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Effect of Organizational Commitment and Job Satisfaction on Employees Performance at Cibabat Hospital, Cimahi City West Java

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ABSTRACT

Good performance and employee's professionalism hospital are required by society, but health care at hospital is considered not good. Studies show that employee's performance at hospitals is not maximal. This study purpose is to determine and measure the effect of organizational commitment and job satisfaction on employee performance. The method used is quantitative approach with path analysis techniques. Total sample of 100 employees are selected from total 500 populations. The research results show that level of employee's performance was not associated with organizational commitment, but organizational commitment relates to job satisfaction, which ultimately can improve employee performance. Therefore, it becomes important to increase job satisfaction of public organizations, especially Cibabat Hospital to improve employee's performance.

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INTRODUCTION

Every organization requires employees with good performance to contribute the expertise and energy and to public services, but the organization also needs to give greater attention to get best employees. This study will examine about health services performed by employees of Regional General Hospital. Regional General Hospital is one of public service organizations and as the spearhead of local government in public health services (Health Department of Indonesia, 2000). Therefore, Regional General Hospital should have a program of activities oriented to health services quality, as increasing employee performance, but still there are many obstacles such regulations often change and inconsistency, absence of a standard system regarding performance and incentives to increase job satisfaction (Handoko, 1996).

Employees performance of General Hospital at Cibabat is not maximized (Mulyadi & Setiawan, 2004). This is due to low organizational commitment and how to improve employee job satisfaction. Organizational commitment reflects the extent an individual shows a willingness to work hard and a greater desire to keep working better in organization (Kreitner & Kinicki, 2008).

Angle (1981) explains that employees who have high organizational commitment will have high job satisfaction. There are many studies on relationship

of organizational commitment to employee performance, but the results are inconsistent. Camilleri (2002) and Yousef (2000) show positive and significant correlation between organizational commitment and employee performance. Adversely, Wentzel (2002) suggest that organizational commitment has no effect on employee performance. Research the relation between organizational commitment and job satisfaction are inconsistent. Some claimed that organizational commitment is affected by on job satisfaction (Adekola (2012). Adversely, Chao (2010) suggests that organizational commitment has no effect on employee satisfaction.

Crossman & Zaki (2003) concluded that there was no relationship between job satisfaction and employee performance, but Zhang and Zheng (2009); Ostroff (1992) found that job satisfaction has a positive relationship and inter-related with employee performance. Furthermore, Ostroff added that although the satisfied employees with the job may not be able to have better performance. This study purpose is to explore the relationship between organizational commitment, job satisfaction and employee's performance of Public General Hospital at Cibabat, West Java.

II. Literature Review:

2.1. Organizational Commitment:

High commitment employees will do anything to advance the organization because higher confidence

in organization (Luthans, 1995). Employees who often engage in heavy work mean the employee has made an organizational commitment (Robbins and Judge, 2007). Griffin (2004) states that organizational commitment is an attitude to reflects one's employees understand on duties and functions assigned by organization so that employee can perform with good performance in accordance with organization objectives.

Greenberg and Baron (2003) suggest three dimensions of organizational commitment. Affective commitment is stronger when someone will be concerned consistent to work well and always showed a high loyal to company. 2) Continue commitment is a commitment not to leave the organization until the completion of contract work in organization. 3) Normative commitment is a commitment to comply with mandatory rules or norms in organization.

Organizational commitment can be defined as dedication level of employee to organization and their ability to work for organization interests, as well as the tendency to remain a member of organization (Jex, 2002).. Employees with commitment to organization always concentrate to improve the performance (Dee, Henkin, and Singleton, 2006). Employees indicate that purpose of individual employee will consistent with organization goals to stimulate high labor productivity (Chen & Aryee, 2007). Chen and Hong (2005) states that members in an organization believe and receive the value of organization, they are more willing to work hard to achieve organizational goals. Individual commitment is high dedication of employees that are beneficial to an organization (Jiang and Huang, 2002).

Allen and Meyer (1990); Meyer and Allen (1991)] revealed that organizational commitment can be classified into three components: the desire (affective commitment), needs (continuance commitment), and liabilities (normative commitment). They are useful to test job satisfaction and employee performance. Therefore, organizational commitment can be a favorable factor for an organization (Rose, Kumar, & Pak, 2009).

2.2. Job Satisfaction:

Job satisfaction is one positive response of employees due to leadership appreciation of organization to employees for the job performance has been done (Levy-Garboua, 2008). Aydogdu (2011) states that job satisfaction is positive feelings of employees towards the organization where leaders have given encouragement and motivation to work well. Robbins (2003) mentions four variables to affect a person's job satisfaction, namely: mentally job is challenge; adequate reward; supports working conditions; and colleague support. Allen and Morris (2002) states that worker satisfaction should be comprehensive and include four categories: the employees themselves; the work itself, organization itself; and environment in which workers and organizations are located. Barbara and Tiffany

(2005) states that job satisfaction is the result of a person's work experience or positive emotional state and enjoyable result from the appreciation of a person's job. Job satisfaction can tell the extent of a person like his job.

2.3. Employee Performance:

Performance is concentration and all employee effort to produce the product of any job (Byars and Rue, 2000). In addition, employee's performance is productivity that results in quantity, quality and contribution to work. When employee productivity is high then the overall performance of all employees in organization is high (Schermerhorn, 2000; Sun, 2001; Tsao, Huang, Chang, & Wang, 1997; Hsu, 2005). While Hsu (2000) states that performance should be evaluated to become a benchmark in determining policies towards the better.

Good performance will be achieved when all components in an organization are committed to pay attention to work quantity, work quality and time targets in order to achieve organizational goals (Muse & Stamper, 2007; Chi, *et al*, 2008; Joo & Park, 2010). Employee performance is the result of human resources work on job performance that can ultimately benefit the organization (Robbins 2003). Performance is the rate of success in carrying out the task, as well as the ability to achieve the goals that have been set, but the performance is not said to be good and successful if the desired goal cannot be achieved (Gibson *et al*, 2007).

Performance is the result of work achieved by a person or group of people within an organization, in accordance with authority and responsibilities in an effort to achieve organizational goals (Kast & Rozenweing, 2005). Robbins (2002) explains the performance measurement. First is quantity, namely the amount that must be resolved or achieved rightly in according with target. Second is the quality that must be produced in accordance with standards to reflect their level of satisfaction. Third is timeliness, namely the suitability of planned time. Furthermore Timpe (2002) states that an employee's performance is affected by internal and external factors. Individual performance become good internally if individual has a high ability and hard work, and from external factors are the easy work, good luck, help of colleagues, and a good leader.

III. Research methods:

3.1. Research design:

This research was motivated by several phenomena of Hospital employee performance at Cibabat Cimahi West Java that has not been well assessed. It may be caused by suboptimum of organizational commitment and job satisfaction. This research uses quantitative method to emphasize on data obtained by statistical figures and research carried out by inferential or hypothesis testing to obtain significance relationship between the studied variables. Organizational Commitment is the independent variable, while job satisfaction

positioned as a mediating variable and employee performance is the dependent variable.

3.2. Population and Samples:

This study population are all employees of Cibabat Hospital and nursing care fields totaling 500 employees. Population can also be interpreted as a whole research object if someone would examine all elements within study area. This study requires a sample. Using Slovin formula, samples size obtained are 100 employees. The collection technique is simple random sampling.

3.3. Data collection method:

This study uses questionnaires to collect primary data. Secondary data is taken from books or literature in accordance with study variables. The questionnaire is a research activity by circulating a

list of written questions to a number of respondents to get answers, responses and written responses as necessary (Arikunto, 2002).

3.4. Data Analysis Techniques:

This study uses a quantitative approach to test effect between variables. Data analysis is described by descriptive statistical techniques. Sugiyono (2012) suggested that descriptive statistics are statistics to analyze the data by describing the data that has been collected as materials research reports.

iv. Research result:

4.1. Respondents Description:

This chapter described the identity of respondents regarding to gender, age, education level and years of service, as re presented in table 1 below.

Table 1: Respondent's identity.

No	Description	Quantity	Percent
	Sex		
1.	Male	70	70%
2.	Female	30	30%
	Total	100	100%
	Age		
1.	Less than 30 years	79	79%
2.	30- 45 years	21	21%
	Total	100	100%
	Education Level		
1.	Senior High School	40	40%
2.	Diploma	20	20%
3.	Bachelor	30	30%
4.	Postgraduate	10	10%
	Total	100	100%
	Year of service		
1.	Less than 2 years	23	23%
2.	2 - 4 years	32	32%
3.	4 - 5 years	39	39%
4.	More than 5 years	16	16%
	Total	100	100%

Source: Research results in 2014

Table 1 shows that most respondents were male (70%) then women (30%). More male respondent is needed at Hospital where the male can back up the duties of women until the early morning, while the female employees have limited physical power. Most respondents age are less than 30 years (79%). This is used to speed up to serve the community, while the 30-45 year-old is directed to serve the administration. The education level of most respondents are secondary schools (40%), while 30 respondents are undergraduate as bachelor of medicine and

pharmacists, it is supported by postgraduate (10%). Nurse from Academy graduation are 20%, more senior 16% while guiding the employees who work less than 2 years, 2-4 years and 4-5 years with undergraduate education.

4.2. Respondents Response:

Descriptive statistics and confirmatory factor indicators of organizational commitment, job satisfaction and employee performance variables are summarized in Table 2 below.

Table 2: Comparison of Loading Factor and Means.

	Indicators	Loading factor	Means
Organizational commitment	• Maintain consistency and loyalty to task	0,754	3.89
	• Do not leave the mission	0.780	3.96
	• Always obey the Hospital rules	0.798	3.69
Work satisfaction	• Like to work	0.659	3.76
	• Happy to work	0.715	3.87
	• Desire to keep working	0.644	3,79
Employees commitment	• Compatibility of work	0.717	3,82
	• All patients can be served	0.659	3.76
	• Prioritize the patient satisfaction	0.715	3.87
	• Serve on time	0.644	3,79

Source: Research results 2014

Table 2 shows that indicators of maintain consistency and loyal to task of affective commitment are always expected by all employees with a loading factor of 0.754 or 75%. In reality the expectations of employees has not done well because it gets the average value of 3.89 that still below 4.

Indicators of do not leave service duty continue commitment that getting attention from all employees. In reality it is not met, while the indicator always obey the Hospital rules is normative commitment with loading factor of 0.798 or 80%, but in fact the average is 3.69 and still not good.

Indicators of like the job is the employees job satisfaction what received sufficient attention at loading factor of 0.659 or 66%, but it is not good because the average value of 3.76. Likewise for like the job indicators, desire to keep working and working a match create a reflection of job satisfaction with respectively loading factor of 0.715;

0.644, .0717 is a high expectation, but in fact average value of 3.87; 379 and 382 still below 4.

Indicators of all patients can be well served; promoting patient satisfaction and serve with timely received appreciation from all respondents respectively at loading factor of 66%; 715%; 64%, but in reality their expectations have not been realized because the average value of received 3.76 ;. 387 and 3.79 are still not good.

4.3. Hypothesis Testing Results:

Model evaluation can be seen from direct effect and indirect effect with aim to compare the effect of each construct. Hypothesis will be accepted if the value of critical ratio (t) is greater than the value of t table or p value ≤ 0.05 . Hypothesis test results of direct effect is shown at table 3 below.

Based on Table 3, indirect hypotheses testing effect of each variable with regard to p- value is shown at table 4 below.

Table 3: Direct effect among Research Variables.

Relationship between variables		Coefficient	t	Description
Organizational commitment	Employee job satisfaction	0,754	0,000	Significant
Organizational commitment	Employee performance	0,000	0,999	Insignificant
Employee job satisfaction	Employee performance	0,891	0,000	Significant

Source: Data processed, 2014

Table 4: Indirect among variables.

No	Variables	Magnitude of effect	Decision
1	Organizational commitment-Employee performance through Employee job satisfaction	$0,754 \times 0,891 = 0,672$	Significant

Source: Data processed, 2014

Hypotheses test results of direct effect in Table 3 and combined with indirect effect in Table 4 can be explained below.

Hypothesis 1. Stronger organizational commitment can increase employee satisfaction:

The analysis result show the coefficient is 0.754 with a t significance level of 0.000 less than 0.05. It means organizational commitment has significant effect on employee satisfaction. This analysis result indicate empirical evidence to accept the hypothesis that stronger organizational commitment can increase employee satisfaction.

Hypothesis 2. Stronger organizational commitment can improve employee performance:

Analysis result shows the coefficient is 0.000 with significance of 0.999 is larger than 0.05. It means organizational commitment has no significant effect on employee performance. It indicates there is empirical evidence to reject the hypothesis that stronger organizational commitment can improve employee performance.

Hypothesis 3. Higher employee satisfaction can improve the employee's performance:

Analysis result shows the coefficient is 0.891 at significance level of 0.000 lower than 0.05. It means

employee job satisfaction has significant effect on performance. It indicates there is empirical evidence to accept the hypothesis that higher employee satisfaction can improve employee performance.

Hypothesis 4. The increase employee satisfaction as mediator organizational commitment to further improve employee performance:

Analysis result shows path coefficients of indirect effect of organizational commitment to employee performance through employee satisfaction as a mediator has coefficient of 0.672 and significant. This indicates there is enough empirical evidence to accept the hypothesis that higher employee satisfaction as mediator organizational commitment can improve employee performance.

4.4. Discussion:

1. Effect of organizational commitment on employee performance:

Hypothesis 2 shows that strong organizational commitment can improve employee satisfaction. This hypothesis development refers results of previous studies that Organizational Commitment has significant effect on employee performance include (Camilleri, 2002; Yousef, 2000). Adversely, research result shows that organizational

commitment has no significant effect on employee performance at Cibabat Cimahi Hospital. Therefore, the hypothesis is rejected. This result is consistent with research of Wentzel (2002) that organization commitment has no effect on employee performance.

2. Effect of organizational commitment on employee job satisfaction:

Hypothesis 2 shows that stronger organizational commitment can improve employee performance. This hypothesis development is based on previous studies that organizational commitment significantly affect on employee satisfaction (Adekola, 2012). Research results showed that organizational commitment significantly affect on employee satisfaction, so the hypothesis can be accepted. This result is consistent with Adekola (2012) that organizational commitment significantly affect on employee satisfaction.

3. Effect of job satisfaction on employee performance:

Hypothesis 3 show that higher employee satisfaction can improve employee performance. This hypothesis development is based on previous research that job satisfaction is closely related to employee performance (Zhang and Zheng, 2009; Ostroff, C., 1992). Research result shows that employee satisfaction significant affect on performance. The hypothesis is accepted. This study result consistent with results of Zhang and Zheng (2009); Ostroff, C. (1992) that job satisfaction has a significant effect on employee performance.

4. Job Satisfaction mediates the effect of organizational commitment to employee performance:

Hypothesis 4 shows that higher employee satisfaction as mediator organizational commitment can improve the employee's performance. The research results showed that job satisfaction mediates completely the effect of organizational commitment to employee performance. Therefore, job satisfaction become an important variable to public organization, especially Hospital that wants to improve its performance.

V. Conclusion:

The research results showed that level of employee's performance was not associated with organizational commitment, but related organizational commitment and job satisfaction ultimately can improve employee performance. Therefore, job satisfaction becomes important for of public organizations, especially the General Hospital at Cibabat Cimahi to improve the employee's performance.

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