# International Journal of Economics, Commerce and Management

United Kingdom http://ijecm.co.uk/ Vol. VII, Issue 2, February 2019 ISSN 2348 0386

# THE EFFECT OF WORK LIFE QUALITY, COMMITMENT, AND JOB SATISFACTION ON EMPLOYEE PERFORMANCE OF PERHUTANI PUBLIC CORPORATION JAKARTA

# Hallilah 🖂

Faculty of Economics, Gunadarma University, Depok, Indonesia lalaabyu@gmail.com

## E. Susy Suhendra

Faculty of Economics, Gunadarma University, Depok, Indonesia susysuhendra@gmail.com

#### Abstract

Perum Perhutani, Indonesia is a State-Owned Enterprise that has the duty and authority to carry out planning, management, exploitation and protection of forests. Research conducted by researchers aims to see how the employees performance of Perum Perhutani Jakarta after the online system. The data used are primary data which was carried out using questionnaires to 60 employees of the Jakarta Perhutani Office through random sampling. The tool used is multiple linear regression method in SPSS. All variables were tested at significance value below 0.05. But there are two variables that have a negative relationship direction, namely the quality of work life variable (X1) and commitment variable (X2). The result can be concluded that quality of work life and commitment are not significantly influencing the employees performance. But, job satisfaction have an influence to the employees performance in Perum Perhutani Jakarta.

Keywords: Quality of Work Life, Commitment, Job Satisfaction, and Employee Performance

## INTRODUCTION

In working, the work environment directly affects work attitudes and determines employee performance. A pleasant work environment can make employee attitudes and give encouragement to work more diligently and well again. An organization has an interest in the



best performance that can be produced by a series of systems that apply in the organization. Human Resource Management is one of the main factors to get the best performance, because in addition to handling the problem of skills and expertise, HR management also has the obligation to build conducive behavior of employees to get the best performance in an organization. A good organization is an organization that seeks to improve the ability of its human resources, because it is a key factor to improve employee performance. There are four dimensions in the quality of work life that are expected to improve the quality of human resources namely participation in problem solving, innovative reward systems, work environment improvement and work restructuring. The quality of work life is a major problem that deserves to get organizational attention (Lewis et al., 2001). The quality of work life is a concept or management philosophy in order to improve the quality of human resources that have been known since the seventies. At that time the quality of work life was defined narrowly as 3 management techniques which included quality control groups, employment enrichment, an approach to negotiating with trade unions, management efforts to maintain the mental fitness of employees, harmonious industrial relations, participatory and wrong management one form of intervention in organizational development (French et al. in Noor, 1999). Organizational commitment is the degree to which a person identifies himself as part and organization and wishes to continue active participation in it. Organizational commitment that employees have in working in a company or organization in this context is no longer seen solely as a mere earning, but more deeply. With the concept of quality of work life where the policy of the management to empower the organization through a human work environment through the four dimensions of the quality of work life, the employee will feel more appreciated so that the organizational commitment to work is also higher.

## Research purposes

Based on the description above, the purpose of the study is to analyze and prove the effect of the quality of work life on employee performance, analyze and prove the influence of commitment to employee performance, analyze and prove the effect of job satisfaction on employee performance.

#### LITERATURE REVIEW

## Quality of work life

Quality of Work Life (QWL) according to Dessler (2006) means a condition where employees can meet their important needs by working in the organization and the ability to do so depends on whether there is fair and supportive treatment and opportunities for every employee to appreciate himself. Other aspects of QWL that affect according to Cummings and Worley (2009) are the reward system, the physical environment at work, employee involvement, the guarantee of workers' rights, and the need for recognition and esteem.

According to Cascio (2006) the quality of work life is the level of employee participation, career development, conflict resolution, communication, health, work continuity, safe environment and fair compensation which can be operationalized through financial compensation, career management or employee progress, structuring the work environment, design work characteristics and leadership practices. Sheel (2012) stated that the most important determinant of quality of work life (QWL) so that providing the best performance is a career growth opportunity.

## **Employee performance**

Employee performance is the ability of workers to do their work or duties according to certain criteria that apply to a particular job. A person's performance depends on a combination of abilities, effort, motivation and opportunities obtained. Husnawati (2006) states that employee performance is a function of the interaction between ability and motivation. Noor (2012) stated that performance is a performance that is the result of work produced by employees or real behavior displayed in accordance with its role in the organization, therefore performance can be said as a measure for someone in their work. Performance is the basis of productivity and has a contribution in achieving organizational goals. Prawirosentono (2008) states that performance is the work that can be achieved by a person or group of people in an organization in accordance with the authority and responsibility of each in order to achieve the objectives of the organization legally not violating the law and in accordance with morals and ethics. Zainur (2010) defines "Performance is the whole process of working from an individual whose results can be used as a basis for determining whether the individual's work is good or otherwise". Performance is also the output produced by functions or indicators of a job or profession within a certain time (Wirawan, 2009).

#### **Organizational Commitment**

Organizational commitment is seen as a value orientation towards an organization that shows individuals are very concerned about and prioritize their work and organization. Individuals will try to provide all the effort they have in order to help the organization achieve its goals. Organizational commitment is defined as "The degree to which an employee identifies with a particular organization and its goals, and wishes to maintain membership in the organization" (Robbins, 2003).

Organizational commitment according to Gibson et al. in Rivai (2005) can be interpreted as "identification, loyalty, and involvement expressed by employees by the organization or unit of the organization". According to William and Hazer in Rivai (2005), organizational commitment is "affective response to the organization as a whole, which then shows an affective response to specific aspects of work while job satisfaction is an affective response of individuals within the organization to the evaluation of the past and present, as well as individual assessments not groups or organizations.

#### Job satisfaction

To achieve the expected productivity, there is a need for support and hard work along with other components. Job satisfaction is one of the 30 components that support the achievement of productivity referred to by Lewis (2001) defining job satisfaction as a set of pleasant and unpleasant feelings towards their work. Job satisfaction is seen as a relative feeling of pleasure or displeasure, which is different from objective thinking and behavioral desires. Because feelings are related to one's attitude, then job satisfaction can be defined as a person's general attitude toward work and his expectations for the organization where he works. Job satisfaction shows a positive emotional attitude based on one's work experience (Locke in Luthans, 2006) Simply stated, satisfied employees prefer the work situation rather than dislike. Further job satisfaction is also a component of life satisfaction. So that it becomes very important to be considered in the development and maintenance of labor. Because if employees don't get satisfaction in their work, then their motivation will decrease, absenteeism and delay increase and it will be difficult to cooperate with them. This shows that a person's job satisfaction will also be a determinant of the operational continuity of a company. Job satisfaction is usually related to the theory of justice, psychological and motivation.

## **RESEARCH METHODS**

#### Sampling Method

Sample is a part of population that able to represent the whole population within particular characteristics (Suntoyo, 2012). Sampling method using simple random sampling. Respondent are chosen randomly then researcher distributed questionnaires to the selected sample of 60 people.

#### The Data

Sources Primary data are research data obtained directly from the original source (not through intermediary sources) and data collected specifically to answer research questions that are in accordance with the wishes of the researcher (Mas'ud, 2004). This primary data is specifically collected for ongoing research needs. The primary data in this study is data about social profiles and identification of respondents, containing respondents' data relating to respondent identity and social conditions such as: age, position, last education, and tenure of all employees at PERUM Perhutani Jakarta relating to the quality of work life, organizational commitment, job satisfaction and employee performance.

## Data collection technique

Data collection in this study was carried out through a questionnaire method, namely data collection techniques carried out by giving a set of questions or written statements to respondents to be answered (Sugiyono, 2010). With a personal questionnaire, researchers can deal directly with respondents and can provide explanations as needed, and can be collected immediately after the respondent has finished answering. While the weakness of this method is the need for relatively large costs, especially when the geographical location is scattered.

Regarding the measurement scale in the preparation of questionnaires, researchers used a Likert scale, a closed question that measures attitudes from a negative state to a positive level. Used to obtain data about the dimensions of the variables analyzed in this study, with 5 alternative numbers to measure the attitude of respondents.

#### Data analysis technique

## Reliability and Validity Test

Reliability test is a reliability test that aims to find out how far a measuring instrument can be relied on or trusted. Reliability is related to the estimation of the extent of a measuring instrument, when viewed from the stability or internal consistency of the answers / questions if the observation is repeated.

If a measuring device when used repeatedly and the measurement results obtained are relatively consistent, the measuring instrument is considered reliable and reliable. Reliability testing of all items / questions used in this study will use the alpha cronbach formula (cronbach alpha coefficient), which is generally considered reliable (reliable) if the cronbach's alpha value is> 0.6 (Ghozali, 2004).

Validity is used to measure the validity or validity of a questionnaire. A questionnaire is declared valid if the statement on the questionnaire is able to reveal something that will be measured by the questionnaire. Validity test is done by comparing the calculated r values with r Product Moment table on Sig. 0.05 (two tail). If the r count is greater than r table and is positive, eating the instrument is said to be valid (Ghozali, 2004).

## Normality test

According to Priyatno (2012) the normality test is used to test whether the regression model has a normal distribution or not. The assumption of normality is a requirement that is very important in testing the significance (significance) of the regression coefficient.

## Multiple Linear Regression

Regression analysis is basically the study of the dependence of the dependent variable (bound) with one or more independent variables (explanatory / free variables), with the aim of estimating and predicting the average population or the average value of the dependent variable based on the value of known independent variables (Ghozali, 2004).

The results of the regression analysis are in the form of a coefficient for each independent variable (Ghozali, 2004). Multiple linear regression analysis which is also used in research, the study in question predicts the state (ups and downs) of the dependent variable, if two or more independent variables as predictor factors are manipulated (increased value). So multiple regression analysis is done if the number of independent variables is at least two (Sugiyono, 2010).

#### **RESULTS AND DISCUSSION**

#### **Normality Test**

According to Priyatno (2012) the normality test is used to test whether the regression model has a normal distribution or not. The assumption of normality is a requirement that is very important in testing the significance (significance) of the regression coefficient. A good regression model is a regression model that has a normal or near normal distribution, so it is feasible to do statistical tests. The basis for making decisions can be based on determining the normality of data can be measured by looking at the probability number (Asymtotic Significance), namely:

- a. If the probability is> 0.05, the distribution of the population is normal.
- b. If the probability is <0.05, the population is not normally distributed.

Visual testing can also be done with the normal Probability Plots image method in the IBM SPSS Statistic program 23. Basic decision making:

- a. If the data spread around the diagonal line and follow the direction of the diagonal line, it can be concluded that the regression model meets the assumption of normality.
- b. If the data spreads far from the diagonal line and does not follow the direction of the diagonal line, it can be concluded that the regression model does not meet the assumption of normality. Then the results of the normality test are as follows:



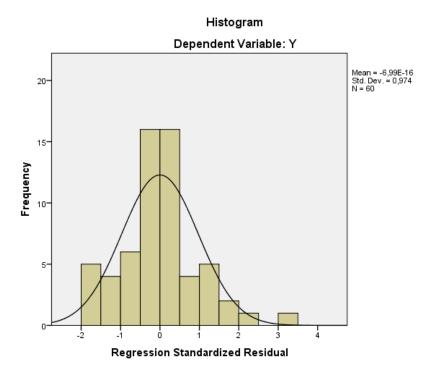


Figure 1 Normality Histogram

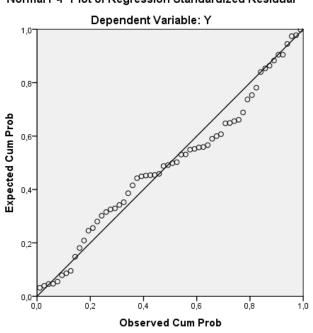


Figure 2 Normality Chart

## **Multiple Linear Regression**

Multiple linear regression analysis is used to measure the effect of independent variables, namely the quality of work life, commitment, and job satisfaction on the dependent variable, namely performance. The results of the calculation of multiple regression analysis are explained in the table as follows.

Table 1 Multiple Regression Analysis

#### Coefficients<sup>a</sup>

		Unstandardized		Standardized				
		Coefficients		Coefficients			Collinearity	Statistics
Model		В	Std. Error	Beta		Sig.	Tolerance	VIF
1	(Constant)	15,142	2,695		5,618	,000		
	X1	-,048	,066	-,097	-,724	,472	,461	2,168
	X2	-,226	,101	-,270	-2,238	,029	,570	1,753
	X3	,425	,063	,926	6,772	,000	,443	2,259

- a. Dependent Variable: Y
- Unstandardized Coefficients are coefficient values that have not been standardized. The coefficient B consists of a constant value (Y if X1, X2, X3 = 0).
- Error Standard is the maximum value of error that can occur in estimating the average population based on a sample.
- Multiple linear regression equations with 4 independent variables are:

## Y = 15.142 - 0.048X1 - 0.226X2 + 0.425X3

Information:

Y = Predicted value of employee performance

a = ConstantsX1: Quality of work life

bn = regression coefficient X2: Commitment

X3: Job Satisfaction

## **Hypothesis Testing**

## Individual Test (T Test)

T statistic test is used to determine whether partially independent variables have a significant effect or not on the dependent variable. This test uses a significant level of 0.05 and two sides (DwiPriyatno, 2012). If t table t counts ≤ t table then H0 is accepted, and if t counts <t table or t counts> t table then H0 is rejected.



Table 2 T statistic test

## Coefficients<sup>a</sup>

		Unstandardized		Standardized				
		Coefficients		Coefficients		Collinearity Statistics		
Model		В	Std. Error	Beta	T	Sig.	Tolerance VIF	
1	(Constant)	15,142	2,695		5,618	,000		
	X1	-,048	,066	-,097	-,724	,472	,461	2,168
	X2	-,226	,101	-,270	-2,238	,029	,570	1,753
	X3	,425	,063	,926	6,772	,000	,443	2,259

a. Dependent Variable: Y

## Hypothesis:

Ho: The independent variable (X1, X2, X3) partially does not affect the dependent variable (Y).

Ha: The independent variable (X1, X2, X3) partially affects the dependent variable (Y).

It can be seen from table that there are only two variables that have a significant level of value below 0.05 which means that the two variables (commitment and job satisfaction have an influence on employee performance partially. And for the variable quality of work life with a significance value above 0, 05 is 0.472.

## Test Together (F Test)

The F statistic test is used to determine whether the independent variables have a significant or no effect on the dependent variable (Priyatno, 2012). If F counts ≤ F table then H0 is accepted, and if F counts> F table then H0 is rejected. The results of the F statistical test calculation can be seen in the following table:

Table 3 F test statistics

## **ANOVA**<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	398,474	3	132,825	21,615	,000 <sup>b</sup>
	Residual	344,126	56	6,145		
	Total	742,600	59			

a. Dependent Variable: Y

b. Predictors: (Constant), X3, X2, X1

## Hypothesis:

- H0: The independent variables (X1, X2, X3) together do not affect the dependent variable (Y).
- Ha: The independent variables (X1, X2, X3) together affect the dependent variable (Y). Seen from table 3 above it can be concluded that the quality of work life, commitment and job satisfaction together have a significant effect on employee performance. This is based on the ANOVA test (Test F) where the significant value is less than 0.05, which is 0.000 <0.05, which means that it has a significant effect on employee performance.

## Determination Coefficient Test (R2)

R squared shows the coefficient of determination. In the SPSS output the Summary Model number in the R Square (R2) column is changed to percent form, which means that the percentage of the variable influence contribution is independent of the dependent variable, while the rest is influenced by other variables not included in this model.

Table 4 R<sup>2</sup> statistics

# Model Summary<sup>b</sup>

				Std. Error						
		A	Adjusted R	of the	R Square	F			Sig. F	Durbin-
Model	R	R Square	Square	Estimate	Change	Change	df1	df2	Change	Watson
1	,733ª	,537	,512	2,479	,537	21,615	3	56	,000	1,904
a. Predictors: (Constant), X3, X2, X1										

b. Dependent Variable: Y

It can be seen from table 4 that the value of R Square (R2) is 0.537 meaning that the contribution of the influence of the variable quality of work life, commitment, and job satisfaction on employee performance is 53.7% while the rest is influenced by other variables not used in this study.

#### CONCLUSION

Based on the test results of the variables used are independent variables: quality of work life (X1), commitment (X2), job satisfaction (X3) and dependent variable: employee performance (Y) can be concluded as the following:

- 1. The influence of the quality of work life on the performance of Perum Perhutani Jakarta employees has a negative influence. This shows that there is no significant influence between the quality of work life on employee performance.
- 2. The influence of commitment to the performance of employees of Perum Perhutani Jakarta has a negative influence. This shows no significant influence between commitment to employee performance.
- 3. The effect of job satisfaction on the performance of employees of Perum Perhutani Jakarta has a positive influence.

#### **Implications**

Referring to the above conclusions, the following suggestions can be submitted:

- 1. Perum Perhutani Jakarta The Jakarta Perhutani Public Corporation is expected to pay more attention to the quality of work life of employees, commitment, and job satisfaction so that the performance of employees at the Perhutani Public Corporation in Jakarta is getting better. If a company can fulfill everything needed by its employees, whether material or non-material, then employees should be able to improve their performance within the company.
- 2. Employees are expected to be more motivated to improve their performance.
- 3. Researcher and Academic For researchers and academics, it is expected to encourage further research, taking into account the object of observation, selection of variables and the research method used. The number of respondents is increasing so that it is better to get results that are quite valid.

#### **ACKNOWLEDGEMENT**

This research is supported by Faculty of Economics, Universitas Gunadarma. The author would give high appreciation to Perum Perhutani Jakarta to help and participating in this research. Also, thanks to Prof. Susy Suhendra as co-author that always give a support with her comments and insight to finish this research and for better writing. This research received no specific grant from any funding agencies, commercial, and non profit purpose. There are no conflicts of interest involving either of the author of this paper.

#### REFERENCES

Cascio, W. F. (2006). Managing Human Resources, Productivity, Quality of Work Life, Profit (4th ed.). New York: Mc Graw-Hill.

Cummings, T.G., & Worley, C.G. (2009). Organization Development and Change (9th ed.). Mason: South-Western.

Dessler, Gary. (2006). Manajemen Sumber Daya Manusia (10 ed.). Jakarta: PT Indeks.

Mas'ud, Fuad. (2004). Survei Diagnosis Organisasional, Konsep dan Aplikasi. Badan PenerbitUniversitasDiponegoro.



Ghozali, et al. (2004). Uji Validitas dan Uji Reabilitas. Jakarta.

Husnawati, Ari. (2006). AnalisisPengaruhKualitasKehidupanKerjaterhadapKinerjaKaryawandenganKomitmen dan KepuasanKerjasebagai Intervening Variabel. Thesis. Semarang: Program Studi Magister Manajemen Program PascaSarjanaUniversitasDiponegoro.

Luthans, Fred.(2006). PerilakuOrganisasi (10th ed.), Yogyakarta: Penerbit Andi.

Lewis, David., et al.(2001). Extrinsic and Intrinsic Determinants of Quality of Work Life. International Journal of health Care Quality Assurance Incorporating Leadership in Health Service, 14, 9-15.

Arifin. (2012). AnalisisKualitasKehidupanKerja, Kinerja, dan KepuasanKerja Pada CV Duta SeneranJepara. Jurnal Economia, 8(1).

(1999).AplikasiKonsep Life Noor. Arifin. Quality Work of dalamUpayaMenumbuhkanMotivasiKaryawanBerkinerjaUnggul.Usahawan, 10, 25-29.

Prawirosentono, Suyadi. (2008). ManajemenSumberdayaManusiaKebijakanKinerjaKaryawan. Yogyakarta: BPFE.

Prayitno, Duwi. (2012). Cara Kilat Belajar Analisis Data dengan SPSS 20. Yogyakarta: Penerbit Andi.

Robbins, P. Stephen (2003). PerilakuOrganisasi: Konsep, Kontroversi, dan Aplikasi. Alih Bahasa HandayanaPujaatmika. Jakarta: Prenhalindo.

Rivai, Harif A.(2005), PengaruhKompensasi, komitmenterhadapKineria Individual, Kajian Bisnis, 3, 272-286,

Sheel, S. (2012). Quality of work life, employee performance and career growth opportunities: A literature review. Zenith International Journal of Multidisciplinary Research, 2(2), 201-300.

Sugiyono. (2010). MetodePenelitianBisnis: PendekatanKuantitatif, Kualitatif, dan R&D. Bandung: Alfabeta.

Wirawan. (2009). EvaluasiKinerjaSumberDayaManusia. Jakarta: SalembaEmpat.