The Impact of Job Satisfaction on Employee Performance (The Case of Construction Companies in Indonesia)

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Abstract

This research discusses what variables can affect employee job satisfaction and have an impact on employee work. The variables are conflicts of roles, authorities, job satisfaction, and performance. The purpose of this study is to find out how much direct and indirect influence on the performance of employees of construction companies. The analysis method used is path analysis, this is considered more suitable for primary data taken with research instruments in the form of questionnaires to respondents who are in these companies. The results of the research obtained are conflicts of roles and authorities that have a direct influence on job satisfaction and have a direct and indirect influence on performance. Meanwhile, job satisfaction has a direct impact on employee performance, therefore construction companies are expected to pay attention to employee job satisfaction, to improve employee performance, which is expected by the company. Job satisfaction is an affective or emotional response to various facets or aspects of a person's work so job satisfaction is not a single concept. A person can be relatively satisfied with one aspect of the work and dissatisfied with one or more other aspects. Job satisfaction is a positive attitude of labor to its work, which arises on the basis of an assessment of the work situation.

Keywords: Conflicts in roles, authorities, job satisfaction, and employee performance.

1. Introduction

Human resources are the company's most important asset because of their role as a subject in implementing company policies and operational activities. States that basically the common goal that an organization or company wants to realize is profit-seeking. With high-quality users of human resources, the company will be able to play a role in facing global challenges, because human resources have a great influence on other aspects or fields in the progress of the company, so exploring the expertise possessed by company employees will be able to find out conflicts in the role and authority of work that usually occur in employees. Conflict is a conflict that occurs between what a person expects of himself, others, the organization, and the reality of what he expects. Viewed as behavior, a conflict is an interactive form that occurs at the individual, interpersonal, group level, or at organizational level. This can cause a non-conducive work environment of employees in the organization, meaning that there is a role conflict when a person who carries out one particular role makes it difficult for him to meet the
expectations of another role. This conflict tends to develop when the demands of work and the
demands of social roles as a responsibilities that must be carried out. (Kreitner, 2007)(Dixon
& Bruening, 2007)(Gorenak et al., 2020)

Based on the role of each individual in an organization there are often role conflicts, from minor
problems to big problems, problems with workmates and with superiors. The problems that
often occur are first from the environment in the office about differences of opinion of fellow
colleagues, wrong decisions, and problems from the outside of the office environment namely
debate with outside parties such as the community and others. Problems like this must be
quickly addressed until there is no prolonged problem. In addition to role conflicts, there are
variables of authority. In general, authority is the power to use resources to achieve
organizational goals and in general, there are tasks that can be defined as obligations or a job
that a person must do in his work. So far, a task has only been interpreted to be something that
is already in its lease and must be done for an individual in a job, perhaps in his activities as
well. A frequent problem is the authority of the work and violates that authority. From breaking
entry hours, problems with being rigged by teammates or companies, and problems with
accountability for work that is not completed. This must be maintained so that the satisfaction
of every existing worker can be maintained and the company will increase the value of its
company to a high level again. If it is not addressed, workers will be arbitrary at work and other
employees will feel jealous of the behavior of employees who violate authority.

Job satisfaction is an affective or emotional response to various facets or aspects of a person's
work so job satisfaction is not a single concept. A person can be relatively satisfied with one
aspect of the work and dissatisfied with one or more other aspects. Job Satisfaction is a positive
attitude of labor to its work, which arises based on an assessment of the work situation. The
assessment can be carried out on one of his works, the assessment is carried out as a sense of
appreciation in achieving one of the important values in the work. A satisfied employee prefers
his work situation rather than dislikes it. (Gorenak et al., 2019) The level of employee
satisfaction every year is different, job satisfaction must be increased in a growing company so
that the company always gets positive things and increases. If the company's employee
satisfaction decreases, the company will experience a decline. Problems in this satisfaction can
also occur due to the existence of role conflicts and problems of work authorization.

Different levels of satisfaction must be possessed by each individual. This requires managers
to correct any conflicts in job roles and authorities as a form of motivation for their employees
in order to improve performance and achieve company goals and increase job satisfaction
obtained by employees. The employee's own arbitrary attitude makes co-workers lazy to
establish a good relationship with the employee, it is necessary to have good communication
between employees and also superiors so that a harmonious relationship can be established in
the workplace so as to produce good work output and can increase profits for the company. As
well as reducing the risk of role conflicts that occur in each employee and can carry out the
duties of job authority properly. Performance is the result in quality and quantity achieved by
an employee in carrying out his duties in accordance with the responsibilities assigned to him.
Employee performance affects the sustainability of the company in achieving company goals.
Construction companies in essence already have quite good performance achievements every
year. From these variables, is there a direct and indirect influence on performance? (Phuong & Vinh, 2020)

2. Theory

Humans always play an active and dominant role in every activity of the organization, because humans become planners, that human beings are actors and determinants of the realization of organizational goals. Goals are impossible to realize without the active role of employees despite the tools that the company has are so sophisticated. The advanced tools that the company has have no benefit to the company, if the role of the employee is not included. Human resource management is part of management that focuses on human regulation in realizing the goals of the organization or company. According to (Swastha Dharmmesta, 2017), human resource management is the withdrawal, selection, development, maintenance, and use of human resources to achieve both individual and organizational goals. In addition, there are management functions used consisting of; Planning is planning the workforce effectively and efficiently to suit the needs of the company in helping the realization of a goal. Planning is carried out by establishing a staffing program. Organizing is an activity for organizing all employees by establishing the division of labor, labor relations, and delegation of authority, integration and coordination in the organizational chart. Briefing is an activity that directs all employees to be willing to work together effectively and efficiently in helping to achieve the goals of the company, employees, and society. Meanwhile, control is the activity of controlling all employees to comply with company regulations and work as planned. If there are irregularities or errors, corrective and corrective actions are taken. (Swastha Dharmmesta, 2017)

In carrying out management functions often conflicts of roles occur. According to the role conflict occurs when members of different role orders expect different things from the role recipient. Furthermore, the conflict of roles in the individual is something that occurs when an individual faces uncertainty about the work he expects to carry it out, when various job requests conflict with each other or when the individual is expected to do more than he or she is capable of. According to conflict is a conflict that occurs between what a person expects of himself, others, the organization and the reality of what he expects. Then it can be said that the conflict that occurs because a person burdens more than one conflicting role. Role conflict is defined as the simultaneous condition of two or more forms of pressure on the workplace, where the fulfillment of one role makes the fulfillment of another more difficult. (Kreitner, 2007)(Haryono et al., 2019)

Conflicts of roles can occur anywhere and anytime in humans both in their position as individual beings and as social beings. The role conflicts that occur are many forms and various types posit that the method is the adjustment of time or effort involved in the role so that those in direct conflict are less between conflicts with one another. Furthermore, in addition to conflicts of roles, there is also authority which is the legitimate and legal power that a person has to rule over others, do or not do something, power is a legal and legal basis to be able to do something, as in writing, duty can be interpreted as a must that an individual must do, while authority is an activity in which a person or a position utilizes resources, nor is it human resources even to achieve the expected goals of an organization. Duties and authorities have
far differences but seem to be so related to each other. A task is something that an individual must do because of the occurrence of an authority from an authorized superior whose results from the task will be useful for the progress of an organization. Authority is the legitimate and legal power that a person has to rule over others, to be able to do something of work. (Dixon & Bruening, 2007)(Schieman & Reid, 2008)

Besides what about job satisfaction? This is a form of a person's feelings for his work, work situation and relationships with colleagues. Thus job satisfaction is an important aspect that an employee must have, they can interact with their work environment so that the work can be carried out properly and according to the company's objectives, (Bakotić, 2016). Job satisfaction felt by employees is generally reflected in the employee's positive attitude towards work and everything that is faced or assigned to him in the work environment. On the other hand, if job satisfaction is not achieved, it can have bad consequences for the company. Those bad consequences can be laziness, slump, strikes, labor turnover and other adverse consequences. Therefore job satisfaction is the way an individual perceives work resulting from the attitude of that individual to the different aspects contained in the work. The two-factor theory is a theory of job satisfaction that advocates that satisfaction and dissatisfaction are part of a different group of variables, namely motivators and hygiene factors. The superior's appreciation to subordinates regarding their performance is very necessary because it can increase motivation. Don't be stingy about giving compliments when they can complete an arduous task. Provide a challenge in several work teams and invite them to compete on a project. Of course, this way provides double advantage, high motivation and the project can be completed on time.

According to factors that affect employee job satisfaction, including fair and decent repayment, placement in accordance with expertise, the severity of the work, the work environment, equipment that supports the implementation of work, the attitude of the leadership in empowering employees, and the nature of the work that is monotonous or not. In addition to job satisfaction, one of the activities that are commonly carried out in organizations is employee performance, that is, how to perform work related to roles in the organization. In employee performance, it describes the level of achievement of the implementation of a program of activities or policies to realize the goals, objectives of the vision and mission of the organization which are poured through the strategic planning of an organization. (Aziri, 2011)

According to performance is the achievement of work or the result of work both quality and quantity achieved by an employee in carrying out his work duties in accordance with the responsibilities assigned to him. According to performance is the result of work achieved by a person based on job requirement (Loan, 2020) (Wake up, 2018). (Wake up, 2012, 2018) states performance is a function of the motivation and ability of an employee. To complete a task or work, one must have a degree of willingness not to be effective enough to work on something about a clear understanding of what is going to be done and how to do it. Performance appraisal is an organizational process in assessing the performance of its employees. The purpose of the general performance appraisal is to provide feedback to employees in an effort to improve the appearance of their work and efforts to increase organizational productivity, and is specifically carried out with various policies towards employees such as promotional purposes, salary
increases, education, training, and others. Performance appraisal is a means to correct employees who are not doing their job well within the organization. (Wibowo, 2016)

3. Methods

The data collected is qualitatively transformed into quantitative using the Likert scale. The type of data selected in this study is primary data, which is data collected directly from the object under study and for the benefit of the study concerned in the form of interviews, questionnaires, observations. Validity tests are used to ascertain how well an instrument is used to measure concepts that should be measured. Reliability Test is used to determine the extent to which a measuring device is trustworthy or reliable and remains consistent if two or more measurements are carried out in the same group as the same measuring instrument. Reliability of measurements using Alpha Cronbach is a reliability coefficient that shows how well the items in a collection positively correlate. In addition, classical assumption testing is also used to provide certainty that the equation obtained has accuracy in estimation, unusual and consistent. Some of the classical assumptions used for this study include normality test, multicholinearity test, heteroskedasticity test. (Heinrichs et al., 2019; van der Bijl, 2018)

In testing indirect influences, a testing method called the Sobel Test (Ghozali & Ratmono, 2013, 2018) is used. The way to test is to test the strength of the indirect influence of the independent variable (X) on the dependent variable (Z) through the intervening variable (Y). In this study using the path analysis method to analyze the pattern of relationships between variables with the aim of determining the direct or indirect influence, with a set of exogenous variables on endogenous bound variables. The next step is the estimation of the parameters Ghozali & Ratmono, 2013, 2018(Dr, 2008; prof. dr. sugiyono, 2011) or the calculation of the path coefficient. The calculation of the path coefficient is processed using SPSS 20.0 software for windows.

Path analysis is used to analyze patterns of relationships between variables with the aim of determining the direct or indirect influence of a set of exogenous variables on endogenous.

Structure 1: \[ Y = \rho_{yx1} X1 + \rho_{yx2} X2 + \rho_{y\varepsilon1} \]

Structure 2: \[ Z = \rho_{zx1} X1 + \rho_{zx2} X2 + \rho_{zyY} + \rho_{z\varepsilon2} \]

Description:

\( \rho \) = standardized regression coefficient / path coefficient

\( \varepsilon \) = influence of other variables not studied or error of measurement of variables

Based on the Summary and Path Coefficient of Sub Structure 1 and Sub Structure 2, it can be known the magnitude of the direct influence, indirect influence, and the total influence between variables. Then it was explained that Variable Y is considered an intervening variable meaning that it is able to moderate the influence of variables X1, X2 on Z so that the influence of X1, X2 on Z can be strong or become weak and if X1, X2 against Y and X1, X2 against Z is significant and Y on Z is significant then variable Y is an intervening variable, then if the influence on one of the paths is insignificant while the other is significant then Y is not an intervening variable and if the relationship is all significance does not occur then the variable
Y will weaken the relationship of X1, X2 to Z. Formulation of the statistical hypothesis of conformity of the path analysis model is formulated as follows:

Ha = R ≠ R (0): The estimation correlation matrix is different from the sample correlation matrix

H0 = R = R (0): The estimation correlation matrix is no different from the sample correlation matrix

4. Result and discussion

Data testing is carried out by path analysis that is, testing relationship patterns that reveal the influence of a variable or set of variables on other variables, both direct and indirect influences. The next step in the path analysis is the estimation of the parameters or the calculation of the path coefficient. For estimation of parameters is carried out by regression analysis through SPSS 20.0 software for windows. (Streiner, 2005)

Sub Structure Equation I:

The results of the correlation analysis showed the value of the correlation coefficient between role conflicts and job satisfaction of 0.485, meaning that the relationship between role conflicts and job satisfaction was declared very strong. The value of the positive correlation coefficient indicates the direction of the relationship between role conflicts and job satisfaction is unidirectional. Similarly, the results of the analysis of the value of the correlation coefficient between job authority and job satisfaction of 0.456, meaning that the relationship between job authority and job satisfaction is declared strong. The value of a positive correlation coefficient indicates the direction of the relationship between job authority and job satisfaction is unidirectional. The significance test of the correlation magnitude using the t-test yielded a probability of 0.000. This probability value is lower than the established significance level of 0.05 so that H0 (no significant relationship) is rejected and H1 (there is a significant relationship) is accepted. Thus the relationship between role conflict and job satisfaction is strong, unidirectional and significant. As well as the relationship of job authority with job satisfaction is strong, unidirectional and significant.

Regression Test Results for Sub Structure I:

Y = \rho_y x_1 + \rho_y x_2 + \rho_y e_1

a. Dependent Variable: Job Satisfaction

In the coefficients table, the individually test (partial) or t test is obtained the value of Sig 0.000, where the value of Sig 0.000 is less than 0.05 or [0.000< 0.05], then Ho is rejected and Ha is accepted meaning that the coefficient of path analysis is significant. So, role conflicts have a significant effect on job satisfaction and job authority has a direct effect on employee job satisfaction.

In the coefficients table, the individually test (partially) or t test can be sig value 0.002, where the Sig value of 0.000 is less than 0.05 or [0.000< 0.05], then Ho is rejected and Ha is accepted.
meaning that the path analysis coefficient is significant. So, the authority of the work has a significant effect on job satisfaction.

Sub Structure Equation 2:

\[ Z = \rho_{xz1}X_1 + \rho_{xz2}X_2 + \rho_{zy}Y + \rho_{z\epsilon_2} \]

The results of the correlation analysis showed that the value of the correlation coefficient between role conflicts and employee performance was 0.598, meaning that the relationship between role conflicts and employee performance was declared very strong. The value of a positive correlation coefficient indicates the direction of the relationship between the conflict of roles and employee performance is unidirectional. The results of the value analysis of the correlation coefficient between work authority and employee performance are 0.328, meaning that the relationship between work authority and employee performance is declared strong. The value of a positive correlation coefficient indicates the direction of the relationship between job satisfaction and employee performance is unidirectional. The results of the value analysis of the correlation coefficient between job satisfaction and employee performance were 0.533, meaning that the relationship between job satisfaction and employee performance was declared strong. The value of a positive correlation coefficient indicates the direction of the relationship between job satisfaction and employee performance is unidirectional.

The significance test of the correlation magnitude using the t-test yielded a probability of 0.000. This probability value is lower than the established significance level of 0.05 so that H0 (no significant relationship) is rejected and H1 (there is a significant relationship) is accepted. Thus the relationship between role conflicts and employee performance is strong, unidirectional and significant. The relationship of employment authority with employee performance is strong, unidirectional and significant. As well as the relationship of job satisfaction with employee performance is strong, unidirectional and significant.

Regression Test Results for Sub Structure II

a. Dependent Variable: Employee Performance

The coefficients table shows the individual (partial) test / t test is t the Sig value of 0.000, where the Sig value of 0.000 is more than il 0.05 or [0.000< 0.05], then Ho is rejected and Ha is accepted means that the coefficient of analysis of the path is significant. So, role conflicts have a significant effect on employee performance. The authority of the work directly affects the performance of employees in the construction company.

The coefficients table shows that the individual (partial) test / t test obtained a Sig value of 0.001, where the Sig value of 0.000 is smaller than 0.05 or [0.000< 0.05], then Ho is rejected and Ha is accepted meaning that the path analysis coefficient is significant. So, job satisfaction has a significant effect on employee performance. As for the direct, indirect and total influence of free variables on bound variables, below the results of the path analysis can be described as a whole which explains the effect of conflicts of job roles and authorities on job satisfaction and their impact on employee performance, as follows:
The influence of variables X1 to Y direct influence 0.368, X2 to Y direct influence 0.323, X1 to Z direct influence 0.438 and indirect influence 0.368 then total influence 0.113, as for X2 to Z direct influence 0.060 and indirect influence 0.323 then a total of 0.099. For the influence of Y to Z 0.307, e1; 0.821 and e2; 0.752. Furthermore, the results of the equation can be seen as follows:

Path Analysis Equation for Sub Structure 1:

\[ Y = \rho_{yx1} X1 + \rho_{yx2} X2 + \rho_{ye1} \]
\[ Y = 0.368 X1 + 0.323 X2 + 0.821 e1 \]

Path Analysis Equation for Sub Structure 2:

\[ Z = \rho_{zx1} X1 + \rho_{zx2} X2 + \rho_{zy} Y + \rho_{ze2} \]
\[ Z = 0.438 X1 + 0.060 X2 + 0.307 Y + 0.752 e2 \]

Based on the results of the calculations can be described:

a) The first hypothesis that Role Conflict has a significant positive effect on job satisfaction is accepted. Based on the results of the analysis, the coefficient of the path of the variable X1 to the variable Y is obtained is 0.368 with a significance of 0.000. This means that the higher the application of the role conflict given, the better job satisfaction will be. (Haryono et al., 2019)

b) The second hypothesis that the Employment Authority has a significant positive effect on job satisfaction is accepted. Based on the results of the analysis, the coefficient of the path of the variable X2 against the variable Y is obtained is 0.323 with a significance of 0.000. This means that the higher the application of job authority, the better job satisfaction will be.

c) The third hypothesis that Role Conflict has a significant positive effect on employee performance is accepted. Based on the results of the analysis, the coefficient of the path of the variable X1 to the variable Z is obtained is 0.438 with a significance of 0.000. This means that the higher the application of conflicts the roles given, the better the employee's performance will be.

d) The fourth hypothesis that the Employment Authority has a significant positive effect on the performance of employees is accepted. Based on the results of the analysis, the coefficient of the path of the variable X2 against the variable Z is obtained is 0.060 with a significance of 0.000. This means that the higher the application of proper employment authority, the better the employee's performance will be. (Schieman & Reid, 2008)

e) The fifth hypothesis that job satisfaction has a significant positive effect on employee performance is accepted. Based on the results of the analysis, the coefficient of the path of the variable Y to the variable Z is obtained is 0.307 with a significance of 0.000. This means that the stronger the job satisfaction, the better the employee's performance will be. (Loan, 2020)
f) The sixth hypothesis that Role Conflict has a significant positive effect on employee performance is accepted. Based on the results of the analysis, the coefficient of the path of the variable X1 to the variable Z through Y is 0.113.

g) The seventh hypothesis that the Employment Authority has a significant positive effect on the employee's work. Based on the results of the analysis, the coefficient of the path of the variable X2 to the variable Z through Y was obtained is 0.099.

5. Conclusion

From the results of the study and analysts is as a whole, the author can draw the following conclusions:

a) Conflicts over job roles and authorities have a positive and significant effect directly on job satisfaction. Based on the results of the analysis, the coefficient of path of the role conflict variable to the employee performance variable was obtained, which was 0.368 with a significance of 0.000. Meanwhile, the job authority on the job satisfaction variable is 0.323 with a significance of 0.000.

b) Conflicts over the roles and authorities of work have a positive and significant effect directly on employee performance. Based on the results of the analysis, the coefficient of path of the role conflict variable against the employee performance variable was obtained was 0.438 with a significance of 0.000. Meanwhile, the authority of the work on the employee performance variable is 0.060 with a significance of 0.000.

c) Job satisfaction has a positive and significant effect directly on employee performance. Based on the results of the analysis, the coefficient of the path of the job satisfaction variable to the employee performance variable was obtained was 0.307 with a significance of 0.000.

d) Indirectly, conflicts over the role and authority of the work have a positive and significant effect on employee performance. Based on the results of the analysis, the coefficient of the variable path of conflict of roles and authority of the work through job satisfaction as an intervening variable against the employee performance variable was obtained by 0.113.

References

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