

The Effect of Compensation and Emotional Intelligence Concerning Organization Citizenship Behavior is Mediated Job Satisfaction and Employee Engagement in Bukittinggi Town Government

Satria Atman¹ Yasri^{2*} Abror³

^{1,2,3}*Universitas Negeri Padang, Padang, Indonesia*

Corresponding author. Email: yasrifeunp@gmail.com

ABSTRACT

The purpose of this research is to see effect of compensation & emotional intelligence concerning Organizational Citizenship Behavior (OCB) is mediated job satisfactions and employee engagement in the Bukittinggi town government. This research population was the employee in Bukittinggi, with a total sample of 304 respondents in this study using SEM AMOS analysis techniques. The results showed (1) OCB is influenced by compensation positively and significantly, (2) OCB is influenced by emotional intelligence positively and significantly, (3) OCB is influenced by job satisfaction positively and significantly, (4) OCB is influenced by employee engagement positively and significantly, (5) job satisfactions is influenced by compensation positively and significantly, (6) emotional intelligence had significantly and positively effect on job satisfactions, (7) job satisfactions is influenced by employee engagement positively and significantly, (8)) OCB is influenced by compensation positively and significantly through job satisfactions, (9) OCB is influenced by emotional intelligence positively and significantly through job satisfaction, and (10) OCB is influenced by job satisfaction positively and significantly through employee engagement

Keywords: *Compensation, emotional intelligence, organization citizenship behavior, job satisfaction, employee engagement*

1. INTRODUCTION

By achieving organization goals, good relations and synergy between leaders and employees in the organization will be created. Someone who feels satisfied in working, surely he will try as much as possible with all the abilities he has to

give the best performance to the organization where he works by completing his tasks as well as possible, even satisfied employees will be willing to do things outside of employee responsibilities. This willingness is an OCB.

Phenomenon of OCB in Government of Bukittinggi town based on the result of interview

with several employees who have several problems with the Organizational Citizenship Behaviour in Bukittinggi town government. Some employees are reluctant to attend important meetings and delegate to the employees, this is a major problem. The next problem is that only a few employees attend to activities that are not needed, but help the image of the organization. The reluctance of employees to orient new colleagues to gain experience and knowledge at work. This things indicate the need for improvement in OCB Bukittinggi Town Government Employees.

OCB is influenced by several factors, one of them is employee engagement, this is supported by the opinion Macey & Schneider, (2008) which states that employee engagement makes employees have a higher loyalty thereby reducing to leave the organization voluntarily. Further, the research conducted by Ahmed & Dajani, (2015) states employee engagement and job satisfactions have a significant effect on Organizational citizenship behavior.

Another factor influencing OCB is job satisfactions. This consideration affect the course of the organization as a whole (Imam, et al, 2013). Employee job satisfaction can also help to efficiency increases & productivity of business (Kaplan, et al, 2012). The factors influence job satisfaction and OCB, namely compensation, compensation one of the aspect that affects the satisfaction of employees so they can improve OCB.

Other factors that affect job satisfaction & organizational citizenship behavior, is emotional intelligence. Salovey & Mayer in Goleman, (2003: 513) emotional intelligence is one's ability to monitor and control one's own & others's feelings, and to use those feelings to guide thoughts and actions. Teoh, et al, (2012) states someone who has high emotional intelligence will more easily adapt to the work environment. Based on background, "The Effect of Compensation and Emotional Intelligence Against Organizational Citizenship Behavior (OCB) Mediated by Job Satisfaction and Employee Engagement at Bukittinggi Town Government".

2. METHODS

The population of this study is the government officials of Bukittinggi town with a total sample of 304 respondents. Proportional Random Sampling is used in the sampling method. instrument used was a closed list of statements in the form of a questionnaire. This research uses Structural Equation Model make AMOS software.

Organizational citizenship behavior (OCB) using a five-item Scale (Chiang & Hsieh, 2012). For compensation variables consisting of five scala (Patiar & Wang, 2020), the emotional intelligence variable consists of four scales (Jung & Yoon, 2012), the job satisfaction using four scale (Cheng & O-yang, 2018). While the employee engagement variable consists of three scales (Saone, et al, 2012).

3. RESULTS AND DISCUSSION

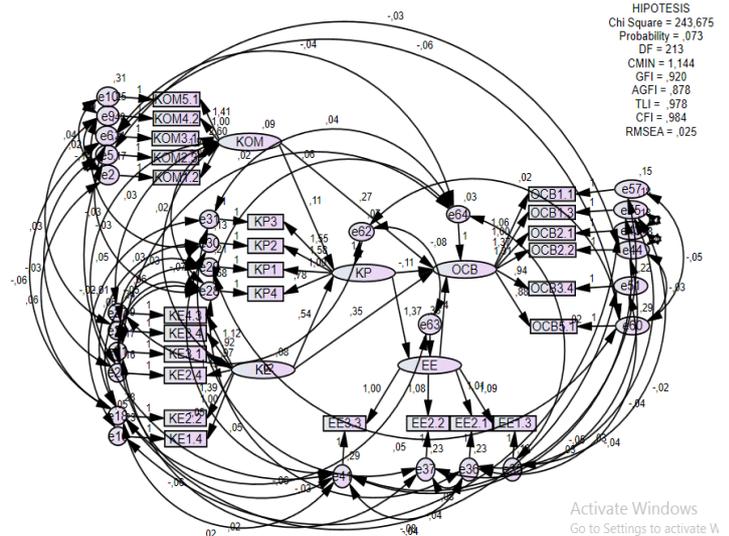


Figure 1. Full SEM Test Results After Modification

Good of Fit values after modification are presented in Table 1 as follows:

Table 1. Goodness of Fit Indices

Size Index Criteria	Results	Reference Value	Information
Chi Square	243,675	Small as possible	Marginal fit
Probability	0.073	≥ 0.05	Goodfit
CMIN/df	1.144	≤ 2 atau ≤ 3	GoodFit
GFI	0.920	≥ 0.90	Goodfit
AGFI	0.878	≥ 0.90	Marginalfit

TLI	0.978	≥ 0.90	GoodFit
CFI	0.984	≥ 0.90	GoodFit
RMSEA	0.025	0.05 – 0.08	Reasonable Fit

The researcher also needs to evaluate the significance value of each indicator. The p-value is seen as a value of ≤ 0.01 ($\alpha = 1\%$) or a p-value of ≤ 0.05 . CR value > 1.96 must be accompanied by a significant p-value so that it can be said that an item has sufficient strength.

Table 2. Hypothesi Testing

			Estimate	S. E.	C. R.	P	Information
KP	<-- -	KE	,456	,073	6,234	***	Received
KP	<-- -	KOM	,060	,024	2,488	,013	Received
EE	<-- -	KP	,671	,126	5,323	***	Received
OCB	<-- -	KE	,168	,080	2,093	,036	Received
OCB	<-- -	KOM	,057	,027	2,113	,035	Received
OCB	<-- -	KP	,272	,132	2,059	,040	Received
OCB	<-- -	EE	,206	,087	2,373	,018	Received

Discussion

Compensation Affects OCB

Research is that the compensations variable (X1) positive & significant effect on OCB (Y) of Bukittinggi town government employee. With testing using a significant level of = 5%, a significance level of 0.035 is obtained. Thus (3,5% <5%) then Ha is accepted. To ensure OCB, payment structures are preferably set based on individual contributions, in addition, salaries are needed to match those from external related organizations and competency related benefits need (Macau, et al, 2017).

The Effect of Emotional Intelligence on OCB

OCB is influenced by emotional intelligence in a positif & significant employees Bukittinggi town. By testing using a significant level of = 5%, a significance level of 0.036 is obtained. Thus (03,6% <5%) then Ha is accepted as the results of research by Jung & Yoon (2012).

Job Satisfaction Affects OCB

Third hypothesis in the research is the variable job satisfactions (X3) has a significant & positive effect on OCB (Y) employees Bukittinggi town. By testing using a significant level of = 5%, a significance level of 0.040 is obtained. Thus (4% <5%) then Ha is accepted.

Research results from Foote & Tang, (2008) states job satisfactions has a significant relationship & team commitment is significantly related to OCB, Furthermore, job satisfactions has a significant influence on OCB which is moderated by team commitment, so that with the commitment of the team, the influence will be stronger.

The Influence of Employee Engagement Against OCB

The fourth hypothesis in the research is the variable employee engagement (X4) has a significantly & positively effect on OCB (Y) employees Bukittinggi town. With testing using a significant level of = 5%, a significance level of 0.018 is obtained. Thus (0.018 <0,05) then Ha is accepted.

Employee engagement is committed to the organization where they work and subsequently they will try to work as well as possible and endure work and always try to eliminate plans to find work in another company because the company is already considered the best place to get a living and welfare for themselves personal and family, this is a form of commitment that is owned by the employee (Lockwood, 2007). Further research conducted by Ahmed & Dajani, (2015) states employee engagement & job satisfactions have a significantly effect on OCB.

The Effect of Compensation on Job Satisfaction

The compensation (X1) has a significantly & positively effect on job satisfactions (X3) in Bukittinggi town government employees. By testing using a significant level of = 5%, a significance level of 0.013 is obtained. Thus (1,3% <5%) then Ha is accepted. This research is supported by Judge, et al (2010) compensations had a positively effect on job satisfactions, and the by While Che, et al, (2019) which states that compensation has a significantly & positively effect on job satisfaction.

Emotional Intelligence Affects Job Satisfaction

The variable of emotional intelligence (X2) had a positively & significantly effect on job satisfactions (X3) in Bukittinggi town government employees. With testing using a significant level of = 5%, a significance level of 0,000 is obtained. Thus (0% <5%) then Ha is accepted, Virk, (2011) in his research shows the result that emotional plays an important role in job satisfactions. Cekmecelioglu, et al, (2012) shows that emotional intelligence plays an important role in job satisfactions.

Job Satisfaction Affects Employee Engagement

The seventh hypothesis in the research is that job satisfactions (X3) had a positive & significant effect on employees engagement (X4) of Bukittinggi town government. With testing using a significant level of = 5%, a significance level of 0,000 is obtained. Thus (0% <5%) then Ha is accepted. This research is supported by Memon, et al, (2016) & Yalabik, et al, (2017) job satisfaction has a positively & significantly effect on employee engagement.

Effect of Compensation on OCB through Job Satisfaction

Result of the eighth hypothesis test shows that OCB is influenced by compensation through positively & significantly job satisfaction. Employee job satisfaction increases and in the end OCB also increases. So the Hypothesis is accepted. To ensure OCB, payment structures are preferably set based on individual contributions, in addition, salaries are needed to match those from external related organizations and competency related benefits need to be introduced (Macau, et al, 2017).

Emotional Intelligence Affects OCB Through Job Satisfaction

Result of the ninth hypothesis test shows that employee emotional intelligence had a positively & significantly effect on OCB through employee job satisfactions. Hypothesis is accepted. Based on the results of (Jung & Yoon, 2012) emotional intelligence had a positively & significantly effect

on OCB. Furthermore Virk, (2011) in his research shows the results of the emotional intelligence affects OCB through job satisfaction.

The Effect of Job Satisfactions on OCB through Employee Engagement

The result of the tenth hypothesis test shows that Employee job satisfactions had a significantly effect on OCB through employee engagement. The better job satisfaction, the more it increases *employee engagement*, and in the end OCB has also increased.

Macey & Schneider, (2008) which states that employee engagement makes employees have a higher loyalty so that it reduces to leave the organization voluntarily. Employee engagement is committed to the organization where they work & then they will try to work as well as possible and endure work and always try to eliminate plans to find work in other companies because the company is considered the best place to earn a living and prosperity for himself and his family, this is a form of commitment that is owned by the employee. (Lockwood, 2007).

4. CONCLUSIONS

Based on research and hypothesis testing, can be concluded that: (1). compensation significantly and positively effect on organizational citizenship behavior (OCB) in the Bukittinggi town government, (2) emotional intelligence had a significantly & positively effect on OCB in Bukittinggi town government, (3) job satisfaction has a significantly & positively influence on OCB in Bukittinggi town government, (4) employee engagement had a significantly & positively influence on OCB the Bukittinggi town government, (5) job satisfaction had a significantly and positively impact on employee engagement in Bukittinggi town government, (6) compensation has a significantly & positively effect on job satisfaction in Bukittinggi town government, (7) emotional intelligence had a significantly & positively effect on job satisfaction in Bukittinggi town government, (8) job satisfaction mediates significantly & positively the effect of compensation on *organizational citizenship behavior* (OCB) in Bukittinggi town government, (9) job satisfaction mediates positively & significantly the effect of emotional

intelligence on OCB in Bukittinggi town government, and (10) employee engagement mediates positively and significantly the effect of job satisfaction on OCB in Bukittinggi town government.

REFERENCES

- Ahmed, M., & Dajani, Z. (2015). The Impact of Employee Engagement on Job Performance and Organizational Commitment in the Egyptian Banking Sector. *3 (5)*, 138–147. <https://doi.org/10.12691/jbms-3-5-1>
- Cekmecelioglu, Hulya Gunduz; Gunsel, Ayse & Ulutas, T. (2012). Effects Of Emotional Intelligence On Job Satisfaction: An Empirical Study On Call Center Employees. *58*, 363–369. <https://doi.org/10.1016/j.sbspro.2012.09.1012>
- Chamundeswari, S. (2013). Emotional Intelligence and Academic Achievement among Students at the Higher Secondary Level. *2 (4)*. <https://doi.org/10.6007/IJAREMS/v2-i4/126>
- Che Ahmat, NH, Arendt, SW, & Russell, DW (2019). Effects of minimum wage policy implementation: Compensation, work behavior, and quality of life. *International Journal of Hospitality Management*, *81 (April)*, 229–238. <https://doi.org/10.1016/j.ijhm.2019.04.019>
- Custer, Ines & Canales, P. (2011). Compensation And Control Sales Policies, And Sales Performance: The Field Sales Manager's Points Of View. *Journal of Business & Industrial Marketing*, *26 (4)*, 273-285.
- De Simone, S., Planta, A., & Cicotto, G. (2018). The role of job satisfaction, work engagement, self-efficacy and agentic capacities on nurses' turnover intention and patient satisfaction. *Applied Nursing Research*, *39 (May 2017)*, 130-140. <https://doi.org/10.1016/j.apnr.2017.11.004>
- Ezekiel Chinyio, Suresh, S., & Salis, JB (2018). The impacts of monetary rewards on public sector employees in construction: a case of Jigawa State in Nigeria ", *Journal of Engineering, Design and Technology. Journal of Engineering, Design and Technology*.
- Foote, DA, & Tang, TL (2008). Job Satisfaction And Organizational Citizenship Behavior (OCB). *Management Decision*, *46 (6)*, 933–947. <https://doi.org/10.1108/00251740810882680>
- Goleman, D. (2003). *Working With Emotional Intelligence (5th ed.)*. Jakarta: PT. Gramedia Main Library.
- Imam, A., Raza, A., Shah, FT, & Raza, H. (2013). Impact of Job Satisfaction on Facet of Organizational Commitment (Affective, Continuance and Normative Commitment): A Study of Banking Sector Employees of Pakistan. *World Applied Sciences Journal*, *28 (2)*, 271-277. <https://doi.org/10.5829/idosi.wasj.2013.28.02.12468>
- Judge, TA, Piccolo, RF, Podsakoff, NP, Shaw, JC, & Rich, BL (2010). The relationship between pay and job satisfaction: A meta-analysis of the literature. *Journal of Vocational Behavior*, *77 (2)*, 157–167. <https://doi.org/10.1016/j.jvb.2010.04.002>
- Jung, HS, & Yoon, HH (2012). The effects of emotional intelligence on counterproductive work behaviors and organizational citizen behaviors among food and beverage employees in a deluxe hotel. *International Journal of Hospitality Management*, *31 (2)*, 369–378. <https://doi.org/10.1016/j.ijhm.2011.06.008>
- Kaplan, M., Ogut, E., & Aksay, K. (2012). The Relationship between Job Satisfaction and Organizational Commitment: The Case of Hospital Employees The Relationship between Job Satisfaction and Organizational Commitments: The Case of Hospital Employees. *World Journal of Management*, *4 (1)*, 22-29.
- Lockwood, NR (2007). Leverage Employee Engagement for Competitive Advantage.
- Macey, WH, & Schneider, B. (2008). The Meaning of Employee Engagement. *Industrial and Organizational Psychology*, *1*, 3–30.
- Macau, MM, Nzulwa, J., & Wabala, SW (2017). Influence Of Compensation Programs On Organizational Citizenship Behavior Among Employees Of Kenya Women Microfinance Bank Limited. *The Strategic Journal of Business & Change Management*, *4 (4)*, 587–604.
- Memon, MA, Salleh, R., & Baharom, MNR (2016). The link between satisfaction training, work engagement and turnover intention.

- European Journal of Training and Development, 40 (6), 407–429. <https://doi.org/10.1108/EJTD-10-2015-0077>
- Nair, D., & Gopal, R. (2010). Impact of Emotional Intelligence on Job Satisfaction at Globus India Ltd. *Symbiosis Center for Management and HRD*, 3 (2), 229–251.
- Paik, Y., Parboteeah, KP, & Shim, W. (2007). The Relationship Between Perceived Compensation, Organizational Commitment And Job Satisfaction: The Case Of Mexican Workers In The Korean Maquiladoras. *The International Journal of Human Resource Management*, 37–41. <https://doi.org/10.1080/09585190701570940>
- Penger, S., & Erne, M. (2014). Authentic leadership, employees' job satisfaction, and work engagement: A hierarchical linear modeling approach. *Economic Research-Ekonomska Istrazivanja*, 27 (1), 508-526. <https://doi.org/10.1080/1331677X.2014.974340>
- Podsakoff, PM, Mackenzie, SB, Paine, JB, & Bachrach, DG (2000). Organizational Citizenship Behaviors: A Critical Review of the Theoretical and Future Research. *Journal of Management*, 26 (3), 513-563.
- Ramadhan, N., Haizam, M., & Saudi, M. (2018). Effect of Employee Job Satisfaction on Organizational Citizenship Behavior at Assessment Center Indonesia. *International Journal of Engineering and Technology*, (December).
- Sung, SY, Choi, JN, & Kang, SC (2015). Incentive Pay and Firm Performance: Moderating Roles of Procedural Justice Climate and Environmental Turbulence. *Human Resource Management*. <https://doi.org/10.1002/hrm>
- Teoh, G., Sai, B., Liau, A., & Lin, W. (2012). Emotional Intelligence of Distance Learners at the School of Distance Education, Universiti Sains Malaysia. 13 (2), 33–48.
- Tufail, MS, Manzoor, M., & Muneer, SORAOJATOCBACWB: AOK: CO (2017). How Organizational Rewards and Organizational Justice Affect The Organizational Citizenship Behavior and Counter productive Work Behavior: Analysis Of Pakistan Service Industries. *City University Research Journal*, 171–182.
- Tziner, A., & Sharoni, G. (2014). Organizational citizenship behavior, organizational justice, job stress, and work family conflict: Examination of their interrelationships with respondents from a non-Western culture. *Journal of Work and Organizational Psychology*, (April). <https://doi.org/10.5093/tr2014a5>
- Virk, HK (2011). Impact Of Emotional Intelligence On Job Satisfaction, Organizational Commitment And Perceived Success. *International Journal of Arts & Sciences*, 4 (22), 6934.
- Yalabik, ZY, Rayton, BA, & Rapti, A. (2017). Facets of job satisfaction and work engagement. *Evidence-Based HRM*, 5 (3), 248-265. <https://doi.org/10.1108/EBHRM-08-2015-0036>