Research Paper

The Influence of Work Satisfaction on Employees Performance with Organizational Commitment as Intervening Variable at the Mining and Energy Agency of North Sumatera

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ABSTRACT

Bureaucracy reform is a strategic step to build the state apparatus to be more efficient and effective in carrying out the general task of government and national development. To realize the Bureaucracy Reform program, it is necessary to pay attention to employee job satisfaction. Because employees who are satisfied with what they get from the organization will give their best ability and will continue to improve their performance. One of the most important factors in improving employee performance from human resources is organizational commitment. A high commitment makes individuals care about the fate of the organization and seeks to make the organization better. Job satisfaction will shape organizational commitment and so on organizational commitment will affect employee performance. The purpose of this study is to determine and analyze the effect of job satisfaction on employee performance through organizational commitment. The type of this research is descriptive quantitative and the nature of this research is explanatory research. The population in this study are 97 employees and the sample of this study is the entire population will be observed (census study). Data analysis using path analysis. The result of this research shows that the job satisfaction partially has a positive and significant effect to organizational commitment and employee performance. Partially organizational commitment has a positive and significant effect on employee performance. The result of path analysis is known that there is indirect and significant influence between job satisfaction to performance through organizational commitment.

Keywords: Job Satisfaction, Organizational Commitment, Employee Performance

INTRODUCTION

The performance of local governments has been the focus of recent times, especially since the emergence of a more democratic climate in government. People question the value gained for services performed by local governments. Various problems / obstacles that resulted in government administration system is not running or is not expected to run properly should be reorganized or updated. Bureaucracy reform is a strategic step to build the state apparatus to be more efficient and effective in carrying out the general task of government and national development.

Mining and Energy Agency is one of the government agencies that are required to have high performance in performing tasks and functions in general mining, geology, and mineral resources, electricity and energy utilization, oil and gas. Efforts to improve the performance of local
government is a challenge for the Regional Device Work Unit to be able to improve the welfare of the people of the region by making plans and programs work well, directed, and comprehensive.

The journey of bureaucracy reform in organizing government and public service and public expectation on professional, responsive, efficient and accountable service performance until now has not yet materialized. In fact, poor performance in public services stems from a very strong orientation of power, thus making the bureaucracy itself progressively further away from its mission of providing service. Performance achievement from the realization of performance targets and Performance Indicators of Mining and Energy Agency 2015 has decreased compared to 2014. Quantities of work that did not reach the target include: increasing the ratio of electrified villages, increasing the ratio of electrification, and the number of water infrastructure development units clean in a difficult area of water. This needs to be considered because the performance of a government agency can be a benchmark performance productivity of its employees. To realize the Bureaucracy Reform program, it is necessary to pay attention to employee job satisfaction. Because employees who are satisfied with what they get from the organization will give their best ability and will continue to improve their performance.

Good division of tasks and with good leadership someone will be more happy to do the work that is charged to him, in addition to the salary and wages are quite in line with expectations also support a person achieve satisfaction in work. This is in line with research Raharjo (2015) where job satisfaction affects the performance of employees.

Based on the results of the survey, it is known that the employees of Mining and Energy Agency are still indicated not satisfied especially with the career development or promotion policy in Mining and Energy Office which is felt not fair enough. In addition there are also employees who are not satisfied with the work environment and work facilities available in the Department of Mines and Energy one of which is still there work equipment that is damaged and has not been repaired so that employees must borrow equipment in other parts.

In carrying out its tasks, the Mining and Energy Office of the Province of North Sumatra is required to have human resources with a high working commitment so that the vision, mission and values of the Mining and Energy Office of the Province of North Sumatra can be achieved as expected. Employees are expected to realize the vision of the Mining and Energy Office of the Province of North Sumatra in order to "realization of mining concessions and energy with environmental insight that add value to reach the people of North Sumatra who are prosperous, prosperous in diversity".

But in the reality that there is a field today, some employees tend to laze in work. They tend to accomplish a job when circumstances are urgent. For example: Geologists and Ground Water employees will carry out their tasks seriously if there is a request for a Technical Recommendation Letter approaching the deadline, work should be done at the time of grace period, but they are more relaxed. So many hours of work that is not effective with job duties. In addition, according to the results of interviews with some employees, there are indications employees feel like moving to another work in the office because employees feel no opportunity to promote in the Department of Mines and Energy.

The Head of Mining and Energy Agency was arrested by the Clean Sweep of Illegal Sweep (Saber Pungli) team in the Hand Capture Operation (OTT). Head of Mining and Energy Agency allegedly deliberately slow down the issuance of technical recommendation of Mining Production Operation License (IUP OP). (www.beritasatu.com/hukum/424172-polisi-set-head-distamben-sumut-as-
This shows the lack of commitment from the Head of Mining and Energy, where high commitment makes the individual concerned with the fate of the organization and seeks to make the organization better.

Based on the above explanation, it is necessary to conduct a research entitled "The Influence of Job Satisfaction on Employee Performance with Organizational Commitment as Intervening Variable at Dinas Pertambangan dan Energi Provinsi Sumatera Utara ".

LITERATURE REVIEW

Job Satisfaction

According to Robbins and Coulter (2010), job satisfaction is a general attitude toward one's work, which shows the difference between the number of rewards earned by workers and the amount they believe they should receive. Winardi (2011) explains that satisfaction is an end condition that arises because the achievement of certain goals. It is the affective reaction of the employee (feelings about) aspects of the work situation.

Dimensions that affect job satisfaction according to Sutrisno (2011) as follows: 1) Psychological factors, factors related to the psychiatric employees, which includes interest, tranquility in work, attitudes to work, talents and skills, 2) Social factors, factors (3) Physical factors are factors related to the physical condition of the employee, covering the type of work, setting time and rest period, work equipment, the condition of the room, temperature, lighting, air exchange , employee health conditions, age, etc. 4) Financial factors are factors related to employee guarantees and welfare covering the system and the amount of salary, social security, benefits, facilities provided, promotion and so forth.

Organizational Commitment

Robbins and Judge (2015) see organizational commitment as one of work attitudes, because it reflects an employee's feelings toward the organization in which he works, an employee will strive to keep working if he likes the organization. Organizational commitment is the loyalty of employees to the organization, which is reflected by its high involvement to achieve organizational goals. Employee loyalty is reflected through the willingness and willingness of employees to always try to be part of the organization, as well as its strong desire to stay in the organization (Priansa, 2014).

Luthans, et al (2011) mentions three types of commitment, namely: 1) Affective Commitment is a desire to remain a member of the organization because of emotional attachment to, and attachment to the organization, 2) Continuance Commitment is a desire to remain a member of the organization because of concern for the costs associated with abandoning it, 3) Normative Commitment as a desire to remain a member of the organization because it feels obligatory.

Performance

Mangkunegara (2009), performance is derived from the word job performance or actual performance that gives the meaning of work performance or achievement actually achieved by someone and performance (work performance) is the work quality and quantity obtained by an employee in performing their duties in accordance with the responsibility given to him. Performance is declared good and successful when defined goals are achieved (Gibson, et al, 2011).

According to the results of research Argensia, et al (2014) Job satisfaction beperngaruh positive and indirectly significant to the performance of employees through organizational commitment with positive effects. Further research results Rosita and Yuniati (2016) showed Job satisfaction can have a direct influence on employee performance and can have an indirect effect on employee performance through organizational commitment. Relationships between variables can be seen through the concept of research framework in Figure 1:
Hypothesis

H₁ : Job satisfaction has a direct and significant effect on employee performance.
H₂ : Job satisfaction has a direct and significant impact on commitment organization.
H₃ : Organizational commitment has a direct and significant effect on performance employees.
H₄ : Job satisfaction has an indirect and significant effect on performance employees through organizational commitment.

MATERIALS AND RESEARCH METHODS

This type of research is descriptive quantitative. According to Sinulingga (2015), "Descriptive research is a type of research that aims to describe the systematic, factual and accurate about the facts and the properties of a particular object or population.

This research was conducted at Mining and Energy Office of North Sumatera Province located at Jalan Setiabudi Pasar.2 No.84 Tanjung Sari Medan. This research was conducted in April 2017 until December 2017.

The population in this research is all employees of Department of Mining and Energy of North Sumatra Province which amounted to 97 people. Since the population is below 100 respondents the entire population will be observed (census).

The operational definitions of each variable are as follows:

1. Job Satisfaction (X) is an attitude of employees of Mining and Energy Agency to work related to work situation, cooperation among employees, rewards received in work, and matters concerning physical and psychological factors.
2. Organizational commitment (Z) is the attitude of employee loyalty and is an ongoing process of how an employee expresses their attention to the success and goodness of the Mining and Energy Agency.
3. Employee performance (Y) is the level of success in doing the job and the ability to achieve the goals set.

Path Analysis

Analyzer used is path analysis. According to Rutherford (1993) in Sinulingga (2015), path analysis is a technique of causal relationship analysis where independent variables influence the dependent variable either directly or indirectly. The mathematical model of the path model often called the structural model can be formulated as shown in Figure 2:

\[ Y_1 = \rho_1 X_1 + e_1 \]
\[ Y_2 = \rho_2 X_1 + \rho_3 Y_1 + e_2 \]

From Figure 2, there are two influence relationship patterns that is direct and indirect effect as follows:

Direct Influence

The effect of variable X₁ to Y₁ is \( \rho_1 \) respectively
The effect of each variable X₁, and Y₁ to Y₂ are \( \rho_2, \rho_3 \) respectively

Y₁ = \( \rho_1 \) X₁ + + e₁
Y₂ = \( \rho_2 \) X₁ + \( \rho_3 \) Y₁ + e₂
Indirect influence. The effect of X1 on Y2 through Y1 is (p1) (p3)

Total Influence The effect of X1 on Y2 through Y1 is p2 + (p1) (p3)

**RESEARCH RESULT**

**Path Diagram Model Sub Model I**

Hypothesis states that Job Satisfaction (X) have positive and significant influence to Organizational Commitment (Z) at Mining and Energy Office of North Sumatera Province. The following Table 1 calculation results of the path coefficient test of each variable:

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>708</td>
<td>6.224</td>
<td>114</td>
</tr>
<tr>
<td></td>
<td>Job Satisfaction</td>
<td>.692</td>
<td>.061</td>
<td>.758</td>
</tr>
</tbody>
</table>

Based on Table 1 we can see the equation of sub model I analysis in this research is the first substructure equation:

\[ Z = b_1 Z X + e_1 \]

Where:
\[ Z = \text{Organizational Commitment} \]
\[ X = \text{Job satisfaction} \]
\[ e_1 = \text{First Substructure Error} \]

In Ghozali (2011) the error formula is
\[ e = \sqrt{1 - R^2} \]
then:
\[ e_1 = \sqrt{1 - 0.571} \]

**Path Diagram Model Sub Model II**

The hypothesis states that job satisfaction (X), as well as organizational commitment (Z), positively and significantly influence on employee performance (Y) at Mining and Energy Office of North Sumatera Province. The following Table 2 calculation results of the path coefficient test of each variable:

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>22.585</td>
<td>3.187</td>
<td>7.087</td>
</tr>
<tr>
<td></td>
<td>Job satisfaction</td>
<td>184</td>
<td>.048</td>
<td>.287</td>
</tr>
<tr>
<td></td>
<td>Commitment</td>
<td>450</td>
<td>.053</td>
<td>.643</td>
</tr>
</tbody>
</table>

Based on Table 2 can be seen equation analysis of sub line model II in this research is equation of second substructure:

\[ Y = b_2 Y X + b_3 Y Z + e_2 \]

Where:
\[ Z = \text{Organizational Commitment} \]
\[ Y = \text{Employee Performance} \]
\[ X = \text{Job satisfaction} \]
\[ e_2 = \text{Second Substructure Error} \]

In Ghozali (2011) the error formula is
\[ e = \sqrt{1 - R^2} \]
then:
\[ e_2 = \sqrt{1 - 0.771} \]

Then the second substructure equation is:
\[ Y = 0.287 X + 0.643 Z + 0.478 \]

**Test Results Sub model**

**Direct Effect**
Knowing and calculating the direct influence of the variables studied, it can be shown as follows:

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Coefficient</th>
<th>t-count</th>
<th>Sig</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job satisfaction</td>
<td>Organizational Commitment</td>
<td>0.758</td>
<td>11.343</td>
<td>.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>Employee Performance</td>
<td>0.287</td>
<td>3.833</td>
<td>.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>Employee Performance</td>
<td>0.643</td>
<td>8.571</td>
<td>.000</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Source: Research Results, 2017 (Data processed)
The independent variables in this study have a significant influence overall on the dependent variable. The most dominant direct influence is the influence of job satisfaction on organizational commitment with beta coefficient of 0.758, the direct influence of organizational commitment to employee performance with beta coefficient of 0.643, and the lowest direct influence is the effect of job satisfaction on employee performance of 0.287.

**Indirect Influence**

Know and calculate the indirect influence of the variables studied, as follows;

<table>
<thead>
<tr>
<th>X → Z</th>
<th>Z → Y</th>
<th>The value of indirect influence</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.758</td>
<td>0.643</td>
<td>0.487</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Source: primary data processed, 2017.

Based on the results we can know that the value of direct influence of job satisfaction (X) on employee performance (Y) of 0.287 smaller (<) than the value of indirect influence of 0.487, so it can be concluded that organizational commitment (Z) is intervening variable (link) between job satisfaction (X) and employee performance (Y) in this research.

**Total Influence**

The total effect is the amount of direct influence coupled with the number of indirect effects as follows:

<table>
<thead>
<tr>
<th>Direct influence</th>
<th>Indirect influence</th>
<th>Total effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.287 (sig 0.000)</td>
<td>0.487 (sig 0.000)</td>
<td>0.774</td>
</tr>
</tbody>
</table>

Source: primary data processed, 2017.

**DISCUSSION**

The results of the research show that job satisfaction has positive and significant effect to the performance of the employees at Mining and Energy Office of North Sumatera Province. This means that the higher the employee job satisfaction hence can improve employee performance and vice versa if job satisfaction of employee decreasing hence performance of employee will decrease. The results of this study are in line with some previous research, such as: Siahaan (2017) states Satisfaction invites positive attitudes needed to perform better; Muhadi (2007) on the results of the first hypothesis showing that job satisfaction has a significant positive effect on the performance of employees of the Diponegoro University Administration; Devi (2009) showed job satisfaction had a positive effect on employee performance.

The result of the research proves that job satisfaction has positive and significant influence to organizational commitment at Mining and Energy Office of North Sumatera Province. This shows that the greater job satisfaction perceived by employees can increase the organizational commitment on the contrary the lower the job satisfaction perceived employees can reduce the organization's commitment. The results of this study are in line with several previous studies, among others: Siahaan (2016) proves that job satisfaction is directly and strongly affected organizational commitment; Argensia, Dalimunthe and Salim (2014) show that job satisfaction has a positive and significant influence on organizational commitment of Customs and Excise Supervisory and Service Office of B Medan Customs Bureau.

The results of this study prove that organizational commitment has a positive and significant effect on the performance of employees of Mining and Energy Office of North Sumatra Province. This proves that the greater commitment of employee organizations can improve employee performance in working otherwise the lower commitment of employee organizations can reduce employee performance in work. The results of this study are in line with several previous studies, such as: Lily, Ginting, Lumbanraja, Siahaan (2017) stated that Organizational commitment has a positive and significant effect on the performance of civil servants in the West Coast region.

The result of the research proves that job satisfaction has a positive and significant effect on employee performance through organizational commitment at.
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Mining and Energy Office of North Sumatera Province. This shows that the higher the employee job satisfaction hence the organization’s commitment to the company will increase so that it can give the higher impact also the performance resulted the employee in work. Most of the employees of the Mining and Energy Office of the Province of North Sumatra are psychologically satisfied with their work which gives an increasingly high normative commitment to always improve the performance of the service. The results of this study are in line with the research of Rosita and Yuniati (2016) which states that job satisfaction can have a direct influence on employee performance and can have an indirect effect on employee performance through organizational commitment.

CONCLUSION
Based on the results of research and discussion in the previous chapter, it can be concluded as follows:
1. Job satisfaction has a positive and significant effect on the performance of employees at Mining and Energy Office of North Sumatra Province.
2. Job satisfaction has a positive and significant impact on organizational commitment at Mining and Energy Office of North Sumatera Province.
3. Organizational commitment has a positive and significant impact on the performance of employees of Mining and Energy Office of North Sumatra Province.
4. Job satisfaction has a positive and significant impact on the performance of employees through organizational commitment to the Mining and Energy Office of North Sumatra Province.

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