

The Influence of Empowerment and Quality of Work Life to Career Plateau with Work Satisfaction as Intervening Variable

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Abstract—This study is aimed to find out the influence of empowerment and quality of work life to work satisfaction. It is also to find out the role of work satisfaction as intervening variable in the influence of empowerment and quality of work life to career plateau. The population in this study is 128 workers of Labor Social Insurance Administration Organization, the sample 110 is taken from population used for statistic analysis. Regression model is chosen to reveal direct and indirect influence. The result of this study is well managed empowerment and quality of work life are able to build expected work satisfaction. It is also found that qualified empowerment, quality of work life, and work satisfaction hold important role in reducing employee career plateau. Through Sobel test, this study has proven that work satisfaction becomes anchor or intervening variable. It works between empowerment and career plateau, and between quality of work life and career plateau.

Keywords—*empowerment; quality of work life; work satisfaction; and career plateau*

I. INTRODUCTION

The increase of competence-based competition and rapid change of organizational climate makes career plan and development very important for organization and workers. Each worker has a little opportunity to get career promotion since there are many potential workers in the competition. As the result, the number of workers experiencing hierarchical career plateau is getting greater. The phenomenon about career plateau always exists in both commercial and public organization. It also happens to the employees of Labor Social Insurance Administration Organization (LSIAO). There are 128 employees as population consisting of 25 managers and 103 staffs. From the total number of employees, 43.86% experiences career plateau. It means that they have been working for many years without any promotion. There are two types of career plateau such as 1) limited opportunity of hierarchical career and 2) no intention to take responsibility and challenge.

As a government institution, LSIAO is responsible for funded social security for public. Having realized the great responsibility, LSIAO needs to improve its competence in all

kinds of service and develop program and direct benefit for labors and their family.

With advanced system, LSIAO not only gives benefit to labors and employers but also contributes economic growth and social welfare.

In this study, work satisfaction becomes anchor in the influence of predictor variables consisting of empowerment and quality of work life to career plateau. The first regression model shows that predictor variables positively influence work satisfaction. The second regression model shows that empowerment, quality of work life, and work satisfaction negatively influence career plateau. The higher the work satisfaction, the lower the career plateau.

II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

A. Career Plateau

Data sources in this study were primary data sources, namely data obtained directly from the original source (not through intermediary media). In this study the primary data obtained through questionnaires given to respondents in this case are the out-patients or the closest family of out-patients at the regional hospital (RSUD) Dr. Soeselo in Tegal district.

Many companies in Indonesia are faced to restructuring (change on business chain), downsizing (reduction on certain divisions), and flatterring (making of shorter structure). All of the three factors cause tight competition among employees and lower chance of promotion. Consequently, many employees handle the same works in a long term. It means that employees have slow vertical improvement. In other word, there is a little chance to reach high position [1,2]

Career plateau is the stage of career having a little opportunity for promotion [1,3]. Career plateau is measured both subjectively and objectively. Objective measurement refers to holding the same position for over seven years [4]. While according to Allen et.al. objective measurement refers to holding the same position for over five years [2].

Subjectively, career plateau is measured based on perception of employee without considering how long he has

been holding the position. Chao stated that subjective career plateau is limited vertical promotion or employee's perception on his limited promotion opportunity [1]. That kind of career plateau is called structural career plateau. On the other hand, subjective career plateau can be feeling of being not challenged by his position or responsibility. That kind of career plateau is called job content plateau. Subjective career plateau approach is more accurate than the objective one because it is more about the way an employee in accepting, evaluating, and reacting to his recent job condition.

B. Work Satisfaction

Kreitner and Kinicki stated that work satisfaction is effectiveness or emotional response to various working condition [5]. The definition means that work satisfaction not only depends on one factor but it is determined by several factors such as work itself, leadership, compensation, co-worker, and career.

Handoko stated that work satisfaction is general attitude formed as the result of individual reaction and working condition [6]. Work satisfaction is emotional response showing gladness related to perception of employee on working condition. Levi mentioned five dimensions of work satisfaction such as [7], 1) Work itself, 2) Supervision, 3) Co-Worker, 4) Promotion, and 5) Payment.

C. Quality of Work Life

According to Lau and May, quality of work life is defined as work condition supporting work satisfaction in order to improve individual and organizational performance [8]. Quality of work life as perception of employee on work condition and experience in working. Work condition and experience has eight aspects such as (1) Adequate and fair compensation, (2) Safe and healthy work condition, (3) Opportunity to develop employee's capacity, (4) Opportunity for growth and allowance, (5) Social integrity in organization, (6) Employee's right, (7) Welfare of employee, (8) Social responsibility in organization.

D. Empowerment

Richard Craver, the Managing Director of Coverdale Organization defined empowerment as support and opportunity for employee to be personally responsible for improving and fixing working method in order to contribute more in reaching organizational goal. Empowerment needs culture supporting employee on all levels to create innovation, make employee's self-confidence, and make change to be better. Spreitzer developed measurement of psychological empowerment into four dimensions such as [9], 1) Meaning, 2) Competence, 3) Self-determination, and 4) Impact.

E. Influence of Empowerment to Work Satisfaction

According to Sweeney and McFarlin, employee is satisfied by his job for getting what he expects [10]. Employee is satisfied more by being actively involved in working. Based on the finding, hypothesis 1 is arranged:

- H1: Empowerment positively influences work satisfaction

F. Influence of Quality of Work Life to Work Satisfaction

Quality of work life is one of management system approaches to coordinate and relate human resources potential in organization. It is also the effort of leader to fulfill the needs of employee and organization simultaneously and continuously [11]. There are five dimensions of quality of work life such as trust, care, respect, learning and contribution. Davis stated that satisfaction on quality of work life is influenced by several factors such as supervision, work condition, salary, allowance, and work design [12]. Well managed quality of work life is able to improve work satisfaction. While ignored quality of work life may decrease employee's work satisfaction. Based on the studies above, hypothesis 2 is arranged:

- H2: Quality of work life positively influences work satisfaction

G. Influence of Empowerment to Career Plateau

Empowerment is closely related to need for career. This phenomenon results in career plateau considering employee may have a little opportunity to be promoted and not challenged by his job. According to Davis there are five factors causing career plateau such as [12], 1) Fairness in Career Promotion, 2) Support from supervisor, 3) Interest of employee, 4) Work satisfaction, and 5) Information about opportunity. Based on the explanation above, hypothesis 3 is arranged:

- H3: Empowerment negatively influences career plateau

H. Influence of Quality of Work Life to Career Plateau

Robbins stated that Quality of work life is classified into eight groups such as [13], (1) Proper compensation, (2) Healthy and safe work environment, (3) Work improving capacity of employee, (4) Opportunity to grow and need safety, (5) Social environment giving comfort, togetherness, and career development, (6) Right to express idea in decision making process, (7) Clear rules directing employee to work without being interrupted by personal needs, and (8) Social responsibility. Proper QWL is able to minimize career plateau. Based on the explanation above, hypothesis 4 is arranged:

- H4: Quality of work life negatively influences career plateau

I. Influence of Work Satisfaction to Career Plateau

As one of work attitudes, work satisfaction is built based on perception on employee's experience and condition of work place. Limit on promotion and challenge can be assumed negatively by employee causing negative work attitude [14]. McCleese and Eby found negative influence of work satisfaction to hierarchical and job content plateau [14]. Thus, career plateau can be influenced by work satisfaction. Based on the explanation above, hypothesis 5 is arranged:

- H5: Work satisfaction negatively influences career plateau

J. Work Satisfaction Mediates the Influence of Empowerment to Career Plateau

Rina Kurniawati stated that empowerment positively significantly influences work satisfaction. While empowerment not significantly directly influences career plateau. Whereas McCleese and Eby has proven that work satisfaction significantly negatively influences career plateau [14]. Consequently, empowerment can influence career plateau through work satisfaction. Effective empowerment stimulates better work satisfaction and lower career plateau. Based on the explanation above, hypothesis 6 is arranged:

- H6: Work satisfaction mediates the influence of empowerment to career plateau.

K. Work Satisfaction Mediates the Influence of QWL to Career Plateau

Arep and Hendry stated that QWL is able to increase work satisfaction by fulfilling needs and wants of employee such as [15]: (1) opportunity for improvement, (2) clear job description, (3) reward, (4) interesting job, (5) proper payment, (6) efficient leadership, (7) acceptance in work team, (8) pleasant work condition. Good QWL is able to improve work satisfaction, and better work satisfaction is able to decrease career plateau. Based on the explanation above, hypothesis 7 is arranged:

- H7: Work satisfaction mediates the influence of quality of work life to career plateau.

L. Graphic Models

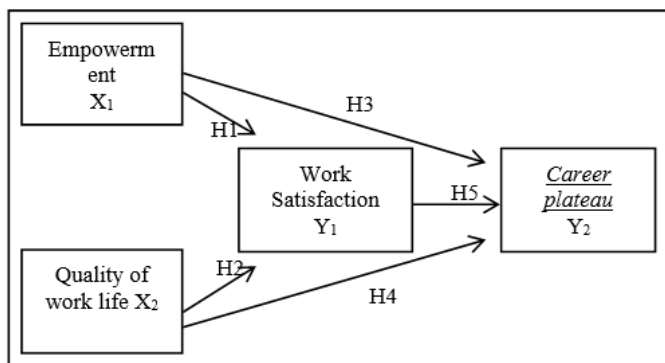


Fig. 1. Graphic model.

M. Mathematics Model

$$Y_1 = \alpha_1 + \beta_1 X_1 + \beta_2 X_2 + e_1 \quad (1)$$

$$Y_2 = \alpha_2 + \beta_3 X_1 + \beta_4 X_2 + \beta_5 Y_1 + e_2 \quad (2)$$

Note :

Y_1	=	Work Satisfaction
Y_2	=	Career Plateau
X_1	=	Empowerment
X_2	=	Quality of work life
α_1, α_2	=	Constant
$\beta_1 - \beta_5$	=	Regression Coefficient
e_1, e_2	=	Error

III. RESEARCH METHOD

A. Population and Sample

This research is quantitative research conducted on 128 employees working for one of LSIAO offices in Central Java, Indonesia. The total population is taken as the sample. This method is called census method. The questionnaire is distributed to 128 employees but only 110 respondents return it. Thus, the response rate of instrument or questionnaire is 86%.

B. Validity Test

Validity refers to the ability of instrument in measuring variable. Validity test is conducted on questionnaire in order to measure the validity of instrument. A questionnaire is valid when all items of questionnaire are valid. The invalid items are not used for the next analysis. Test method used to measure validity in this study is Factor Analysis with criteria Kaiser Meyer-Olkin (KMO) must be > 0.5 and loading factor of each item must be > 0.4. If KMO value is > 0.5, the sample is adequate. The items of questionnaire are valid if the loading factor is > 0.4. (12).

C. Reliability Test

The second test on instrument is reliability test to find out if the instrument is consistent or not. The criteria of reliability test is alpha cronbach > 0.7. If alpha cronbach value is over 0.7, the questionnaire is reliable. The result of reliability test is Alpha Cronbach value of all variables is over 0.7. Thus, all instruments are reliable. It means that the test can be continued.

D. Model and Hypothesis Test

After doing validity and reliability test, model and hypothesis test are done using simple multiple regression equation. This study uses two kinds of regression equation model. The first equation uses empowerment and quality of work life as independent variables with work satisfaction as dependent variable. The second equation uses career plateau as dependent variable with empowerment, quality of work life, and work satisfaction as independent variables. The result of model and hypothesis test is served in table 1.

TABLE I. REGRESSION TEST RESULT

Equation	Adjusted R ²	F test		t test		Remark
		F	Sig	β	Sig	
<i>Equation I</i> <i>Empowerment and Quality work life to Work satisfaction</i>	0.779	192.866	0.000 ^a	0.339	0.000	H1 = accepted
				0.650	0.000	H2 = accepted
<i>Equation II</i> <i>Empowerment, quality of work life, and work satisfaction to career plateau</i>	0.497	36.887	0.000 ^a	-0.205	0.034	H3 = accepted
				-0.297	0.020	H4 = accepted
				-0.290	0.049	H5 = accepted

Sources: Primary data processed

TABLE II. SOBEL TEST WITH BOOTSTRAPPING TECHNIQUE

Independent Variable	Intervening Variable	Dependent Variable	Indirect Effect Value	Significance Value	Remark
Empowerment	Work Satisfaction	Career Plateau	-0.3920	0.000	H6 = accepted
Quality of work life	Work Satisfaction	Career Plateau	-0.2788	0.001	H7 = accepted

Source: Primary data processed

Table 1 shows that Hypothesis 1-5 are accepted and table 2 shows that Hypothesis 6-7 are accepted.

IV. RESULTS AND DISCUSSION

A. Model Test

1) *The result of equation I is interpreted as:* Determination coefficient value (Adjusted R Square) is 0.779. It means that empowerment and quality of work life are able to explain 77.90 % of work satisfaction. While the rest 22.1 % (100% - 77.9%) can be explained by other variables.

The result of F test (Goodness of Fit) on equation I shows significance value $0.000 < 0.05$. It means that empowerment and quality of work life simultaneously influence work satisfaction. This model is fit.

2) *The result of equation II is interpreted as:* Determination coefficient value (Adjusted R Square) is 0.265. It means that empowerment, quality of work life, and work satisfaction are able to explain 26.50 % of career plateau. While the rest 73.50 % (100% - 26.5%) can be explained by other variables.

The result of F test (Goodness of Fit) on equation II shows significance value $0.000 < 0.05$. It means that empowerment, quality of work life, and work satisfaction simultaneously influence career plateau. This model is fit.

B. Hypothesis Test

In table 1, Regression coefficient value of empowerment on equation I is significant positive 0.339. While Regression coefficient value of quality of work life is significant positive 0.650. Hypothesis 1 and 2 are accepted. It means that better empowerment and quality of work life create better work satisfaction. The influence of quality of work life to work satisfaction is stronger than empowerment does as regression

coefficient value of quality of work life is greater than empowerment.

In table 1, Regression coefficient value of empowerment on equation II is significant negative 0.205. Regression coefficient value of quality of work life is significant negative 0.297. While Regression coefficient value of work satisfaction is significant negative 0.290. Hypothesis 3, 4, and 5 are accepted. It means that better empowerment, quality of work life, and work satisfaction create lower career plateau. The influence of quality of work life to career plateau is stronger than empowerment and work satisfaction do as regression coefficient value of quality of work life is greater than empowerment and work satisfaction.

C. Mediation Test

In table 2, mediation effect of work satisfaction on the influence of empowerment to career plateau is measured using Sobel Test showing that Indirect effect value is -0.3920 and significance value 0.000. It means that empowerment indirectly significantly influences career plateau through work satisfaction. Hypothesis 6 is accepted.

In table 2, mediation effect of work satisfaction on the influence of quality of work life to career plateau is measured using Sobel Test showing that Indirect effect value is -0.2788 and significance value 0.000. quality of work life indirectly significantly influences career plateau through work satisfaction. Hypothesis 7 is accepted.

D. Discussion

Hypothesis 1 has proven that empowerment positively significantly influences work satisfaction. This finding supports the previous study by Sweeney and McFarlin [10] and Srinadi and Netra [16]. It means that better empowerment drives better work satisfaction.

Hypothesis 2 has proven that quality of work life positively significantly influences work satisfaction. It supports the previous study by Whether and Davis [12], Rivai [17], and Yusuf [18]. It means that better quality of work life creates better work satisfaction.

Hypothesis 3 has proven that empowerment negatively significantly influences career plateau. It supports the previous study by Davis [12]. It means that better empowerment decreases career plateau.

Hypothesis 4 has proven that quality of work life negatively significantly influences career plateau. It supports the previous study by Robbins [13] and Arep and Hendry [15].

Hypothesis 5 has proven that work satisfaction negatively significantly influences career plateau. It supports the previous study by McCleese and Eby [14].

After hypothesis 1-5 are proven, mediation effect test is conducted using Sobel Test. The result of Sobel test shows that indirect influence of empowerment to career plateau through work satisfaction is significant. Indirect influence of quality of work life to career plateau through work satisfaction is significant too. The important finding in this study is that work satisfaction is intervening variable in the influence of empowerment to career plateau and quality of work life to career plateau. This finding will be a valuable reference for the future study.

V. CONCLUSION

This study has proven that:

Empowerment greatly supports work satisfaction. This statement shows that well empowered employee creates amazing work satisfaction. It implies that management is able to hold attractive empowerment program in order to stimulate work satisfaction.

Quality of work life deeply sustains work satisfaction. It means that high level quality of work life felt by employee results in great work satisfaction. Quality of work life has greater influence to work satisfaction than empowerment does. Therefore, the management is demanded to pay more attention to indicators of quality of work life in order to improve work satisfaction.

Empowerment and quality of work life negatively significantly influence career plateau. Those two predictor variables are able to press the level of career plateau. It happens because the well-empowered employee having good quality of work life feels that his skill and ability are still needed by organization. As the result, level of career plateau becomes lower.

Work satisfaction directly causes the decline of career plateau. It indicates that better work satisfaction makes employee realize that his career is supported. Automatically, degree of career plateau is getting lower.

Work satisfaction becomes intervening variable for the influence of empowerment and quality of work life to career plateau. The role of work satisfaction in mediating the influence of independent variable to career plateau is a pivotal

point for academicians and practitioners of human resources management field.

One of important findings in this study is it is proven that work satisfaction mediates between empowerment and career plateau; and between quality of work life and career plateau. Therefore, it is important for manager of organization to find the best way to improve employee empowerment and quality of work life in order to increase work satisfaction.

The other important finding in this study is that work satisfaction works as intervening variable and anchor for organization in order to decrease career plateau. Therefore, manager is demanded to create work satisfaction so that level of career plateau becomes lower.

The future research is suggested to use work satisfaction as intervening variable between leadership, job characteristics, and motivation as predictor variables; and career plateau as dependent variable.

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