The Influence of Work Motivation, Compensation and Organizational Culture On Organizational Commitment Through Job Satisfaction As A Mediating Variable

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ABSTRACT

Background: Public perception of public services is still influenced by the lack of organizational commitment of government officials.

Aim: this research is to analyze the mediating relationship between Work Motivation, Compensation and Organizational Culture through Job Satisfaction and Organizational Commitment Performance: a study of employees in public service agencies.

The objective of this research subject is Civil Servant at Disperindagkop Pemalang Regency. The population in this study is 96 employees.

Method: This study uses explanatory research for causal relationships between variables through hypothesis testing, sampling techniques with purposive sampling. The data analysis methods used are path analysis and Sobel tests to test indirect influences (mediation effects).

Findings: Based on the results of data analysis, several things were concluded, including: there is a significant direct effect of Work Motivation, Compensation and Organizational Culture on Organizational Commitment through Job Satisfaction as a mediating variable. In addition, Job Satisfaction also has a significant effect on employee Organizational Commitment.

KEYWORDS

Work Motivation, Compensation and Organizational Culture, Job Satisfaction and Organizational Commitment Performance

INTRODUCTION

Recently, many studies have examined the relationship of various factors to organizational commitment. This reflects that organizational commitment is very important for a business because it is an encouragement in individuals to do something in order to support the success of the organization with goals and prioritize the interests of the organization. Although organizational commitment is important, there are still many commitment problems in a company or organization. Organizational commitment is defined as an attitude of employee loyalty to the organization and it is an ongoing process that shows participation in organizational decisions and has a strong desire to maintain its membership in the organization (Luthans 2008).

High commitment to employees is expected to have an impact on improving employee performance. In this case Employee commitment means the psychological and physical involvement of employees in their workplace. Employee commitment plays a very dominant role in achieving company goals within a predetermined period of time. Currently in various demands or targets of the organization many who experience work stress employees also say it becomes increasing, this can affect employee commitment. Thus employee commitment is influenced by various factors such as organizational culture, determinants of success, standards and benefits. And also compensation is identified as one of those important factors. The term compensation means any form of payment made to a person for work performed for the organization or any form of service provided to the company. Therefore when employees are
satisfied with the appropriate type of compensation, their commitment can be increased or maintained. Executives must therefore design a compensation structure based on the needs of employees to earn their commitment to the organization.

Poor human resource management (HR) practices such as unfair compensation structures, lack of proper supervision and evaluation, absence of proper training and development (T&D), lack of job autonomy, etc. (Joarder 2012); (Jahangir 2011); (Jalil 2009), as well as psychological factors such as job dissatisfaction and lack of organizational commitment (Sabiu 2016). Due to poor HRM practices, psychological factors arise (Joarder 2012). For example, if the employee suffers from a lack of adequate job satisfaction, then the employee's commitment to work and the organization becomes weak and fragile and eventually, the employee tends to quit the job to have better opportunities in other organizations. (Chan, HSJ dan Ao 2018); (Sabiu 2016). For this reason, several research initiatives identify adequate job satisfaction as an important factor of the commitment of responsible organizations to influence employee performance.

Several previous studies have partially examined Work Motivation, Compensation and Organizational Culture. Job Satisfaction and Performance of Organizational Commitment, as follows: first, the results of the study are research that states significant and positive influence: (Al-Musadiq et al. 2018; Al-Sada, Al-Esmail, and Faisal 2017; Alamelu et al. 2015; Alvina and Djastuti 2018; Ashraf 2020; Aziz 2014), and studies that show no significant influence (Adawiyah, Tjahjono, and Fauziyah 2016; Harianto 2016; Jufrizen 2018).

Some research that has been done before has not been widely tested on public service organizations or government agencies. The originality of the research lies in the mediating testing of job satisfaction on Work Motivation, Compensation and Organizational Culture and its impact on organizational commitment, and human resource modeling research on the Pemalang Regency Disoperindak.

**Organizational Commitment**: Organizational commitment is an attachment categorized based on identification and engagement within the target entity (Vandenbergehe, Bentein, and Stinglhamber 2004).

**Job Satisfaction**: (Locke 1976) defines job satisfaction as, "a pleasant or positive emotional state resulting from the assessment of one's work or work experience.

**Work Motivation**: (Mitchell 1982) defines motivation as "the degree to which an individual wants and chooses to engage in certain specific behaviors". (Higgins, 1994) refers to motivation as an internal drive to meet unmet needs. Other researchers attribute the concept of motivation to the workplace.

**Compensation**: Compensation is a combination of all cash incentives and a mix of benefits that employees receive from the company and is the total compensation of individual employees (Richards et al. 2013; Ashraf 2020; Siberry and Tessema 2006).

**Organizational Culture**: (Schein, 2004) states that organizational culture is "a common basic assumption pattern that has been learned by a group when solving problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, taught to new members as the correct way to understand, think and feel in relation to the problem".

**METHOD**

Research design is a detailed planning that is used as a learning guideline that leads to research objectives. This research includes explanatory research for causal relationships between variables through hypothesis testing. This type of research is purposive sampling by taking the criteria of all employees who are civil servants and using questionnaires as a basic data collection tool. Sampling technique using purposive sampling.
The analysis unit of this study is the Civil Affairs Department at the Pemalang Regency Disperindagkop. The data analysis methods used are path analysis and Sobel test to test indirect influences (mediation effects).

**Indicator**

Organizational commitment variables use the following indicators: Affective commitment, Continuance commitment, Normative commitment. The indicators of work motivation in this study are: Retribution, Recognition from superiors, Work itself. For indicators in this compensation are: Incentives, Benefits, Facilities. The indicators of organizational culture are Responsiveness, Encouragement, Ability. These indicators in job satisfaction are: love for work, promotion, co-workers.

**RESULTS AND DISCUSSION**

**Hypothesis Testing**

Partial significance test (t test) (equation 2)

<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>1 (Constant)</td>
<td>6.237</td>
<td>1.904</td>
<td>3.276</td>
<td>.002</td>
</tr>
<tr>
<td>Work Motivation (X1)</td>
<td>.329</td>
<td>.143</td>
<td>.287</td>
<td>2.297</td>
</tr>
<tr>
<td>Compensation (X2)</td>
<td>.217</td>
<td>.100</td>
<td>.274</td>
<td>2.162</td>
</tr>
<tr>
<td>Organizational Culture (X3)</td>
<td>.280</td>
<td>.108</td>
<td>.350</td>
<td>2.593</td>
</tr>
<tr>
<td>Job Satisfaction (Z)</td>
<td>-.298</td>
<td>.096</td>
<td>-.368</td>
<td>-</td>
</tr>
</tbody>
</table>

Dependent Variable: Organizational Commitment

Based on the results of table 1 above, with the results of the t test in equation 2, the conclusion of the t test results will be drawn immediately on hypotheses one (H₁), two (H₂), three (H₃), and seven (H₇) as follows:

Hypothesis 1 (H₁) : Based on the calculation of the results of the t test above, it is known that the variable Work Motivation (X₁) to Organizational Commitment (Y) with a value of \( t_{hitung} = 2.297 \) is greater than \( t_{tabel} = 2.018 \) \((2.297 > 2.018)\) so that it can be concluded that there is a significant and accepted influence.

Hypothesis 2 (H₂) : Based on the calculation of the results of the t test above, it is known that the variable Compensation (X₂) to Organizational Commitment (Y) with a value of \( t_{hitung} = 2.162 \) is greater than \( t_{tabel} = 2.018 \) \((2.162 > 2.018)\) so that it can be concluded that there is a significant and accepted influence.

Hypothesis 3 (H₃) : Based on the calculation of the results of the t test above, it is known that the variable Organizational Culture (X₃) to Organizational Commitment (Y) with a value of \( t_{hitung} = 2.593 \) is greater than \( t_{tabel} = 2.018 \) \((2.593 > 2.018)\) so that it can be concluded that there is a significant and accepted influence.

Hypothesis 7 (H₇) : Based on the calculation of the results of the t test above, it is known that the variable Job Satisfaction (Z) to Organizational Commitment (Y) with a value of \( t_{hitung} = 3.088 \) is greater than \( t_{tabel} = 2.018 \) \((3.088 > 2.018)\) so that it can be concluded that there is a significant and accepted influence.
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= -3.088 is greater than \( t_{\text{table}} = 2.018 \) (-3.088 > 2.018) so that it can be concluded that there is a significant and accepted influence.

**Path Analysis**

Path analysis is the use of regression analysis to assess causality relationships between predefined variables based on theory. These are the results of path analysis \( H_1, H_2, H_3, H_4, H_5, H_6 \) and \( H_7 \) as follows:

![Path Analysis Diagram](image)

**Discussion**

The Work Motivation variable has a significant effect on Organizational Commitment (H1). The first hypothesis that states the variable Work Motivation has a significant effect on Organizational Commitment in the Pemalang Diskoperindag is proven to be correct. This is evidenced from the results of the calculation test of 2.297 greater than the \( t_{\text{table}} \) value of 2.018. While the probability value (Sig.) is 0.027 < 0.05. This means that the influence of the Work Motivation variable on Organizational Commitment is significant. This research is in line and supportive with previous research conducted by (Kusuma Wardhani et al., 2015), (Hanafi & Sanosra, 2018) and (Rumangkit & Haholongan, 2019).

The Compensation Variable has a significant effect on Organizational Commitment (H2). The second hypothesis that states the Compensation variable has a significant effect on Organizational Commitment in the Pemalang Diskoperindag is proven to be true. This is evidenced from the results of the calculation test of 2.162 greater than the \( t_{\text{table}} \) value of 2.018. While the probability value (Sig.) is 0.036 < 0.05. This means that the effect of the Compensation variable on organizational commitments is significant. This research is in line and supportive with previous research conducted by (Jufrizen, 2015), (Adawiyah et al., 2016) and (Setiani, 2019).

Organizational Culture Variables have a significant effect on Organizational Commitment (H3). The third hypothesis that states that the Organizational Culture variable has a significant effect on Organizational Commitment in the Pemalang Diskoperindag is proven to be true. This is evidenced from the results of the calculation test of 2.593 greater than the \( t_{\text{table}} \) value of 2.018. While the probability value (Sig.) is 0.013 < 0.05. This means that the influence of the Organizational Culture variable on organizational commitment is significant.
This research is in line and supports previous research conducted by (Pamungkas & Panjaitan, 2019), (Puspi\textdblash\textdublach\textdblet\textdublach\textdblet, 2015), (Isni Alvina & Djastuti, 2018) and (Anjani, 2020).

The Work Motivation variable has a significant effect on Organizational Commitment with Job Satisfaction as the Intervening variable (H4). The fourth hypothesis that states the variable Work Motivation has a significant effect on Organizational Commitment with Job Satisfaction as an Intervening variable is proven to be true. This is evidenced from the results of the sobel test with a calculated value of 16,342 greater than the t\textdoubleslash\textdoubleslash\textdoubleslash value of 2,018 (16,342 > 2,018). This research is in line and supports previous research conducted by (Kusuma Wardhani et al., 2015), (Setiani, 2019) and (Harianto, 2016) which states that the Work Motivation variable affects Organizational Commitment with Job Satisfaction as an Intervening variable.

The Compensation Variable has a significant effect on Organizational Commitment with Job Satisfaction as the Intervening variable (H5). The fifth hypothesis that states the variable Compensation has a significant effect on Organizational Commitment with Job Satisfaction as an Intervening variable is proven to be true. This is evidenced from the results of the sobel test with a calculated value of 3,120 greater than the t\textdoubleslash\textdoubleslash\textdoubleslash value of 2,018 (3,120 > 2,018). This research is in line and supportive with previous research conducted by (Adawiyah et al., 2016), (Jufrizen, 2015) and (Setiani, 2019).

The Organizational Culture variable has a significant effect on Organizational Commitment with Job Satisfaction as the Intervening variable (H6). The sixth hypothesis that states the Organizational Culture variable has a significant effect on Organizational Commitment with Job Satisfaction as an Intervening Variable is proven to be true. This is evidenced from the results of the sobel test with a calculated value of 17,319 greater than the t\textdoubleslash\textdoubleslash\textdoubleslash value of 2,018 (17,319 > 2,018). This research is in line and supportive of previous research conducted by (Puspi\textdblash\textdublach\textdblet\textdublach\textdblet, 2015), (Isni Alvina & Djastuti, 2018) and (Anjani, 2020).

The Job Satisfaction variable has a significant effect on Organizational Commitment (H7). The seventh hypothesis that states the Patient Satisfaction variable has a significant effect on Patient Loyalty is proven to be true. This is evidenced from the results of the calculation test of -3,088 smaller than the t\textdoubleslash\textdoubleslash\textdoubleslash value of 2,018 (-3,088 < 2,018). This research is not in line and supportive with previous studies conducted by (Kusuma Wardhani et al., 2015), (Adawiyah et al., 2016), (Jufrizen, 2015) and (Pamungkas & Panjaitan, 2019).

CONCLUSION

The results of the study concluded that there is a significant influence between the Work Motivation variable (X1) on the Organizational Commitment variable (Y), there is a significant influence between the Compensation variable (X2) on the Organizational Commitment variable (Y), there is a significant influence between the Organizational Culture variable (X3) on the Organizational Commitment variable (Y), there is a significant influence between the Work Motivation variable (X1) on the Job Satisfaction variable (Z) as a mediation variable and there is a significant influence between the Compensation variable (X2) on the Job Satisfaction variable (Z) as a mediation variable, there is a significant influence between the Organizational Culture variable (X3) on the Job Satisfaction variable (Z) as a mediation variable in the Pemalang Regency Disperindak, and there is a significant influence between the Satisfaction variable (Z) on the Organizational Commitment variable (Y) in Dskopindak Pemalang Regency.

Some of the limitations of the study are as follows: first, this study is based on crosssectional data, that is, data collection is carried out directly from respondents who were recorded as Civil Servants during the study; secondly, respondents were asked to fill out a likert scale questionnaire. The fundamental constraints/limitations of the method are data collection,
among others; there may be a bias of assessment due to the degree of understanding of the question of perception, the subjectivity of the respondent in the relative assessment, the seriousness of the filling, the tendency of the respondent to give a positive assessment of all research variables, paying attention to.

These limitations, then provide suggestions for future researchers, namely to improve this data collection method; questions are made simple and concise, each item is first validated with reference to a statistical approach; With a limited number of respondents, the assumption is that the characteristics of public sector service employees in the field of trade and MSMEs are certainly still vulnerable. Therefore, efforts towards generalizing empirical findings in this study need to be strengthened by subsequent researchers with a larger target of respondents across all SKPDs.

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