cause of action), congenital (character and consistent response), the concept of self (self-image), knowledge (information in a particular field) and skills (the ability to carry out tasks).

This is in line with the opinion of Becker and Ulrich [9] that the competency Refers to an individual's knowledge, skills, abilities or personality characteristics that directly influence job performance. That is, competence contains aspects of knowledge, skills and the ability or personality characteristics that affect performance.

In contrast to Fogg [10] that divides competencies into two (2) categories: basic competence and distinguishes basic competencies and differentiating competencies according to the criteria used to predict the performance of a job. Core competencies are the main characteristics, which is usually in the form of knowledge or basic skills such as the ability to read, while the differentiating competencies are competencies that make a person different from another.

From the description above understanding can be concluded that the competence that is the nature of being owned or part-depth personality and inherent to the person and behavior that can be predicted in a variety of circumstances and the job duties as an encouragement for achievement and a desire to have tried to carry out tasks effectively. Discrepancies incompetencies is what distinguishes a superior perpetrator of actors who excel limited. Limited competence and special competence for a particular job is a pattern or guidance in the selection of employees, planning the transfer of tasks, assessment and development work.

From the definition of competence of the above, that the focus of competence is to utilize the knowledge and occupational skills in order to achieve optimal performance. Thus competence is everything that is owned by someone in the form of knowledge skills and internal factors other individuals to be able to do any work. In other words, competence is the ability to carry out duties under the knowledge and skills of each individual.

#### **Organizational commitment**

According to Robbins and Judge [11] organizational commitment is a condition in which an employee is favoring a particular organization as well as the goals and desires to retain membership in the organization. Thus, a high job involvement means favoring certain work of an individual, while a high organizational commitment means favoring organizations that recruit such individuals.

Meanwhile, according to Moorhead and Griffin [12] organizational commitment is an attitude that reflects the extent to which an individual to know and adhere to the organization. An individual who has committed is likely to see himself as a true member of the organization. Meanwhile, according to Kreitner and Kinicki [13] that reflects the organization's commitment to recognizing the degree to which someone tied to an organization and its goals.

It can be concluded that organizational commitment is a psychological state of individuals associated with faith, trust and a strong reception to the goals and values of the organization, a strong willingness to work for the organization and the degree to which it still wants to be a member of the organization.

#### **Organizational Performance**

According to Richard *et al.* [14] in James [15] the performance of the organization is generated by organizations that include results (outcomes) that the financial performance such as profit, as measured by return on assets, return on investment and so on, the performance of the market (product market performance) such as the expansion of market share, and sales. Besides the return of shareholders a return of shareholders and increase the economy of shareholders.

In some areas of the organization's performance can also be measured by other things such as strategic planning, operations, finance, legal and organizational development. In developing the institution or organization is a necessity to survive in the competitive world climate.

The purpose of productivity associated with the development of that organization [16]. Small organizations that have a desire to keep growing and become great. The growing organization in order accommodation to development itself.

Measuring the performance of the organization according to the concept of PBM SIG (the performance-based management special interest group is to perform monitoring and reporting programs and pay attention to objectives achieved. Performance is measured based on the activities of the program to run, products, and services produced. the effectiveness of the organization's achievement of performance should be able to answer questions

- How the project is implemented well
- The achievement of organizational goals
- Satisfaction of consumers who served
- The process must be controlled
- development organization

Besides according to Kaplan and Norton [17] the organization's performance should be measured only in terms of concept non-finance but also of non-financial. Performance can be measured by productivity, quality, consistency and so on. On the other hand measure organizational performance outcomes, behavioral and normative level, education and concepts generated including management development [14].

#### RESEARCH METHODS

#### Research Design

This research uses explanatory analysis approach. This means that each of the variables presented in the hypothesis will be observed by testing the causal relationship of independent variables on the dependent variable. Relationships between variables can be described in terms of the path analysis diagram as follows:

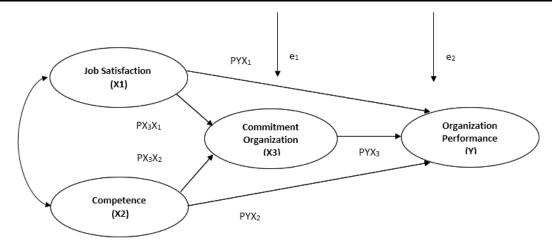


Fig-1: Overall Path Analysis

That phenomenon can be designed through the following mathematical functions:

#### • Model 1 (one)

Simultaneously influence between X1 (job satisfaction) and X2 (competence) to variable Y (organizational performance) can be formulated with:

$$Y = f(X_1), (X_2)$$

Assuming probability predictor variables are the same (P#0,000)/<0.05

#### • Model 2 (two)

The influence of the independent variables X1 (job satisfaction) to Y (organizational performance) can be formulated with:

$$Y = f(X_1)$$

Assuming probability is not the same predictor variables (P#0.000)/<0.05,

#### • Model 3 (three)

Partial effect between X2 (competence) to Y (organizational performance) can be formulated with:

$$Y = f(X_2)$$

Assuming probability is not the same predictor variables.

#### • Model 4 (four)

Partial effect between X3 (organizational commitment) to Y (organizational performance) can be formulated with:

$$Y = f(X_3)$$

Assuming probability is not the same predictor variables (P#0,000)/<0.05

#### • Model 5 (five)

Partial effect between X1 (job satisfaction) to Y (organizational performance) through variable organizational commitment (X3) can be formulated with:

$$X3 = f(X_1)$$

$$Y = f(X_3)$$

Assuming probability is not the same predictor variables (P#0,000)/<0.05

#### • *Model 6 (six)*

Partial effect between X2 (competence) to Y (organizational performance) through variable organizational commitment (X3) can be formulated with:

$$X3 = f(X_2)$$

$$Y = f(X_3)$$

Assuming probability is not the same predictor variables (P#0,000)/<0.05,

#### **Object of Research**

The study was conducted in PT. Bhinneka Mentari Dimensi

#### **Population and Sample**

The population is a generalization region consisting of the objects/subjects that have a certain quantity and characteristics defined by the researchers to learn and then drawn conclusions [18]. Samples were towing the majority of the population to represent the entire population [19]. The sample used by the author in this study was employees of PT. Bhinneka Mentari Dimensi.

The total number of employees as many as 87 people in the field of organization. Employees are entirely included in the data analysis. This sampling included in the sample collection by using the method of the random sampling method. This sampling is in an analysis unit with the same attention to the characteristics of the sample. Overall samples were taken at the organization's use of saturated sampling.

#### RESULTS AND DISCUSSION

#### Effect of job satisfaction and organizational commitment to performance organizational

Linear analysis model can be based on calculations using SPSS program as follows.

Table-1: Results of the analysis of the first equation

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
		В	Std. Error	beta			
1	(Constant)	17,305	2,397		7,220	,000	
	SATISFACTION ,686 ,107 ,452				6,434	,000	
	COMPETENCE ,552 ,069 ,565 8,051 ,0						
a. Dependent Variable: PERFORMANCE							

Based on the tables above, the simultaneous structural equations can be described as follows Y = 0.452X1 + 0.565X2. F count can be obtained from the following table

Table-2: Calculate the F value equations simultaneously

	Model Sum of Squares df			Mean Square	F	Sig.
1	Regression	1635,691	2	817,845	61,453	,000 <sup>b</sup>
Residual 1117,918 84 13,309						
Total 2753,609 86						
a. Dependent Variable: PERFORMANCE						
b. Predictors: (Constant), COMPETENCE, SATISFACTION						

Based on the above table it is known that the calculated F value of 61.453 and significance of 0.00. This value is less than 0.05. This means that the job satisfaction and competence variables affect the performance of the organization simultaneously. The magnitude of the effect of the independent variable on the dependent variable can be seen from the following values of r squared.

**Table-3: Values r squared regression model first** 

Model	Model R R Square Adjusted R Square Std. Error of the Estimate Durbin-Watso							
1 ,771 <sup>a</sup> ,594 ,584 3,64809 1,26								
a. Predictors: (Constant), COMPETENCE, SATISFACTION								
b. Dependent Variable: PERFORMANCE								

Based on the above table it is known that the value of r squared of 59.4% means that job satisfaction and competence variables affect the organizational performance of 59.4% while the rest influenced by other variables that are not incorporated into the model equations.

#### Analysis of the influence of job satisfaction on organizational performance partially

The results of the analysis of the effect of job satisfaction on performance can be partially seen in the following table.

Table-4: Results of the analysis of the second regression equation

Model		Unstandardized		Standardized	T	Sig.		
		Coefficients		Coefficients				
		B Std.		beta				
		Error						
1	(Constant)	26,884	2,753		9,765	,000		
	SATISFACTION	,805	,140	,530	5,760	,000		
	Dependent Variable: PERFORMANCE							

The structural equation of the above data can be seen as follows

Y = 0.530X1

Based on the chart above analysis it is known that job satisfaction coefficient of 0.530. T value of 5.760. The significant value of 0.00. The significance value smaller than 0.05. This means that job satisfaction variables affect the performance of an organization partially. The magnitude of the effect of job satisfaction on organizational performance can be seen in the following table.

**Table-5: Values r squared second equation** 

Model	Std. Error of the Estimate						
1	,858°	2,91878					
a. Predictors: (Constant), SATISFACTION							

Based on the above table it can be seen r squared value of 0.737. This means the effect of job satisfaction variables on organizational performance by 73.7% and the rest influenced by other variables not included in the model equations.

#### Analysis of the influence of competence on organizational performance partially

The analysis results of competence to organizational performance can be partially seen in the following table.

Table-6: Results of the analysis of the third regression equation

	Model	Standardized	t	Sig.			
		Coefficients		Coefficients			
1	(Constant) 29,267 1,837 15,929 ,00						
	COMPETENCE ,613 ,082 ,628 7,433 ,000						
Dependent Variable: PERFORMANCE							

The structural equation of the above data can be seen as follows

Y = 0.628X2

Based on the chart above analysis it is known that the coefficient of 0.628 competence. T value of 7,433. The significant value of 0.00. The significance value smaller than 0.05. This means that the competence variables affect the performance of an organization partially. The amount of influence on the performance of organizational competence can be seen in the following table.

Table-7: R squared value of the third equation

1 ,628 <sup>a</sup> ,394 ,387 4,43091  Predictors: (Constant), COMPETENCE	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate			
Prodictors: (Constant), COMPETENCE	1 ,628 <sup>a</sup> ,394 ,387 4,43091							

Based on the above table it can be seen r squared value of 0.394. This means that the effect of variable competence to organizational performance amounted to 39.4% and the rest influenced by other variables not included in the model equations.

#### Analysis of the influence of organizational commitment on organizational performance partially

The analysis results on the performance of organizational commitment partially work can be seen in the following table.

Table-8: Results of the fourth regression equation analysis

	Model Unstandardized		Standardized	t	Sig.		
		Coefficients		Coefficients			
		В	beta				
1	(Constant)	9,848	2,136		4,611	,000	
	COMMITMENT	,782	,051	,858	15,434	,000	
2	a. Dependent Variable: PERFORMANCE						

The structural equation of the above data can be seen as follows

Y = 0.858X3

Based on the chart above analysis it is known that the coefficient of organizational commitment at 0.858. T value of 15.434. The significant value of 0.00. The significance value smaller than 0.05. This means that the organizational commitment variables affect the performance of an organization partially. The magnitude of the effect of organizational commitment on organizational performance can be seen in the following table.

**Table-9: Values r squared fourth equation** 

	Model	Std. Error of the Estimate						
1 ,858 <sup>a</sup> ,737 ,734 2,91								
	a. Predictors: (Constant), COMMITMENT							

Based on the above table it can be seen r squared value of 0.737. This means that the effect of variable organizational commitment to organizational performance amounted to 73.7% and the rest influenced by other variables not included in the model equations.

# Analysis of the influence of job satisfaction on organizational performance through organizational commitment variable

Based on the partial path analysis above, it can be described as follows. The analysis is an analysis on a line with the structure of this sub-image.

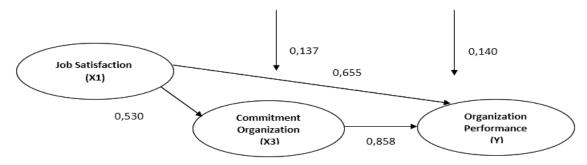


Fig-2: Analysis of the influence lines X1 to Y via X3

Coefficient influence job satisfaction on organizational commitment can be seen in the following table

Table-10: The effect of job satisfaction on organizational commitment

	Model	Unstandardized		Standardized	t	Sig.	
		Coefficients		Coefficients			
		В	Std. Error	beta			
1	(Constant)	20,555	2,692		7,636	,000	
SATISFACTION         1,092         ,137         ,655         7,994         ,000							
a	a. Dependent Variable: COMMITMENT						

Based on the picture above can be seen that the influence of job satisfaction on organizational performance is 0.530. The influence of job satisfaction on performance through organizational commitment is  $0.655 \times 0.858 = 0.5797$ . In

this case, the indirect effect is greater than the direct effect so that it can be said that the variables of organizational commitment as an intervening variable.

# Analysis of the influence of competence on organizational performance through organizational commitment variable

Based on the partial path analysis above, it can be described as follows. The analysis is an analysis of a line with the structure of this sub-image.

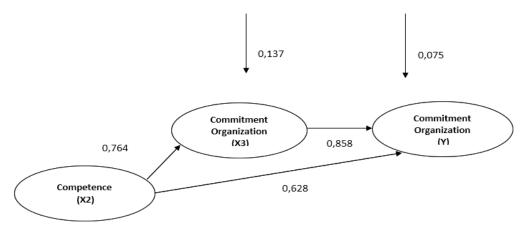


Fig-3: Analysis of the influence lines X2 to Y via X3

The coefficient of competence in organizational commitment can be seen in the following table.

Table-11: The coefficient of competence influence on organizational commitmentModelUnstandardizedStandardizedtSig.CoefficientsCoefficientsCoefficients

Based on the picture above it can be seen that the direct effect of competence on organizational performance is .628. While the effect of competence to organizational performance through organizational commitment is 0.764 X 0.858 = 0,656. In this case smaller than the direct influence of indirect influence so we can say that the variables of organizational commitment as an intervening variable.

#### **CONCLUSION**

Job satisfaction and competence variables affect the performance of the organization simultaneously. Calculated F value of 61.453 and significance of 0.00. This value is less than 0.05. R squared value of 59.4% means that job satisfaction and competence variables affect the organizational performance of 59.4% while the rest influenced by other variables that are not incorporated into the model equations.

Job satisfaction variables affect the performance of an organization partially. T value of 5.760. The significant value of 0.00. The significance value smaller than 0.05. R squared value of 0.737. This means the effect of job satisfaction variables on the performance of 73.7% and the rest influenced by other variables not included in the model equations.

Competence variables affect the performance of an organization partially. T value of 7,433. The significant value of 0.00. The significance value smaller than 0.05. R squared value of 0.394. This means that the effect of variable competence on organizational performance amounted to 39.4% and the rest influenced by other variables not included in the model equations.

Organizational commitment variables affect the performance of an organization partially. T value of 15.434. The significant value of 0.00. The significance value smaller than 0.05. R squared value of 0.737. This means that the effect of variable organizational commitment to organizational performance amounted to 73.7% and the rest influenced by other variables not included in the model equations.

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The influence of job satisfaction on organizational performance is .530. The influence of job satisfaction on organizational performance through organizational commitment is  $0.655 \times 0.858 = 0.5797$ . In this case, the indirect effect is greater than the direct effect so that it can be said that the variables of organizational commitment as an intervening variable.

The direct effect of competence on organizational performance is .628. While the effect of competence to organizational performance through organizational commitment is  $0.764 \times 0.858 = 0,656$ . In this case smaller than the direct influence of indirect influence so we can say that the variables of organizational commitment as an intervening variable.

#### RECOMMENDATIONS

Organizational performance needs to be improved with employee job satisfaction, organizational commitment and improve the competence of employees. Job satisfaction can be improved by taking into account factors that influence job satisfaction such as salary, the number of allowances and the communication of the employees themselves.

Competence should also be improved by increasing the ability of employees to work, increase employee understanding of the vision and mission of the company and increase the awareness of employees to produce a good performance.

Organizational commitment can be improved through increased employee awareness of the organization in the form of employee participation to the decision making of the company, the activities of a togetherness and personality enhancement training activities.

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