

Does Job Satisfaction Mediate the Effect of Perceived Organization Support to Employee Commitment?

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Abstract—Employees’ commitment is an important issue in organization, especially in business, since employees who commit to the organization show better performance, lower in intention to leave and increase productivity. There are some model explaining the process of organizational commitment (OC): A Dual Process Model and Relational Cohesion Model, which explain the involvement of job satisfaction (JS) and perceived organizational support (POS) in determining employees’ commitment. This study tries to investigate those kind of models and examining the mediation effect of JS toward POS-Employees’ commitment, since many studies found different research findings. By doing survey toward 107 employees of Gas Station in Blitar region with simple random sampling technique, only 89 returned the questionnaires. The collected data then analysed with descriptive and path analysis technique. The results showed that the study support the dual process model of OC and relational cohesion model. In addition, job satisfaction is fully mediate the effect of POS to employees’ commitment. Furthermore, this study found that the mediation effect of JS in POS-Employee commitment relationship should not to be omitted, because it includes as indirect-only mediation based on Zhao et al. Therefore, it is important for the organization to maintain job satisfaction condition of their employees and also organizational support programs, because those factors found to be direct or indirect influenced employees’ commitment to the organization.

Keywords—*dual process model of OC, relational cohesion model, POS, job satisfaction, employee commitment, full mediation, indirect-only mediation, Blitar*

I. INTRODUCTION

Organizational commitment (OC) has become the popular issue in the organizational behaviour and industrial organizational psychology in the past decade or so since this concept has been linked to predict employees’ performance, turnover, and other behaviour related to performance [1].

In Indonesia context, recent survey by Gallup Organization about *Workplace Analytics* and *Employees’ Engagement* in Indonesia in 2015 found that only just 3 out of 10 employees committed to their organization [2]. In addition, this survey also found that turnover rate employees in Indonesia was also high. These findings show that employees’ commitment nowadays still become the urgent issue for organization, especially in modern environment where economic uncertainty,

rapid change, continued globalization, increasing competition, and the rise of the mobile “millennial” generation become potential driver to increase attention and focus on employees’ commitment.

Furthermore, studies found empirical evidence that losing employees’ commitment will lose companies billions (Forbes Magazine) and companies value their employees’ commitment, because it assumed to lower withdrawal behaviour such as lateness, absenteeism, and turnover. Therefore, it is still importance to conduct research related to employee commitment, especially to found and confirm the predictors of organizational commitment. Does the OC come out because of personal variables such as job satisfaction, or it is the result of organizational practices, such as organizational support which perceived by the employees?

This study has two objectives. First of all, it tries to confirm the dual pathways of OC which is called by Yoon and Thye as dual process model of OC [3]. This model explains that OC is defined by two process. One is called by cognitive/evaluative process through perceived organizational support (POS). Another way which makes employees commit to organization called emotional/affective process via job satisfaction. Which process that determine OC better. Furthermore, this study examines the mediation effect of job satisfaction (JS) toward POS-OC relationship by using Baron and Kenny principles. The testing of mediation effect in here will try to test the relational cohesion theory which proposed by Lawler and Yoon [4] since there were many empirical findings found different conclusion regarding the relation of POS and JS [1,5].

II. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Empirical findings have confirmed concept of OC both as a consequence and an antecedent of work related variables. As an antecedent, OC has been linked to predict employees’ performance, turnover and absenteeism [1]. While as an outcome, it is frequently linked to several personal variables, aspects of work environment and organizational structure. OC also found to correlates to job satisfaction and job involvement.

Based on social exchange theory, OC has reciprocity principle. Employees will give their commitment actions when organization give commitment toward their socio emotion needs. From this perspective, organization commitment toward

employees needs inferred as perceived organizational support/POS [5]. In addition, organizational support theory believe that organization support to employees will be a catalyst for positive outcomes from employees. Therefore, POS in this study is hypothesized to be significantly impact employees' commitment as first hypothesis (H1)

Yoon and Thye in their study in Korea investigated more than two thousand employees from two giant electronic companies, found that there are dual pathways to OC [3]. They called it as dual process model of OC. In one hand, path of OC is defined by cognitive/evaluative process through POS. On the other hands, it happened through emotional/affective process via job satisfaction. Therefore, this study also hypothesis that job satisfaction will significantly influence employees' commitment (H2)

Even though both predictors (POS and job satisfaction) are found to be salient determined OC independently, several studies have found that POS and job satisfaction are interrelated or correlates each other [1]. Moreover, in their meta-analysis study about antecedents and outcomes of POS, Ahmed and Nawaz found that POS significantly influenced employee engagement, job satisfaction, and OC [5]. In addition, empirical findings also found that job satisfaction has greater influence to OC compared to POS [1,3]. In their study, Yoon and Thye concluded that job satisfaction is the most important predictor of OC [3]. From these findings we assume that besides OC predicted independently by job satisfaction and POS, POS also predict job satisfaction as an outcome. Therefore, we hypothesize that POS significantly impact employee's job satisfaction as third hypothesis (H3). In addition, we also hypothesize that impact of POS to OC will be mediated by job satisfaction that in this study will be hypothesizes as fourth hypothesis (H4).

The last hypothesis will try to confirm the relational cohesion theory proposed by Ahmed and Nawaz that explained there are two endogenous process leading to commitment which are called by social bonding and boundary [3]. Social bonding explains that commitment will be developed by employee in terms of the emotion aroused through social interaction and it inferred by job satisfaction. While boundary defines a cognitive process where group of people come together to see themselves as member of a similar group and share a common group identity. This process come through POS. Based on this theory, we assume that the "boundary process" of commitment will be happened through social bonding.

III. RESEARCH METHODS

By using survey to all employees of gas station in Blitar region, this study tries to investigate the phenomenon which are hypothesized. Context of gas station employee chose since this is included in blue collar worker. In addition, in this job employee usually has lower grade of education, less skill, and less payment. Therefore, company easily replaces their worker when it is needed. Employee also relatively easy to change their job which means less commit to the organization. However, all of this gas stations are owned by PT. Mayangkara Group, which has many programs that support employees

wellbeing such as, "employee of the month" reward, given reward to best employee to go *Umrah* (pilgrim journey to Mecca), etc. So, it would be interesting to investigate the employee commitment issue in this context. Model of research that hypothesized is shown in Figure 1 below:

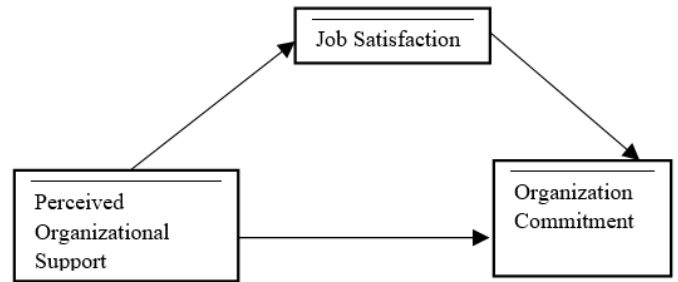


Fig. 1. Research model.

Questioners were distributed randomly to 107 employees, but only 89 were adequate to further processed which is validity and reliability tests. The instruments in questioner consists of POS instruments adopted from Eisenberger et al which contains of 11 items stated about organization fairness, supervisor support, organizational rewards and favourable job conditions [6]. While job satisfaction instruments adopted from Dipboye et al that consists of 10 items asked about employee's satisfaction toward the job itself, the quality of supervision, co-workers, wages/salary, and promotion opportunity [7]. Last but not least, the organizational commitment instruments were adopted from Allen and Meyer which consist of normative commitment, continuance commitment, and affective commitment [8].

From validity and reliability tests, all instruments are valid and reliable. The validity score for all instruments are above 0.3 and the Cronbach's alpha for all variables are above 0.7.

The data then analysed by descriptive analysis, multiple regression analysis and path analysis by using Baron and Kenney principles to test mediation effect [9].

IV. RESULTS AND DISCUSSION

All hypotheses proposed in this research were regressed by using IBM software SPSS 25. Descriptive statistics from three variables are shown in Table I below:

TABLE I. DESCRIPTIVE STATISTICS RESULTS

	POS	Job Satisfaction	OC
Mean	4.26	4.12	3.91
Median	4.00	4.00	4.00
Maximum	5	5	5
Minimum	3	3	3
Deviation Standr	0.535	0.412	0.601
Observations	89	89	89

Source: data processed 2019

From the Table 1, it shows that POS has the highest mean compared to job satisfaction, while OC has the lowest score. It means that gas station employees do perceived that the company really support their social emotional needs. They also

felt satisfy with their jobs. However, surprisingly, their commitment to the organization seemed to be less than expected. It confirmed research presumption that in blue collar worker, they usually change their job easily. It was also supported by the lowest score in commitment instrument which asking about the continuity to stay working in the company if in other places are more promising.

The next step after descriptive analysis is hypothesis testing which results are presented in Table 2 (H1), Table 3 (H2), and Table 4 (H3 and H4) below.

TABLE II. HYPOTHESIS 1 RESULTS

Coefficients ^a						
Model		B	Std. Error	Beta	T	Sig
1	(Constant)	35,076	8,091		4,336	,000
	POS	,670	,173	,437	3,884	,000
Dependent Variable: Organizational Commitment						
R Square : 0,191						

Source: data processed 2019

TABLE III. HYPOTHESIS 2 RESULTS

Coefficients ^a						
Model		B	Std. Error	Beta	t	Sig
1	(Constant)	19,910	2,709		7,349	,000
	POS	,477	,058	,718	8,261	,000
Dependent Variable: Job Satisfaction						
R Square : 0,516						

Source: data processed 2019

TABLE IV. HYPOTHESIS 3 AND HYPOTHESIS 4 RESULTS

Coefficients ^a						
Model		B	Std. Error	Beta	t	Sig
1	(Constant)	10,764	10,105		1,065	,291
	POS	,087	,228	,057	,383	,703
	Job Satisfaction	1,221	,343	,529	3,556	,001
Dependent Variable: Organization Commitment						
R square : 0,326						

Source: data processed 2019

From the above results, we can calculate the error value of each hypothesis as follow:

$$JS = \beta_0 + \beta_2 POS + e1 \quad (H2)$$

$$JS = 19.910 + 0.718 + e1$$

$$e1 = \sqrt{1 - R^2} = \sqrt{1 - 0.516} = 0.484$$

$$OC = \beta_0 + \beta_1 POS + \beta_3 JS + e2 \quad (H1\&H3)$$

$$OC = 10.764 + 0.057 + 0.529 + e2$$

$$e2 = \sqrt{1 - R^2} = \sqrt{1 - 0.326} = 0.674$$

Where:

POS = Perceived Organization Support

JS = Job Satisfaction

OC = Organization Commitment

From the results we can see that when POS regressed independently toward OC (Table II), the result is significant at $\alpha = 0.00$ ($T = 3,884$). This result shows that H1 is supported. The significant effect of JS toward OC is also shown in Table III. It means that H2 is supported. However, when the JS as mediator regressed together with POS (Table IV), the effect of POS directly to OC change to insignificant with T value below than 1,96 (T table). Based on Baron and Kenny (1996) this result indicate that JS play as full mediator or we can say that through this model, perfect mediation happened. It can be seen also from the β_1 value = 0.057 (direct effect of POS to OC) compared to indirect effect through JS that we can calculate as follow:

$$\begin{aligned} IE_{POS \rightarrow OC} &= \beta_2 \times \beta_3 \text{ where IE = Indirect Effect} \\ &= 0.718 \times 0.529 \\ &= 0.3798 \end{aligned}$$

We can clearly know that indirect effect value is higher than direct effect ($0.379 > 0.057$), so the data in this research are better to investigate through mediation model.

To summarize all hypotheses results in the empirical model in Figure 2.

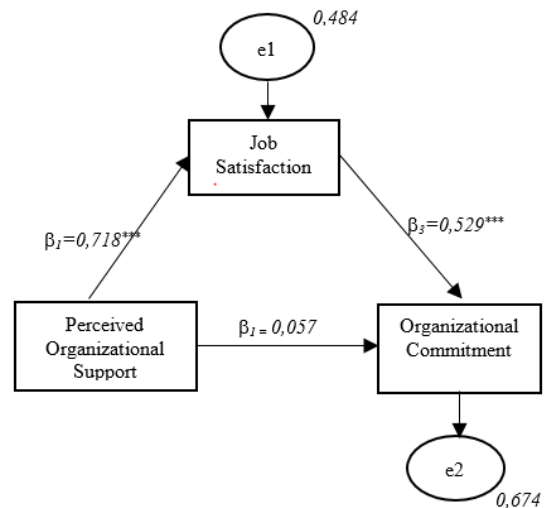


Fig. 2. Empirical model.

The results show that both model, dual process model of OC and relational cohesion model are supported. In dual process model, the data shows that employees commitment comes out because of cognitive/evaluative process via POS and also through job satisfaction (emotional/affective process). It can be seen from the significance result of POS and JS regression to employee commitment.

Not only that, from the empirical results above, it can be said that all hypotheses are supported and JS acts as full mediator. This result supports the relational cohesion model which propose that boundary process of commitment by POS will be happened through social bonding process by job satisfaction.

Based on Zhao et al this condition is called Indirect-only Mediation [10]. They suggested that in this condition, the mediation effect of JS toward POS-OC relationship is unlikely to be omitted, because mediator is identified consistent with theoretical framework hypothesized. It means that it is important to put JS as mediator in POS-OC relationship. In addition, the results also confirmed findings from previous research that JS has greater effect to OC compared to the effect of POS to OC [1,3]. It means that JS is more important predictor of OC compared to POS.

Last but not least is testing how better the model explained the phenomena. We can see it in the value of total determination coefficient (R^2), that calculate the error of the model by using the formula as follow:

$$R_m^2 = 1 - (1 - R_1^2) \cdot (1 - R_2^2)$$

$$R_m^2 = 1 - (1 - 0.516) \cdot (1 - 0.326)$$

$$R_m^2 = 1 - (0.484) \cdot (1 - 0.674)$$

$$R_m^2 = 1 - 0.3262 = 0.6737$$

The result shows that the model in this research could explain the variety of data observed as greater as 67,4%. It means that the model (mediation model of JS toward POS → OC effect) is good. It also indicates that employees in gas station in Blitar will commit to the organization not only by organization support that they perceived, but their commitment would not come into reality when there is no job satisfaction they felt when working in Mayangkara Group. Not surprisingly, from the descriptive results (Table I), the employees also showing the lowest value for organization commitment compared to job satisfaction and perceived organization support.

V. CONCLUSION AND SUGGESTION

The research evaluated the mediation effect of job satisfaction toward perceived organizational support to organization commitment relationship. The results showed that job satisfaction really act as mediator since the model explained that full mediation of job satisfaction happened in gas station employees. In addition, the study also confirmed the mechanism of organizational commitment through two models of OC: a dual process model and relational cohesion model of commitment.

It showed that job satisfaction is important factor in blue collar worker together with perceived organization support. It

means that the employees commitment comes out through cognitive/evaluative process and also emotional/affective process. However, the impact of POS of gas station worker to their commitment to the organization is better explained when JS included as mediator. It also confirmed the social bonding process that proposed in relational cohesion theory. Furthermore, the employees' commitment in this study found to be the lowest rate which indicated that they will easily to leave the organization when they feel unsatisfied with the job and they perceived organization support is low.

Based on that results, it would be interesting to investigate the dual process model of OC and the relational cohesion theory in different context, e.g. the professional worker, since their commitment usually more to their profession compare to the organization. In addition, job satisfaction and POS are also more important for the professional worker. Not only that, it is better to investigate the generation gap (X, Y/millennials, and Z) since this study only limited to millennials and blue collars workers. The implementation of the advance data analysis such as SEM will improve the lacking data analysis in this study, because it is only applied multiple regression and path analysis, so it could not see the analysis simultaneously. Last but not least, it is important in the next study to confirm the mediation role of JS toward POS-OC relationship, since it found to act as indirect-only mediation which should not to be omitted in the model.

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