

The Impact of Quality of Work Life, Organizational Commitment, Career Development and Entrepreneurial Orientation to Organizational Citizenship Behavior of Employee PT. Multistrada Arah Sarana Tbk

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ABSTRACT

The tire manufacturing industry is one of the industries that requires skilled labor and must meet the required qualifications. If the employee turnover is high, it will affect the production and the quality of products produced by the company. Currently, almost all companies in Indonesia, especially tire companies, are facing challenges in maintaining employee loyalty. This is indicated by the tendency of employees to leave the company where they work for a fairly short period of work. This research to reveal quality of work life, organizational commitment, career development and entrepreneurial orientation was conducted at the tire factory PT Multistrada Arah Sarana Tbk

Keywords: *Tire manufacture, knowledge transfer, quality of work life, organizational commitment, career development, entrepreneurial orientation, organizational citizenship behavior*

1. INTRODUCTION

Currently, the company needs fast and directed steps to reach the goals that have been determined by the board of directors and approved by the shareholders. The level of complexity of competition is not only domestic but has now also entered the global competition. The world is now borderless where this is marked by the existence of a free market which makes the wider business area that a company can explore, and this of course requires smart work from its stakeholders. One of these free markets is marked by the entry of foreign capital into a country or vice versa where a country can invest in other countries. This free market can be an opportunity for companies to expand their marketing network as well as a threat if a country is not ready to face it.

PT Multistrada Arah Sarana Tbk is an Indonesian company listed on Indonesia Stock Exchange which is engaged in the manufacture of car tires under the Achilles and Corsa brands and several other brands as well as motorcycle tires with the Corsa brand.

In addition to developing technology, companies that can survive and thrive in the era of global competition, especially in the tire industry, must focus on developing Human Resources. This is important to improve their skills and competitiveness in their field of work. Human Resource Development should not be done arbitrarily because it involves the quality of the people who work for the company.

Tire industry is one of the industries that requires skilled workers and must meet the required qualifications. This is because tires are components of motorized vehicles that are in direct contact with the road. For a vehicle, the role of tires is vital because if the tire product used in the vehicle is not in a condition that complies with the safety and security standards that have been set, it can be fatal for the passengers in the vehicle.

Tire industry's greatest asset is the knowledge that resides within every employee. Not all of this knowledge can be shared with other employees, especially tacit knowledge. The high employee turnover will affect the quality of the products produced by the company.

If the employees who are categorized as "critical talent" resign, it will reduce the company's performance. Employees in this category are difficult to replace because they know the fundamental design of a product. Substitute employees do not necessarily have the same quality of work, if any, they will need to be adjusted and take time. Research in the United States shows that the termination of employees who have high knowledge is very detrimental to the company (Lee, 2018). On the other hand, dismissing employees who commit violations can eliminate disruptions in the work process, therefore replacing them with new employees can have a positive effect on company performance.

Almost all companies in Indonesia are facing challenges in maintaining employee loyalty, because the tendency of worker to work in the company for a short time. Survey of 32.000 worker worldwide including 1.000 in Indonesia by Tower Watson in The Global Workforce Study shown difficulty of maintaining employee loyalty. This survey shows that as many as 66% of employees in Indonesia tend to leave the company where they work within two years. In line with this study, Labor Magazine (2013) stated that 39% of 445 employees resigned from the company where they worked within 1-2 years and 26% of employees resigned after 3 years of work (Khuong & Thien, 2013). The results showing this employee disloyalty put the company in a difficult situation to maintain the effectiveness of daily operations and cost efficiency because the company needs to retrain new employees and incur additional costs for recruiting new employees (Lamalfa, 2007; Khuong & Thien, 2013).

Table 1. Percentage of Employees Changing Jobs

Research	Percentage of Employees Changing Jobs	length of work
Towers Watson dalam Global Workforce Study (GWS)	66%	Two years
Loan Le Limited Company di Ho Chi Minh City (2013)	41%	Below six months
Labor Magazine (2013)	39%	period of 1 to 2 years
Khuong & Thien, 2013	26%	3 years working

According to the observations of the workforce networking site of LinkedIn, there has been an increase of up to 10 percent of Indonesians, especially employees changing jobs after Eid al-Fitr, in the last five years (2014-2018). Infographic below shows an increase of nine to 10 percent of the Indonesian workforce finding new jobs after the Eid celebrations.



Figure 1. Migration of Labor in Indonesia

1.1 Organizational Citizenship Behavior

Organizational Citizenship Behavior is believed to be able to maintain the existence and continuity of employees' work in the company.

Organizational Citizenship Behavior (OCB) is a behavior in which a person wants to do something beyond what has been described by his job, and has no reward for it.

OCB is behavior that makes individuals do something that is not described in their work and there is no reward for their actions consciously and of their own volition, such as helping co-workers do their jobs, or helping their superiors even even outside the specified working hours. These behaviors are behaviors that can increase organizational effectiveness.

Andrew J. Dubrin (2013) Organizational citizenship behavior is closely related to the character because both focus on activities that go beyond function requests and both provide to company effectiveness. Organizational citizenship behavior is usually defined as a motivation to work for the worthy of the company without the ability of a detailed reward.

Griffin & Moorhead (2014) defines OCB as refers to the action of persons who make a positive complete involvement to the company.

Workers go the extra mile by really attractive in activities that are not within their job explanation – and thus that do not fall under the broad heading of task performance. This condition brings us to the second category of job performance, called OCB, which is definite as intentional worker actions that may or may

not be pleased but that provide to the company by improving the complete excellence of the setting in which work takes place, Colquit LePine and Wesson (2011)

Citizenship Behavior The optional actions that is not part of an staff formal job conditions, and that provides to the emotional and social situation of the workplace, is named citizenship behavior, Stephen P. Robbins and Timothy A. Judge (2013)

Acts that encourage the organization's interest, but are not formally a part of any person's standard job requirements. They contain activities such as offering for assignments, going out of one's way to welcome new workers, serving others who need assistance, continuing late to finish a duty, or voicing one's view on serious organizational matters, 1John A. Wagner and John R. Hollenbeck (2010)

This behavior is carried out to the organization or co-workers, which results in an increase in organizational effectiveness through direct influence from work or through indirect social influences based on improved interpersonal relationships.

Podsakoff, Mackenzie, and Bachrach (2000) divide OCB into seven scopes: Helping, Sportsmanship, Loyalty, Organizational Compliance, Individual Initiative, Civic Virtue and Self Development.

1.2 Quality of Work Life

Procedure by which organizations answer to worker needs by rising instruments to allow employees to give full advice and contribute in making decisions and handling their work life in a company, Robbins (1996). Meanwhile, Quality of Work Life is a crucial thing and is a requirement for the corporation itself to fascinate and retain its staff to be loyal, Johnson (1999)

Basic goal is to grow the best potential work situation for all staff to support the economic health of the business. Quality of Work Life is suitable for companies and labors to interest and remember quality labors to work in the corporation, Davis and Newstrom (1989)

Quality of Work Life is a organization arrangement method or organizational viewpoint with the aim of improving the excellence of life of workers in their work situation instantaneously and constantly. Quality of Work Life can be done by offering a sense of safety at work, job satisfaction, gratefulness at work and making conditions for growing and progress so as to growth the dignity of staff.

Furthermore, to increase the constancy of workers to help the company, work happily and safely so that it affects a good work climate which will have an effect on usefulness and efficiency. Staff become interested to

transform and become creative. Meant for workers, application of philosophies that pay attention to the Quality of Work Life in the office can deliver some benefits such as confirming their welfare, having a good working climate and conditions, and finally bringing a emotional effect on each workers personality.

Quality of Work Life has a attention on respecting people in their work environment. An significant role of the Quality of Work Life agenda is to transformation the work ambience so that organizations officially and humanely can lead to a well quality of work life. Cultivating the quality of work life is needed to make job fulfilment as a induction and shaper of suitable and quality staff performing.

1.3 Organizational Commitment

Organizational Commitment will be taken as staff part to the company where the staff works. Obligation is needed by the company so that capable people in the company can be sustained properly.

Promise to the institution contains 3 approaches: Sympathy with company goals, spirits of participation in company responsibilities and sympathy of faithfulness to the company, it is taken that company obligation is a form of identification, reliability and participation articulated by staff in the direction of the company, Gibson (2009).

Employees who have a good commitment mean that the employee has loyalty to the organization where he is and will strive to optimally achieve the goals of the organization where he works.

Desiana also Soetjipto (2006), organizational obligation is seen as a cost orientation to the company that confirmations that people are very afraid and order their work and company. People can try to give all of their determination in order to help the company complete its goals.

Organizational commitment is defined as a emotional state that illustrates the employee's connection with the company or its suggestions that touch whether staff will remain in the company or not, which are known in three mechanisms: Affective commitment a person's emotional involvement in the organization in the form of feelings of love for the organization. Continuance commitment a person's perception of the costs and risks of leaving the current organization, meaning that there are two aspects to continuance commitment: it involves personal sacrifice when leaving the organization and the absence of alternatives available to the person. Normative commitment a ethical measurement based on a sense of commitment and concern to the company that hires it, Cut Zurnali (2010) :

1.4 Career Development

Saidi Mehrabad and Fathian Brojeny (2007) is defined as a series of separate work activities and gives a position and meaning in one's life history. Cascio (2019) stated that the term of occupation able to seen since 2 diverse perspectives, with an actual and a individual perspective.

From an actual perspective, a career is a classification of places working by a people thru his life while from a individual perspective, a career is a variation in ethics, manners, and impulses that follow as an employee gets older.

Wilson in Rianti and Langgeng (2019), career is the entire work that we do during our lives, whether paid or not, meaning that career is our entire working life. Each career path that we take may consist of one or several positions, which increase with our work experience. Career as work activities, behavior, attitudes, values and aspirations throughout one's lifetime.

The purpose of Career Development is to match the needs and goals of employees with the career opportunities available in the organization at the moment and in the future. Therefore, efforts to establish a well-designed career development system can assist employees in determining their own careers and adjusting the needs of employees with the needs of the company.

1.5 Entrepreneurial Orientation

Scarborough, Norman M., and Thomas W. Zimmerer (2013) stated that an entrepreneur is people who makes a new business with risk and ambiguity to realize revenue and development by recognizing prospects and assembly the essential resources to take benefit of the opportunities.

To understand Entrepreneurial Orientation, it is necessary to understand entrepreneurship and the aspects that must be owned and possessed by entrepreneurially oriented people.

Debbie Liao and Phillips Sohmen in Alimuddin (2013), Entrepreneurial Orientation is the characteristics and values embraced by entrepreneurs themselves which are unyielding nature, risk-taking, speed, and flexibility.

Entrepreneurship is the ability of someone who is creative, innovative, dares to take risks and always looks for opportunities through their potential. Entrepreneurship arises when the person dares to develop new businesses and ideas.

This research objective is to conclude whether around an important outcome of Quality of Wok Life, Organizational Commitment, Career Development and Entrepreneurial Orientation on Organizational Citizenship Behavior on employees at PT. Multistrada Arah Sarana Tbk.

This research uses quantitative descriptive where the facts/ truths are in the object of research. Data was collected using a questionnaire distributed to workers. Statistical analysis used is Structural Equation Modeling (SEM) analysis using smartPLS 3.2.7 software.

Sample 190 employees used probability sampling technique with proportional random sampling method.

2. METHODS

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3. RESULT

Table 2. Results of Construct on Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Moderating Eff...	1.000	1.000	1.000	1.000
Moderating Eff...	1.000	1.000	1.000	1.000
Moderating Eff...	1.000	1.000	1.000	1.000
X1	0.929	1.017	0.925	0.644
X2	0.813	0.879	0.882	0.714
X3	0.792	0.887	0.863	0.617
Y1	0.898	0.928	0.929	0.729
Y2	0.838	0.879	0.890	0.672

Table above shows that the AVE value for each construct has a value higher than 0.5. Thus, the value of each construct with its indicators is good.

Table 2. Results of R-Square

	R Square	R Square Adjusted
Y1	0.539	0.522
Y2	0.976	0.974

3.1 Hypothesis Test

Constructed on the data processing, the outcomes will conditioned response the premise herein research. Premise trying in this research shown by watching at the value of T-Statistics and the value of P-Values. The

research hypothesis can be declared accepted if the P-Values <0.05. The following are the results of premise testing obtained in this study:

Table 4. Results of Path Coefficients

	T Statistics (O/STDEV)	P Values
Moderating Effect 1 -> Y2	0.910	0.363
Moderating Effect 2 -> Y2	3.320	0.001
Moderating Effect 3 -> Y2	1.899	0.058
X1 -> Y1	5.270	0.000
X1 -> Y2	1.596	0.111
X2 -> Y1	2.387	0.017
X2 -> Y2	2.152	0.032
X3 -> Y1	3.789	0.000
X3 -> Y2	8.317	0.000
Y1 -> Y2	6.198	0.000

Hypothesis testing on the results of the path coefficients shows the link of the independent variable to the dependent variable Y1. The outcomes shows variables Quality of Work Life (X1), Organizational Commitment (X2) and Career Development (X3) have a significant relationship to Entrepreneurial Orientation (Y1) while the connection of the independent variable to the dependent (Y2) shows the outcomes that the variables Organizational Commitment (X2), Career Development (X3) and Entrepreneurial Orientation (Y1) have important outcomes to Organizational Citizenship Behavior (Y2), and the variable Organizational Commitment (X2) through Entrepreneurial Orientation (Y1) also significant relationship with Organizational Citizenship Behavior (Y2). Variables Work Life (X1), Quality of Work Life (X1) through Entrepreneurial Orientation (Y1) and Career Development (X3) through Entrepreneurial Orientation (Y1) do not have a significant relationship with Organizational Citizenship Behavior (Y2).

4. CONCLUSION

Conclusions can be drawn as follows:

This Research using SEM analysis with SmartPLS Software shows that the results of the outer analysis have met, so further analysis can be carried out

Results of the follow-up test show that the independent variables on the dependent variable Entrepreneurial Orientation (Y1) from the outcomes obtained that the variables Quality of Work Life (X1), Organizational Commitment (X2) and Career Development (X3) develop a significant relationship to Entrepreneurial Orientation (Y1).

Results of the follow-up test show that the variables Organizational Commitment (X2), Career Development (X3) and Entrepreneurial Orientation (Y1) have a

significant connection to Organizational Citizenship Behavior (Y2), then the variable Organizational Commitment (X2) through Entrepreneurial Orientation (Y1) also has significant relationship to Organizational Citizenship Behavior (Y2) while the variables of Work Life (X1), Quality of Work Life (X1) through Entrepreneurial Orientation (Y1) and Career Development (X3) through Entrepreneurial Orientation (Y1) do not have a significant relationship with Organizational Citizenship Behavior (Y2).

5. SUGGESTION

Suggestions for improvement that can be proposed are as follows:

1. As an input and repair material for the tire company of PT. Multistrada Arah Sarana Tbk in managing its human resources to be more loyal and have high productivity at work and can compete in free market at the moment
2. Research conducted, it will be used as a suggestion for more researchers in directing research in the field of human resources.

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