

Impact of Individual, Job, and Organizational Characteristics on Organizational Commitment with Job Satisfaction as Intervening Variable

Suhartini*

Faculty of Economics, Islamic University of Indonesia

Klara Sita Arati

Faculty of Economics, Islamic University of Indonesia

— *Review of* —
**Integrative
Business &
Economics**
— *Research* —

ABSTRACT

This study aims to determine the impact of individual, job, and organizational characteristics on organizational commitment with job satisfaction as the intervening variable. The population of this research comprises all the 186 employees of Palm Oil Factory owned by PT. Perkebunan Nusantara IV (Persero) Unit Kebun Sosa, North Sumatera. The sampling technique uses the census method. Data collection methods use a questionnaire and path analysis is used to analyze the data. Results of this study indicate that individual, job, and organizational characteristics significantly influence organizational commitment and job satisfaction either partially or simultaneously. This study also shows the indirect substantial influence of individual, job, and organizational characteristics on organizational commitment toward job satisfaction. Results of this study will add to the understanding that organizational commitment and job satisfaction can be built by creating conformity of individual characteristics with the job and organization concerned. Consequently, employees will be motivated to achieve the organizational goals.

Keywords: Organizational Commitment, Job Satisfaction, Individual Characteristic, Job Characteristic, Organizational Characteristic.

1. INTRODUCTION

The success of an organization is highly respected in the era of extremely tight competition. The success of an organization is certainly supported by factors that can affect the effectiveness in the traverse of the organization itself. Human resource is the main factor that can support the success of an organization and plays an important role to achieve organizational goals.

The interest of human resources is to survive within an organization, one of which is caused by a commitment. Armstrong (2003) defined commitment as the relative strength of an individual's identification with involvement in a particular organization.

Furthermore, the aforementioned researcher explained that commitment comprises several factors, namely, the strong desire to remain as a member of the organization, strong conviction and acceptance of organizational values and goals, and readiness to exert sufficient effort on behalf of the organization.

Job satisfaction is considered a factor of human resources in terms of commitment to an organization. Camp (1993) stated that job satisfaction can be understood as the response of an individual to the perception formed by different purposes and interpretations indifferent working conditions. Job satisfaction is expected to be achieved if personal, work, and organizational characteristics are suitable. Thereafter, such achievement could have an impact on several factors, such as the success of an organization.

Problems of individual, job, and organizational characteristics and job satisfaction and organizational commitment will be analyzed by employing the employees of PT. Perkebunan Nusantara IV (Persero) Unit Kebun Sosa, North Sumatera. To accomplish their work, workers or planters work in plantation areas that are away from the settlements. Hence, they need consideration on behalf of the family. The subordinate or plantation workers are often not based on age, education, and other demographic factors to work in the plantation. Workers are also likely to meet work accidents that can cause partial or total disability or even death due to the heavy and dangerous nature of the work. The company does not focus on the safety of workers. These conditions affect the job satisfaction and commitment of plantation employees. The data obtained indicate that the number of employees in 2014 was 248, decreased to 216 in 2015, and further decreased to 186 in 2016. The data show decrease in the number of employees in the past three years. This study will investigate the cause and effect of such decrease.

2. LITERATURE REVIEW

Managing and maintaining human resources will assist an organization to achieve its goals. Hence, positioning employees is essential in an organization. Armstrong (2003) stated that human resource management is a strategic and coherent approach to the administration of the most valuable assets of an organization, namely, the individuals who work individually or collectively and contribute to the achievement of organizational goals.

2.1. Organizational Commitment

Meyer and Allen (1997) defined organizational commitment as a binding force that inspires individuals and connects them to organizations, thereby enabling them to pursue specific actions and carry out behavior based on the organizational value.

Sabella et al. (2016) stated that organizational commitment is conceptualized as affective, normative, and continuance.

2.2. Job Satisfaction

Job satisfaction is an affective or emotional response to various aspects of work. This definition means that job satisfaction is not a concept of unity. That is, one can be relatively satisfied with one aspect of his or her work and dissatisfied with one or more of the other aspects. Kreitner and Kinicki (2001) identified the five main models that cause job satisfaction as need fulfillment, discrepancies, value attainment, equity, and dispositional/genetic components.

2.3. Individual Characteristics

Individuals certainly exhibit cognitive, affective, and psychomotor differences. Hence, the factors that influence how an individual behaves, particularly in the workplace, should be understood. Armstrong (2003) emphasized the basic individual characteristics as individual differences, attitudes, things that affect workplace behavior, attribution theory, orientation, and roles.

2.4. Job Characteristics

Kreitner and Kinicki (2001) argued that the five core characteristics of work lead to the emergence of a psychological state. Three of these characteristics generate meaningful work experience, one raises responsibility, and the last indicates knowledge of the results. The core characteristics are variety of skills, task identity, task significance, autonomy, and feedback.

2.5. Organizational Characteristics

Sobirin (2007) defined an organization as a social unit or social entity established by humans for a relatively long period. In addition, an organization consists of at least two persons in a group who have coordinated, organized, and structured activities, as well as established to achieve a particular goal and identity that distinguishes one entity from others. An organization has five main characteristics, namely, unit/social entity, consisting of at least two people, structured patterns of work, have a purpose, and possess an identity.

2.6. Influence of Individual, Job, and Organizational Characteristics on Job Satisfaction

Lambert et al. (2008) explained that race, age, and status of supervision have

statistically significant correlations with job satisfaction. White employees have higher job satisfaction than non-white employees. When age increases, so does job satisfaction. In general, supervisors have high levels of job satisfaction. Rehman et al. (2015) stated that individual characteristics have a considerable relationship with job satisfaction.

Allen et al. (2004) argued that job characteristics have relationships with specific job-related attributes and cover areas, such as job stress, work autonomy, job variation, and supervision. Job characteristics correlate with jobs. Lambert et al. (2008) stated that individual, work, and organizational characteristics affect job satisfaction. Subyantoro (2009) stated that individual, job, and organizational characteristics have a direct and significant effect on job satisfaction. The following hypotheses are proposed based on these relationships.

H1a : Individual characteristics influence job satisfaction.

H1b : Job characteristics influence job satisfaction.

H1c : Organizational characteristics influence job satisfaction.

H1d : Individual, job, and organizational characteristics influence job satisfaction.

2.7. Influence of Individual, Job, and Organizational Characteristics on Organizational Commitment

Jena (2015) explained that personal and demographic characteristics have an influence on the different dimensions of organizational commitment (i.e., affective, continuance, and normative). Allen et al. (2004) stated that race, marital status, and supervisory status have statistically significant correlations with organizational commitment. In general, married people and supervisors have levels of organizational commitment compared with unmarried employees and non-supervisors. Similar results suggest that demographic or individual characteristics have a significant correlation with organizational commitment and more committed supervisors than those with longer tenure (Lambert et al., 2008).

Allen et al. (2004) explained that job characteristics have a statistically significant correlation with organizational commitment. Lambert et al. (2008) emphasized that individual, work, and organizational characteristics indirectly affect organizational commitment. The following hypotheses are proposed based on these relationships.

H2a: Individual characteristics affect organizational commitment.

H2b: Job characteristics influence organizational commitment.

H2c: Organizational characteristics influence organizational commitment.

H2d: Individual, job, and organizational characteristics influence organizational

commitment.

2.8. Influence of Job Satisfaction on Organizational Commitment

Lambert et al. (2008) argued that job satisfaction has a positive correlation with organizational commitment and has the largest correlation measure compared with other variables in the research. The following hypothesis is proposed based on these relationships.

H3: Job satisfaction characteristic influences organizational commitment.

2.9. Direct or Indirect Influence among Individual, Job, and Organizational Characteristics on Organizational Commitment or Through Job Satisfaction

Lambert et al. (2008) emphasized that increased job satisfaction could increase organizational commitment, which has positive results for organizations and employees. Individual, work, and organizational characteristics have direct and indirect effects. These variables indirectly affect job satisfaction through job stress and indirectly influence organizational commitment through job stress and job satisfaction. The following hypothesis is proposed based on these relationships.

H4: The indirect influence of individual, job, and organizational characteristics of organizational commitment through job satisfaction is greater than the direct effect of individual, job, and organizational characteristics of organizational commitment.

3. RESEARCH METHODS

3.1. Type of Research. The current study uses the quantitative research method.

3.2. Research Location. This research was conducted at the PT. Perkebunan Nusantara IV (Persero) Unit of Kebun Sosa, Mulya Sari, Huta Raja Tinggi, Padang Lawas District, North Sumatera.

3.3. Research Variable Identification. Independent variables (X): individual characteristics (X1), job characteristics (X2), and organizational characteristics (X3); Dependent variable (Y): organizational commitment; Intervening variable (Z): job satisfaction.

3.4. Operational Definition of Variables and Indicators. Organizational Commitment. Organizational commitment is defined as a binding force that inspires and connects individuals to organizations and enables them to pursue certain actions and bring value to the organization. The indicators of organizational

commitment are affective, continuance, and normative commitment. **Job Satisfaction.** Job satisfaction is the fulfillment or satisfaction of certain needs associated with one's work. The indicators of job satisfaction are job aspect, salary, benefits, colleagues, and supervision. **Individual Characteristics.** Individual characteristics refer to the character of an individual or characteristics of a person who describes the actual state of the individual and distinguishes it from the other individual. The indicators of individual characteristics are education, age, gender, supervisor, tenure, and marital status. **Job Characteristics.** The characteristics of work refer to the effort of identifying job characteristics of the work, how the characteristics combine to form different jobs, and their relationship to motivation, job satisfaction, and employee performance. The indicators of job characteristics are level of danger, job variety, and role strain. **Organizational Characteristics.** The characteristics of the organization are the behavior of an agency/institution against the conditions that exist within and outside the institution itself. The indicators of organizational characteristics are instrumental communication, formalization, input into decision-making, and promotional opportunity.

3.5. Research Population and Sample. The population in this study comprises all 186 employees of the palm oil factory PT. Perkebunan Nusantara IV (Persero) Unit Kebun Sosa. This study uses all members of the population as the sample. The sampling technique is called census.

3.6. Type of Data Required. The data needed in this study are primary and secondary. The instrument of this research is the questionnaire. The answer provided in each question is measured, using a Likert scale designed to test how strongly the respondent agrees with the statement (1 = Strongly disagree, 2 = Agree, 3 = Doubtful, 4 = Agree, and 5 = Strongly agree).

3.7. Research Test Instrument Results. The instrument of this research is the questionnaire. The research instrument has been tested for its validity and reliability. The questionnaire consists of 9 items of organizational commitment variable, 5 items of job satisfaction variable, 6 items of individual characteristic variable, 15 items of job characteristics variable, and 19 items of organizational characteristic variable. The validity test shows that all question items have corrected item-total correlation value (r count) that is larger than the r table (0.148). Hence, all the questions in the questionnaire can be declared valid. The reliability test shows that the Cronbach's alpha values are above 0.6 of the organizational commitment (0.779), job satisfaction (0.757), job characteristics (0.773), and organizational characteristic (0.775). That is, all variables in this study are considered reliable.

3.8. Classic Assumption Test Result. Normality test result shows that the significance value of each research model is above 0.05 ($= 0.856$), that is, all models in this study are normally distributed. The result of the **multicollinearity** test depicts the value of *variance inflation factor* (VIF) of below 10 and the tolerance value is over 0.10. Hence, the regression model used in this study does not contain symptoms of multicollinearity. The **heteroscedasticity test result** shows that the significance value is above 0.05; thus, the spreading of points is random and does not form a certain pattern. That is, the regression model proposed in this study did not show symptoms of heteroscedasticity.

3.9. Method of Analysis. Data in this research are processed by using descriptive and inferential statistics, with the research model using simple and multiple linear regression. Hypothesis test uses the F-, t-, and sobel-tests.

4. DISCUSSION

4.1. Respondent Description

Table 1. Recapitulation of the Most Dominant Respondent Data

No	Characteristics	Dominant Characteristics	Frequency	%
1	Sex	Male	141	89.2
2	Age	40–44 Years	74	46.8
3	Marital status	Married	154	97.5
4	Education	No undergraduate title	153	96.8
5	Position	Not a supervisor/subordinate	156	98.7
6	Length of service	Above 24 months	150	94.9

Source: Processed Primary Data, 2017

4.2. Description of Research Variable

Table 2. Recapitulation of the Descriptive Analysis of the Research Variables

No	Variable	Mean	Description
1	Organizational commitment	3.55	High
2	Job satisfaction	3.30	Medium
3	Job characteristics	3.49	High
4	Organizational characteristics	3.73	High

Source: Processed Primary Data, 2017

4.3. Result of Hypothetical Test

Table 3. Recapitulation of the Hypothesis Test Result

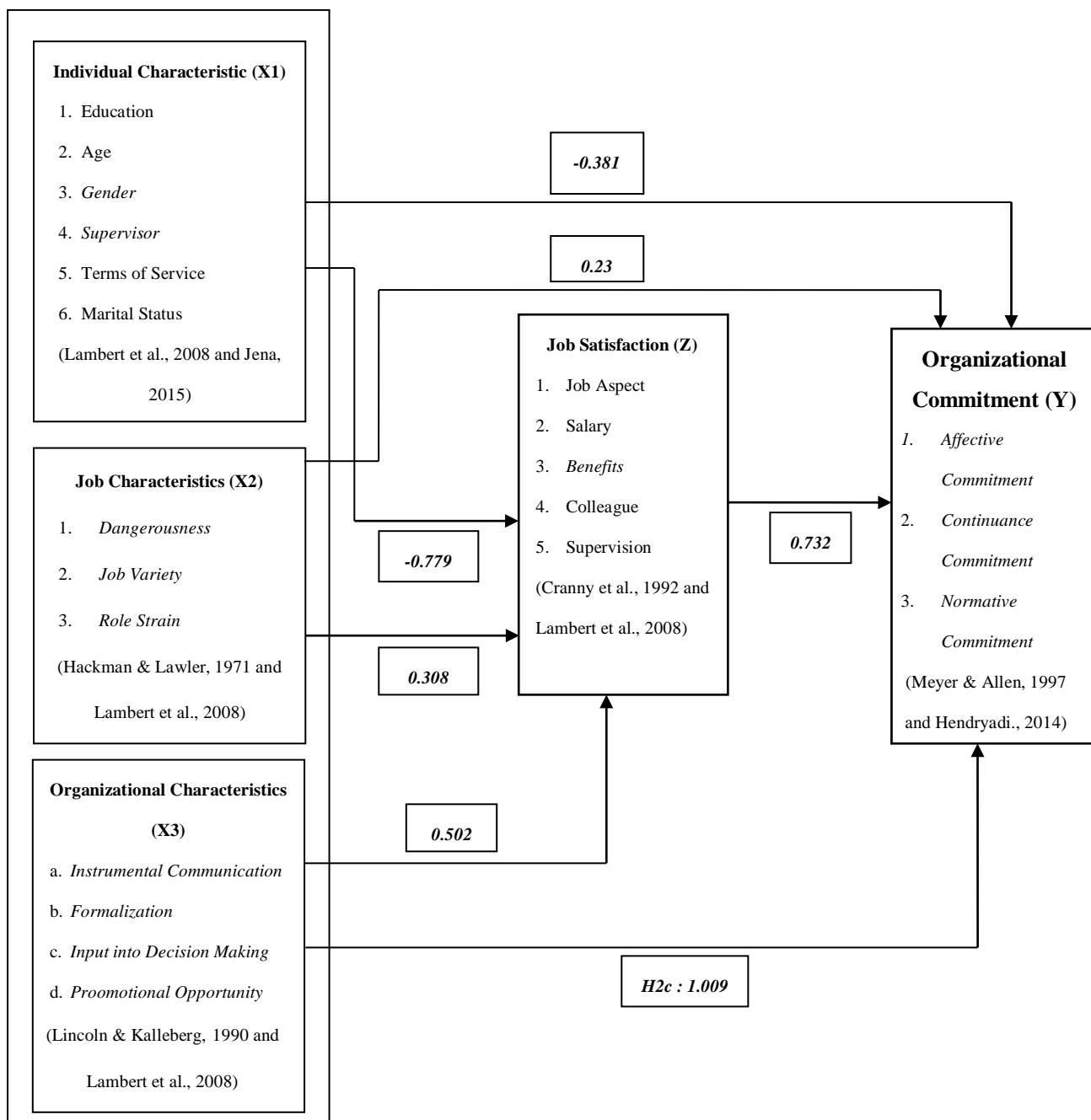
No	Hypothesis	Description
H1a	Individual characteristic influences job satisfaction.	Proven
H1b	Job characteristics influence job satisfaction.	Proven
H1c	Organizational characteristic influences job satisfaction.	Proven
H1d	Individual, job, and organizational characteristics influence job satisfaction.	Proven
H2a	Individual characteristics affect organizational commitment.	Proven
H2b	Job characteristics influence organizational commitment.	Proven
H2c	Organizational characteristics influence organizational commitment.	Proven
H2d	Individual, job, and organizational characteristics influence organizational commitment.	Proven
H3	Job satisfaction characteristic influences organizational commitment.	Proven
H4	The indirect influence of individual, job, and organizational characteristics of organizational commitment through job satisfaction is greater than the direct effect of the individual, job, and organizational characteristics of organizational commitment.	Proven

Source: Processed Primary Data, 2017

4.4. Influence of Individual, Job, and Organizational Characteristics on Job Satisfaction

The characteristics of individuals have a negative but significant impact on job satisfaction. Hence, the lower the individual characteristics are, the higher the job satisfaction will be. The findings of the current study differ slightly from that of Irawan (2012), who determined that individual characteristics have positive and significant impact on job satisfaction. The differences in the findings of the current study with previous studies are due to the variations in the measurement of individual characteristics. If previous studies are viewed from the elements of capability, values, attitudes, and interests, then the current research is based on the elements of gender, age, education, position, marital status, and tenure.

Path Analysis Results



The results of this study indicate that the most dominant respondents are characterized as male, aged 40–44 years old, married, lack an undergraduate degree, occupy a subordinate position, and have worked for over 24 months. The hypothesis test results indicate that individual characteristics have a negative but significant impact on job satisfaction. This result is supported by Gazioglu (2006), who claimed that women are considerably satisfied with the various aspects of their work compared with men. Evidently, men and women have different expectations of their respective

works. In addition, women are considerably satisfied with their work due to the type of responsibilities assigned to men and women and the required qualifications. Another reason is that women are secondary income earners and they may have a considerably easy time to leave the labor market. In addition, the higher the age of employees, the higher the job satisfaction should be. However, the results of the current study show the opposite. The lower the employee age, the greater is the job satisfaction. The results of this study are supported by Pourghaz et al. (2011), who stated that job satisfaction by workers aged 21–28 years is higher than those aged 29–39 years and 40 years and over due to the difficulty of finding a job in accordance with the wishes of young workers. The next indicator is marital status, the result of which indicates that married employees will have substantial job satisfaction. However, the results of this study show the opposite because unmarried employees have considerably substantial job satisfaction. The results of the current study are supported by Gazioglu (2006), who mentioned that married employees are less satisfied with their work compared with unmarried employees. Moreover, the descriptive analysis indicates that 97.53% of the respondents are married and 46.8% are aged 40–44 years old. The results of the current study are supported by Saraih et al. (2017), who determined that married people may have already achieved a comfort zone in their life or career. Hence, their organizational commitment is high, although their job satisfaction is in the medium range. One reason for this result is the difficulty of getting a job outside the company for married employees and for employees over the age of 40.

The results of this study also indicate that job characteristics have positive and significant impact on job satisfaction. This result is supported by Allen et al. (2004), who reported that job characteristics are correlated with job satisfaction. Other results in the current study indicate that organizational characteristics have positive and significant impact on job satisfaction. The results of this study are also supported by Lambert et al. (2008), who cited that the characteristics of an organization have positive correlation to job satisfaction.

4.5. Influence of Individual, Job, and Organizational Characteristics on Organizational Commitment

In this study, the influence of individual characteristics on job satisfaction has a negative but significant impact on organizational commitment. However, this result shows an opposite relationship, that is, the lower the individual characteristics, the higher is the commitment of the organization. The findings of this study differ slightly from the results of previous studies. Hassan et al. (2013) suggested that individual characteristics have a positive and significant relationship to organizational commitment.

The differences in the findings of this study with previous studies are due to the variations in the measurement of individual characteristics. If previous studies are viewed from the elements of self-ability, effort, and attitude, then this study is based on the elements of sex, age, education, position, marital status, and tenure. In addition, the results of this study indicate that job characteristics have a positive and significant influence on organizational commitment. The results of the current study are supported by Allen et al. (2004), who stated that job characteristics have a statistically significant correlation with organizational commitment. Other results in this study indicate that organizational characteristics have a positive and significant influence on organizational commitment. Moreover, the results of this research are supported by Lambert et al. (2008), who explained that the characteristics of an organization have a positive correlation with organizational commitment.

4.6. Influence of Job Satisfaction on Organizational Commitment

Job satisfaction has a positive and significant influence on organizational commitment. The results of this study are supported by Lambert et al. (2008), who stated that job satisfaction has a positive correlation with organizational commitment and has the largest correlation compared with the other variables in the research. Camp (1993) explained that employees who are satisfied with their work are considerably committed to the organization. Employees with job satisfaction generally see the organization in a substantially positive and respectful manner because they are optimistic that their job could meet their needs and wants. Job satisfaction refers to the fulfillment of the needs and values of an individual in the workplace under the assumptions that individual needs and job characteristics are relatively stable. Moreover, adding support is Ismail et al. (2016), who stated that job satisfaction is closely related to organizational commitment. Satisfaction can increase employee commitment to support organizational goals and strategies.

4.7. Indirect Larger Influences Found in Individual, Job, and Organization Characteristics on Organizational Commitment through Job Satisfaction

This study determined a greater indirect relationship of individual, job, and organizational characteristics on organizational commitment through job satisfaction. Companies that want their employees to be committed must focus on factors that could lead to job satisfaction. Accordingly, job satisfaction plays an important role in the formation of commitment. A committed employee will certainly show loyalty to the organization. For example, Lambert et al. (2008) stated that an increase in job satisfaction should lead to an increased organizational commitment, which has positive

results for the organization and employees. Individual, work, and organizational characteristics affect organizational commitment indirectly through job stress and satisfaction.

5. CONCLUSION

- 5.1. Individual, job, and organizational characteristics partially or simultaneously have significant effect on job satisfaction of employees of PT. Perkebunan Nusantara IV (Persero) Unit Kebun Sosa, North Sumatera.
- 5.2. Individual, job, and organizational characteristics partially or simultaneously have significant influence on organizational commitment of the employees of the palm oil factory of PT. Perkebunan Nusantara IV (Persero) Unit Kebun Sosa, North Sumatera.
- 5.3. Job satisfaction has significant influence on organizational commitment of employees of PT. Perkebunan Nusantara IV (Persero) Unit Kebun Sosa, North Sumatera.
- 5.4. Individual, job, and organizational characteristics have greater indirect influence on organizational commitment through job satisfaction of employees of PT. Perkebunan Nusantara IV (Persero) Unit Kebun Sosa, North Sumatera.

ACKNOWLEDGEMENT

Thank you to Allah SWT for His mercy and guidance in giving me full strength to complete this study. I offer my sincere appreciation for the learning opportunities provided by the Islamic University of Indonesia. I also thank the Palm Oil Factory, which is owned by PT. Perkebunan Nusantara IV (Persero) Unit Kebun Sosa, North Sumatera, and its employees for giving me permission and cooperating in my study.

REFERENCES

- [1] Armstrong, M. (2003), "A Handbook of Human Resources Management Practice", 9th edition, London : Kogan Page.
- [2] Allen, I. R., Lambert, G. E., Pasupuleti, S., Tolar, C. T and Ventura, A. L (2004), "The Impact of Job Characteristics on Social and Human Service Workers", *Social Work & Society*, 2 (2) : 173-188
- [3] Camp, D. S (1993), "Assessing the Effects of Organizational Commitment and Job Satisfaction on Turnover: An Event History Approach", *The Prison Journal*, 74 (3) : 279-305
- [4] Cranny, C., Smith, P., and Stone, E. (Eds.) (1992), "Job Satisfaction: How People

- Feel About Their Jobs And How It Affects Their Performance*”, New York: Lexington Books.
- [5] Gazioglu, S. and Tansel, A. (2006), “Job Satisfaction in Britain: Individual and Job Related Factors”, *Applied Economics*, 38 (10) : 1163-1171
- [6] Hendryadi (2014), “Uji Coba Kuesioner Komitmen Organisasional (OC-9)”, *Teori online Personal Paper*, 14 : 1-9
- [7] Hassan, M. U, Kibriya, R and Nawaz, K (2013), “The Effects of Personal Characteristics on Organizational Commitment Through Job Satisfaction: An Empirical Study of Pakistan’s Financial Sector”, *Middle-East Journal of Scientific Research*, 16 (7) : 942-951
- [8] Hackman, J. and Lawler, E. (1971), “Employee Reactions to Job Characteristics”. *Journal of Applied Psychology*, 55 : 259-286.
- [9] Irawan, A (2012), “Pengaruh Karakteristik Individu dan Karakteristik Kerja Terhadap *Organizational Citizenship Behaviors* dengan Kepuasan Kerja Sebagai Mediator pada Event Organizer di Surabaya” : 1-6
- [10] Ismail, A and Razak, A. R. M (2016), “Effect of Job Satisfaction on Organizational Commitment”, *Management and Marketing*, 14 (1) : 25-40
- [11] Jena, R. K (2015), “Organizational Commitment Among Shift Workers in India”, *Management*, 20 (1) : 59-77
- [12] Kreitner, R and Kinicki, A. (2001), “*Organizational Behaviour*”, 15th Edition. New York: McGraw-Hill Companies, Inc.
- [13] Lambert, G. E (2008), “The Influence of Individual, Job, and Organizational Characteristics on Correctional Staff Job Stress, Job Satisfaction, and Organizational Commitment”, *Criminal Justice Review*, 33 (4) : 541-564
- [14] Lincoln, J. and Kalleberg, A. (1990), “*Culture, control and commitment: A study of work organization and work attitudes in the United States and Japan*”, Cambridge, UK: Cambridge University Press.
- [15] Meyer, J. P. & Allen, N. J. (1997), “*Commitment in The Workplace Theory Research and Application*”, California: Sage Publications.
- [16] Pourghaz, A., Tamini, K. B. and Karamad, A. (2011), “Do Demographic Characteristics Make a Difference to Job Satisfaction, Organizational Commitment and Burnout among Travel Agency Drivers? (A Case Study in Iran)”, *Journal of Basic and Applied Scientific Research*, 1 (8) : 916-923
- [17] Rehman, A., Ullah, M. I and Abrar, M (2015), “The Influence of Individual Characteristics on Organization Performance and Job Satisfaction”, *International Journal of Scientific and Research Publications*, 5 (2) : 1-6
- [18] Saraih, Umami N, Ain Zuraini Z.A, Khofizhoah M.K, Syahira S, Abdul Mutalib S

- (2017), "Relationship between Organizational Commitment, OCB, Organizational Justice and Turnover Intention: Evidence from Educational Institution in Malaysia", *Review of Integrative Business and Economics Research*, 6 (2) : 64-77.
- [19] Sobirin, A. (2007), "*Budaya Organisasi, Pengertian, Makna dan Aplikasinya dalam Kehidupan Organisasi*", Edisi Pertama. Yogyakarta: UPP STIM YKPN.
- [20] Subyantoro, A (2009), "Karakteristik Individu, Karakteristik Pekerjaan, Karakteristik Organisasi dan Kepuasan Kerja Pengurus yang Dimediasi oleh Motivasi Kerja (Studi pada Pengurus KUD di Kabupaten Sleman)", *Jurnal Manajemen dan Kewirausahaan*, 11 (1) : 11-19
- [21] Sabella, R. A., El-Far, T. M dan Eid, L. N (2016), "The Effects of Organizational and Job Characteristics on Employees' Organizational Commitment in Arts-and-Culture Organization", *International Journal of Organizational Analysis*, 24 (5) : 1-25.