

The Effect of Work Environment and Job Satisfaction on Employee Organizational Commitment

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ABSTRACT

This study aims to determine the effect of work environment and job satisfaction on employee organizational commitment at PT XYZ in North Jakarta. Researchers distributed questionnaires to all field workers in a company with a sample of 60 respondents using purposive sampling. The data analysis method in this study is a quantitative method using SEM, which is processed with the help of SmartPLS software version 3.3.3. The results of this study indicate that the work environment and job satisfaction have a positive and significant effect on employee organizational commitment at PT XYZ in North Jakarta. The results of this study are expected to provide tangible benefits for field workers at PT XYZ, and this benefit is very important because it can solve various kinds of problems related to the work environment and job satisfaction with organizational commitment. Because basically, organizational commitment can grow from a comfortable and conducive work environment and job satisfaction received and felt by employees while working in the company. Based on the research that has been done, it is hoped that the company can implement further efforts regarding the situation and conditions of the work environment around the company and can increase job satisfaction for employees, both in terms of work, salary, promotion, and co-workers. This can make employees more enthusiastic, satisfied, and comfortable at work, so as to increase employee organizational commitment at PT XYZ.

Keywords: Work Environment, Job Satisfaction, Organizational Commitment

1. INTRODUCTION

One form of management developed in today's organizations is human resource management. Human resource management is an effort to foster or improve the quality of personnel involved in an organization so that they can act professionally and carry out their duties [1]. The success of the company cannot be separated from the human resources in it. For that, we need a workforce that works and professionals who can provide a variety of workloads. Therefore, the quality of human resources must always be improved to achieve the goals set by the company [2].

Human resources have a very important role for the company because it can determine success in achieving company goals. If you do not have human resources, the company's activities cannot run. Human resources work as workers who manage and carry out activities in the company and are an obligation to the company. Human resources are one of the main assets that determine the company's achievement [3]. In other words, the success or failure to have power is very dependent on the attitudes and behavior of employees where attitudes and behavior are determined by accuracy in human resource management where the behavior is very close to the attitude or statement about what you want to do basically. Very close to the behavior of what is being done.

Given the influence of the quality of human resources on the company's goals, it is important for companies to give preferential treatment to their employees. Potential human resources will have a good influence on the company so it needs to be developed to maintain organizational performance. A company needs to examine several aspects that can improve the performance of human resources. Human resource development is also a necessity, both for human resources themselves and for organizations. Human resource development will support the performance of an organization so it is very necessary for a company to develop its human resources [4].

Human resource development is also an organizational effort to maintain human resources or in other words, employees have a commitment to work and the organization. So, with the development of human resources, employees will feel more cared for so that it can lead to commitment to the company.

According to Pareek [5] organizational commitment as a feeling to continue the organization, acceptance of the values and goals of the organization, and the progress of the organization to achieve the values and goals.

In this regard, employees who have high organizational commitment can be a guarantee to support the development of a company. In the statement it is said that organizational commitment is an activity that must be agreed upon by all employees who work in the company together in building and achieving organizational values, expectations and goals in the company, because every organization will surely

succeed and improve if employees have goals to achieve the values and expectations of a company.

One important determinant in the formation of organizational commitment is the work environment. The work environment is a physical condition and atmosphere of the place that is felt and becomes a habit by employees while at work, as is the case with research conducted by Sedarmayanti [6] the work environment is a gathering place for several groups in which there are still several supporting facilities. To achieve company goals according to the company's vision and mission. A positive work environment will certainly make employees feel at home while working at the company. Of course, the company must always maintain the work environment so that employees can work fully. The work environment has important elements in determining the value of an environment, such as adequate work facilities, level of socialization, spatial planning, security, and air temperature. Poor working conditions can make it difficult for employees to concentrate, get stressed easily, fall sick easily, and decrease productivity.

Several studies related to the influence of the work environment on organizational commitment include research conducted by Iswahyudi [7] showing that the work environment has an influence on organizational commitment.

Many factors are related to the low commitment of employees in an organization other than the work environment. work goals are one of the important factors and are relatively often related to organizational commitment [8]. Work goals are a significant concern in studies of the world of work. This is due to the fact that job satisfaction can be a major determinant of organizational performance and effectiveness. work goals must be made so that employee morale, dedication, love and discipline increase. Conversely, if this happens, it will cause stress, namely conditions that affect emotions, thought processes and the employees themselves [9]. This attitude is reflected by work morale, discipline, and work performance. enjoy work on the job, off the job, and a combination of on and off work.

enjoy working at the level of one's feelings or attitudes towards work, whether one likes work or not. Fortuna [10] stating that job satisfaction is an emotional state of an employee that occurs or does not occur at the meeting point between the value of employee remuneration using the company or organization using the level of remuneration desired by the employee concerned. Employees who prefer to enjoy job satisfaction at work will prioritize work over remuneration even though remuneration is important. Furthermore, job fulfillment is essentially an individual thing. Each individual will have a level of fulfillment in other ways indicated by the value framework that concerns him. This is because of the paradox in everyone.

Several studies related to the effect of job satisfaction on organizational commitment, including those conducted by Megawati and Syahna [11] showed that job satisfaction has a large effect on organizational commitment.

PT XYZ was established in 1998 and is one of the major companies engaged in fisheries and marine services that

serves frozen fish products. PT XYZ is a reputable company, both locally and internationally. The company has production branches in Java and Sulawesi which supply supplies to warehouses located in Muara Baru, Penjarangan, North Jakarta. This company offers a variety of products of various types, sizes, and qualities. And the products offered include various types of fish, namely Malanggis, Deho, Kites, Milkfish, Babytuna, Cakalang, and so on. PT XYZ also provides one of the additional products available, namely squid and bones with a bit of adhering meat. PT XYZ is currently located at Jalan Tuna Raya Blok L Number 3, Muara Baru, Penjarangan, North Jakarta. Therefore, PT XYZ needs to create a high organizational commitment so that the company's values, expectations and goals can be achieved optimally.

Phenomena that occur at PT XYZ include the lack of employee organizational commitment. According to the results of temporary interviews with several employees of PT XYZ, the factors related to the low organizational commitment are due to two factors, namely internal factors and external factors. Internal factors that can be the cause of the low intensity of organizational commitment are work, unfavorable environmental conditions, long working hours with low salaries and poor programs. Meanwhile, the external factors that encourage the emergence of employees with low commitment to the company are the country's economy, increased payments in other industries, increased payments in other industries, the local economy and low spare parts rates. Results Based on the survey, it is known that there is a problem with the organizational commitment of employees at PT XYZ. Employees feel uncomfortable working there and do not want to work for a long time at the company.

The determining factor in the level of organizational commitment as discussed above is the work environment and job satisfaction. In the work environment factor, the phenomenon that occurs in employees feels that the management of PT XYZ has facilitated enough. Most employees give the impression that working in the PT XYZ environment is quite pleasant, safe and peaceful. Another phenomenon related to job satisfaction is showing that superiors are less satisfied with the work they do. Several employees through brief interviews related to job satisfaction variables showed that they often complained about their work, there were some employees who protested against the salary they received, and the lack of opportunities that will be obtained later such as promotions and rewards that are rarely held by the company.

This study refers to research conducted by Valaei [12] which states that job satisfaction has a positive influence on organizational commitment. While the research conducted by Diana *et. al.* [13] shows that the work environment has no effect on organizational commitment. This is in accordance with the initial phenomenon that researchers have found, namely the organizational commitment of employees at PT XYZ in low conditions, and the work environment is quite supportive. As for the job satisfaction variable that has an influence on organizational commitment, in fact, more employees are dissatisfied with their work, this triggers a decrease in organizational

commitment at PT XYZ.

Therefore, how does PT XYZ increase organizational commitment within the company by using work environment and job satisfaction variables. With this research, researchers want to prove directly and thoroughly the influence between work environment and job satisfaction on organizational commitment.

2. METHOD

The research method used in this study is a quantitative research method. The research design used in this research is descriptive research. The population studied were all employees who worked at PT XYZ, North Jakarta as many as 84 people. This research uses purposive sampling. In this study, the sample criteria are field employees who work at PT XYZ Jakarta Utara and who have a minimum service period of less than one year. So that in this study obtained the number of 60 respondents on field workers at PT XYZ North Jakarta. In this study, researchers used Partial Least Square which is one method of data analysis using PLS-SEM. To process the data, researchers use the SmartPLS software version 3.3.3, with the significance level of 5%. The data used in this study is primary data obtained from respondents through an online questionnaire created using Google Forms and distributed via Whatsapp Messenger to prospective respondents. Sugiyono [14] states that a questionnaire is a data collection carried out by giving questions or statements to respondents to answer questions. The question or statement is accompanied by a Likert scale that will be used to measure the work environment, job satisfaction and employee organizational commitment. The Likert scale is designed to see how strongly respondents agree or disagree with statements on a five-point likert scale [15]. Convergent validity can be measured by looking at the AVE value and the loading factor in each indicator. According to Chin [16] for research in the early stages of developing a measurement scale for the loading value of 0.5 until 0.6, it is considered sufficient. The expected AVE value is greater than 0.5 [17]. The loading factor are briefly listed in table 1. until table 3. below:

Table 1. The Loading Factor of Work Environment

| Variables | Indicator | Loading Factor |
|------------------------------------|-----------|----------------|
| Work Environment (X ₁) | WE1 | 0,707 |
| | WE2 | 0,851 |
| | WE3 | 0,776 |
| | WE4 | 0,794 |
| | WE5 | 0,853 |
| | WE6 | 0,868 |
| | WE7 | 0,913 |
| | WE8 | 0,867 |
| | WE9 | 0,689 |

Table 2. The Loading Factor of Job Satisfaction

| Variables | Indicator | Loading Factor |
|------------------------------------|-----------|----------------|
| Job Satisfaction (X ₂) | JS1 | 0,767 |
| | JS2 | 0,860 |
| | JS3 | 0,764 |
| | JS4 | 0,891 |
| | JS5 | 0,756 |
| | JS6 | 0,800 |
| | JS7 | 0,845 |
| | JS8 | 0,793 |

Table 3. The Loading Factor of Organizational Commitment

| Variables | Indicator | Loading Factor |
|-------------------------------|-----------|----------------|
| Organizational Commitment (Y) | OC1 | 0,887 |
| | OC2 | 0,861 |
| | OC3 | 0,876 |
| | OC4 | 0,892 |
| | OC5 | 0,853 |
| | OC6 | 0,905 |

The AVE are briefly listed in table 4. below:

Table 4. AVE Testing Result

| Variable | AVE |
|------------------------------------|-------|
| Work Environment (X ₁) | 0,947 |
| Job Satisfaction (X ₂) | 0,939 |
| Organizational Commitment (Y) | 0,953 |

The testing reliability analysis listed in table 5. below:

Table 5. Testing Reliability Analysis

| Variable | Cronbach's Alpha | Composite Reliability |
|------------------------------------|------------------|-----------------------|
| Work Environment (X ₁) | 0,936 | 0,947 |
| Job Satisfaction (X ₂) | 0,925 | 0,939 |
| Organizational Commitment (Y) | 0,941 | 0,953 |

The reliability test can also be seen from the results of Cronbach's alpha and composite reliability. If the value of Cronbach's alpha and composite reliability is greater than 0.6, the tool is declared reliable [18]

3. RESULTS AND DISCUSSION

The results of data analysis are briefly listed in table 6. below:

Table 6. Hypothesis Testing Result

| Variable | Coefficient | T-Statistics | P Values |
|--|-------------|--------------|----------|
| Work Environment → Organizational Commitment | 0,536 | 4,934 | 0,000 |
| Job Satisfaction → Organizational Commitment | 0,429 | 3,722 | 0,000 |

The result of testing the first hypothesis showed that work environment can influence organizational commitment. This is because the company has sought a work environment that can support the comfort of its employees at work so that it can increase employee organizational commitment within the company. The results of this study are supported by Faisal and Dewi [19] who state that the work environment has a positive effect on organizational commitment. That is, the better the work environment at the company, the higher the employee's commitment to remain organized in the company. It is also supported by the results of research conducted by Siregar [20] in his article entitled which states that the work environment has a positive effect on organizational commitment. That is, conducive to the employee's work environment, the organizational commitment within the employee will be created.

Employees feel comfortable with the work environment that has been facilitated and provided by the company, feel comfortable with work security and safety, feel they have a relationship between employees in the company that is kinship, mutual support and harmony, respect each other and maintain ethics, then employees tend to have a commitment high organization at work. With sufficient lighting, air temperature that can make employees comfortable in the workplace, sound at work, colors and decorations in the workplace, comfortable work space, employees will get used to working in a good work environment so that they can produce the best work results. Employees will also feel comfortable at work if there is security and safety at work that is safe and peaceful. Employees will also feel comfortable at work if they have a good relationship between superiors and subordinates. This tends to increase organizational commitment within the company because it has achieved the values, expectations, and goals of a company.

The second hypothesis showed that job satisfaction can influence organizational commitment. This is because employees are satisfied at work, so they can increase

employee organizational commitment within the company. The results of this study are supported by Harini, *et. al.* [21] which states that job satisfaction has a positive effect on organizational commitment. That is, everyone expects job satisfaction from work because satisfaction will affect work enthusiasm and motivation to achieve company goals. It is also supported by the results of research conducted by Herjany and Bernarto [22] which states that job satisfaction has a positive effect on organizational commitment. That is, increasing employee job satisfaction, then employee organizational commitment will be created so that employees will feel happy at work.

If employees like work and challenges, get appropriate salaries and benefits, receive salaries on time, get promotions at work, are satisfied with the existing promotion system, have colleagues who are quite intelligent and very helpful and enthusiastic at work, employees tend to will have organizational commitment and desire to remain involved in working in the company and not willing to leave and decide to be loyal to the company.

4. CONCLUSION

Based on the results of the research described above, already proved that the work environment and job satisfaction have a positive and significant effect on employee organizational commitment at PT XYZ in North Jakarta, the researchers provide useful suggestions for the company. First, the company needs to create a good relationship between superiors and subordinates in the company, it requires mutual respect and acceptance. A boss must also be able to show his best attitude while working in the company, because a good and professional boss will be more easily liked by his subordinates. Maintaining a harmonious relationship between subordinates is very important to note. In addition, a superior must also be quick to respond to subordinates. When the subordinates are getting bored and tired of working, then a boss should take quick action. For example, by building a comfortable and conducive work environment in the company for beta subordinates to work in the company. By being a good boss or leader, subordinates will be respected, and not by scaring their subordinates. Second, the company is expected to be able to promote positions to employees based on consideration of experience, abilities (ability), and the conditions that have been met. For example, by giving promotions to employees who have achieved certain targets that have been given by the company, so it can be said that they are eligible to get promotions at work. Third, companies need to grow and maintain employee loyalty within the company. Employees with high job satisfaction make employees more highly loyal and decide to be loyal to the company. For example, by maintaining good communication, consistency, working with integrity, praising co-workers, and being able to implement good company management and provide a promotion system to employees. It will also affect the organizational commitment of employees within the company, supporting them to work in the best way possible and achieve the

company's expectations, values and goals. Suggestions for further researchers, if you want to examine the same variable, it is expected to add or add the independent variable with other variables that affect the dependent variable. And researchers suggest increasing the number of respondents in order to provide optimal results.

ACKNOWLEDGMENT

First, to Mr. LBK as Director of XYZ Company, Ms. M as Deputy Director of XYZ Company, Mr. HP as Warehouse Head and Mr. M as Marketing and Sales Employee of XYZ Company who have given me permission, contributed to me and helped me in distributing questionnaire in company XYZ. Second, to Mrs. MI as a Advisory Lecturer at the FEB Management Tarumanagara University who has given me time, energy and thoughts in writing scientific articles. Third, to my friends who have given me the spirit and motivation so that this scientific article can be completed properly.

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