

The Effect of Quality of Work Life and Work Engagement to Employee Performance with Job Satisfaction as an Intervening Variable in PT. Mopoly Raya Medan

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ABSTRACT

Efforts in improving employee performance are a serious challenge faced by the company management because the success of achieving the goals and survival of the company depends on the quality of the performance of the human resources that are in it. This research is motivated by conditions where the level of employee performance is not optimal at PT Mopoly Raya, Medan. Based on the results of the pre-survey interview, problems that occur are indicated by quality of work life, work engagement, and job satisfaction in supporting optimal employee performance. This study aims to determine the effect of quality of work life and work engagement on employee performance with job satisfaction as an intervening variable. The population in this study were all employees at PT Mopoly Raya who were permanent employees, amounting to 70 people. The sampling method used in this study is saturated sample. The data collection method uses a questionnaire. In this study using the path analysis method (path analysis) to determine the effect of each variable to be studied. The results showed that: (1)The quality of work life had a positive and significant effect on job satisfaction at PT. Mopoly Raya Medan. (2)Work engagement has positive and significant effect on job satisfaction at PT. Mopoly Raya Medan. (3)Quality of work life has a positive and significant effect on employee performance at PT. Mopoly Raya Medan. (4)Work engagement has a positive and significant effect on employee performance at PT. Mopoly Raya Medan. (5)Quality of work life has a positive and

significant effect on employee performance through job satisfaction with employees of PT. Mopoly Raya Medan. (6)Work engagement has a positive and significant effect on employee performance through job satisfaction with employees of PT. Mopoly Raya Medan. (7)Job satisfaction has a positive and significant effect on employee performance at PT. Mopoly Raya Medan.

Keywords: Quality of Work Life, Work Engagement, Job Satisfaction, Employee Performance

INTRODUCTION

The company is a gathering organization of people who are commonly called employees to carry out the company's operational activities in order to achieve a goal. Almost all companies have a goal which is to maximize profits and value for the company, and also to improve the welfare of the company's shareholders and employees.

In an organization, human resources are no longer just a means of production, but also an important indicator in achieving organizational goals. Human resources is a milestone in the establishment of a company in running all the wheels of activity of the whole activity. Human resources are vital assets of an organization, therefore their roles and functions cannot be replaced by other resources. No matter how modern the technology is used, or how much funds are

prepared, but without professional resources everything becomes meaningless.

Human resource development is basically an increase in employee performance that reflects the ability of members of the organization to work, meaning that the performance of each employee is valued and measured according to criteria set by the organization. Improved employee performance will bring progress for the company to be able to survive in an unstable business environment competition. Therefore efforts to improve employee performance are the most serious management challenges because success in achieving goals and survival of the company depends on the quality of the performance of the human resources that are in it.

Based on the pre-survey results, it was found that there were still inconsistencies in answering employee questions. As in the case of high creativity required in my work, the respondent's answer is no to that question. In addition, there are still employees who answer no to the questions required accuracy in doing work, have targets at work, are responsible for work, always prioritize work.

The company is responsible for maintaining the quality of work life or also called the quality of work life (QWL) and fostering the workforce to be willing to contribute optimally to achieve company goals. Sojka (2014) defines the quality of work life is a set of phenomena and attributes that arise in the interaction of a person and the environment in which he works in an organization. A conducive situation in a work environment that is marked by employee job satisfaction due to getting an appropriate salary, work guarantees and opportunities to develop a career.

The main thing about the quality of work life is the impact on the individual that is work can cause people to be better not people can do work better. High quality of work life includes positive feelings towards work because motivation shows work and a good balance between life and personal

values and needs are met (Katzell, et al. In Soedarsono, 2004).

From the results of the pre-survey it can be seen that the tendency of employees to not be able to divide their time at work, have enough time after work, feel relieved at work problems, have enough time with family. When viewed in psychological terms, humans (someone) only do an activity that is fun to do. This principle does not cover the condition that in a state of compulsion a person might just do something he does not like. In reality, activities that are driven by something that is not liked in the form of activities that are forced to do, tend to take place ineffective and inefficient.

Research conducted by Samtica (2011) about the relationship between the components of quality of work life and work motivation also showed significant results.

One of the most important factors in improving employee performance is work engagement. Work engagement is a concept that can reflect that an individual has enthusiasm, focus, and also strong dedication in working at the company. Work engagement involves employees in full or in whole, both cognitively, or emotionally, because in the two work attachments it has been fully involved to form a meaningful relationship. Work engagement involves a worker who is fully involved in his work or in other words totally enters and engages in the work, so that the employee has a very large responsibility for his work.

Employees who feel themselves bound or well connected in the place where they work will work as well as possible so that the company where he works is progressing (Akbar, 2013).

The pre-survey results show that, above 50% of employees feel full of energy when at work, and tend to devote all their time at work, even though, most of the employees consider their abilities are not in accordance with their work. This is due to

the environment and working atmosphere in the company which is quite supportive.

Job satisfaction is also one of the factors that affect employee performance. According to Dole and Schroeder (2001), job satisfaction can be defined as an individual's feelings and reactions to his work environment.

Based on the results of the pre-survey, it was found that the tendency of employees to answer that they were not satisfied at work, satisfied working because they received support, praise, and were satisfied with the conducive work situation.

LITERATURE REVIEW

2.1 Employee Performance

Wibowo (2014), performance comes from the notion of performance. There are also those who give an understanding of performance as a result of work or work performance. However, the actual performance has a broader meaning, not only the results of work, but including how the work process takes place. Wibowo (2014: 7) states that performance is the result of work that has a strong relationship with the organization's strategic objectives, customer satisfaction, and contributing to the economy. Thus, performance is about doing work and the results achieved from the work. Performance is about what is done and how to do it.

2.2 Quality of Work Life

Quality of work life according to Chelte (1983) in Waraswamy (2013) is a process that responds to the needs of employees by developing a mechanism that provides full opportunities for employees to make decisions and plan their work lives. Quality of work life is a process carried out by an organization in ensuring employee welfare job security, job satisfaction, a good reward system, employee benefits, employee involvement in achieving the goals set by an organization.

2.3 Work Engagement

Employee engagement, according to Kahn (1990), is an attempt by members of an organization to bind themselves to their role at work. In this condition, people will involve and express themselves physically, cognitively and emotionally as long as he is playing his work role. The cognitive aspect of employee engagement involves employee trust in the organization, leaders and working conditions.

2.4 Job Satisfaction

According to Greenberg and Baron (1995) in Rokhman (2012) job satisfaction is a positive emotional state of evaluating one's work experience. Job dissatisfaction arises when these expectations are not met. Handoko (2011) states job satisfaction is a pleasant /unpleasant emotional state with which employees view their work. Job satisfaction reflects one's feelings for their work. This is seen in the positive attitude of employees towards work and everything that is encountered in the work environment.

RESEARCH METHODS

3.1 Types of Research

This research was conducted to test the hypothesis proposed by using research methods that have been designed in accordance with the variables that will be examined in order to obtain accurate results. This type of research is descriptive quantitative. Quantitative descriptive research is a type of research that aims to describe systematically, factually and accurately about the facts and nature of a particular object or population (Sinulingga, 2016). This study aims to determine and analyze the influence of quality of work life, work engagement, and competence on performance through job satisfaction through data collection and quantitative analysis (questionnaire) and testing using path analysis.

The nature of this study is research that explains the causal relationships between variables through hypothesis testing. This is in accordance with the purpose of the

research, namely to explain the causal relationships that occur between endogenous variables with endogenous variables by testing hypotheses.

3.2 Research Place and Time

This research was conducted at PT. Mopoly Raya which addresses at Jalan Sunggal No. 91 Medan. The study period starts from September 2019 to December 2019.

3.3 Population and Sample

Population is a generalization area consisting of objects and subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions are drawn (Sugiyono, 2014). The population in this study all employees of PT. Mopoly Raya Medan with the status of permanent employees totaling 70 people.

The sampling method used in this study is a saturated sample in which the entire population is sampled. This method is done considering the total number remains 70 people.

3.4 Data Analysis Model

Data analysis techniques in a study using inferential statistical approaches through path analyze.

RESULT

Intervening Test

1. Direct Effect

To calculate the direct effect, the translation calculation is used as follows:

The effect of quality of work life on job satisfaction

$X_1 \rightarrow Z = 0.702$ (sig value = 0,000)

The effect of work engagement on job satisfaction

$X_2 \rightarrow Z = 0.251$ (sig value = 0.017)

The effect of quality of work life on employee performance

$X_1 \rightarrow Y = 0.286$ (sig value = 0.005)

The effect of work engagement on employee performance

$X_2 \rightarrow Y = 0.394$ (sig value = 0,000)

The effect of job satisfaction on employee performance

$Z \rightarrow Y = 0.317$ (sig value = 0.001)

2. Indirect Effect

To calculate the indirect effect, a translation using the sobel test is used.

From the calculation of the sobel rest above, the Z value is 3.109, because the Z value obtained is $3.109 > 1.96$ with a significance level of 5%. This proves that job satisfaction (Z) is able to mediate the relationship of the influence of quality of work life (X_1) on employee performance (Y).

$$Z_{x1} = \frac{ac}{\sqrt{c^2SE_a^2 + a^2SE_c^2}}$$

$$Z_{x1} = \frac{(0.661)(0.297)}{\sqrt{(0.297)^2(0.097)^2 + (0.661)^2(0.085)^2}}$$

$$Z_{x1} = \frac{(0.196317)}{\sqrt{(0.088209)(0.009409) + (0.436921)(0.007225)}}$$

$$Z_{x1} = \frac{(0.196317)}{\sqrt{(0.0039867126)}}$$

$$Z_{x1} = \frac{(0.196317)}{0.0631404197}$$

$$Z_{x1} = 3.1092127821$$

From the calculation of the sobel test above, the Z value is 1,994, because the Z value obtained is $1,994 > 1.96$ with a significance level of 5%. This proves that job satisfaction (Z) is able to mediate the relationship of the influence of work engagement (X_2) on Employee Performance (Y).

$$Z_{x2} = \frac{bc}{\sqrt{c^2SE_b^2 + b^2SE_c^2}}$$

$$Z_{x2} = \frac{(0.204)(0.297)}{\sqrt{(0.297)^2(0.084)^2 + (0.204)^2(0.085)^2}}$$

$$Z_{x2} = \frac{(0.196317)}{\sqrt{(0.088209)(0.007056) + (0.041616)(0.007225)}}$$

$$Z_{x2} = \frac{(0.060588)}{\sqrt{(0.000923078)}}$$

$$Z_{x2} = \frac{(0.060588)}{0.030382203}$$

$$Z_{x2} = 1.994196$$

3. Total Effect

Based on the explanation above, the path diagram can be drawn as follows:

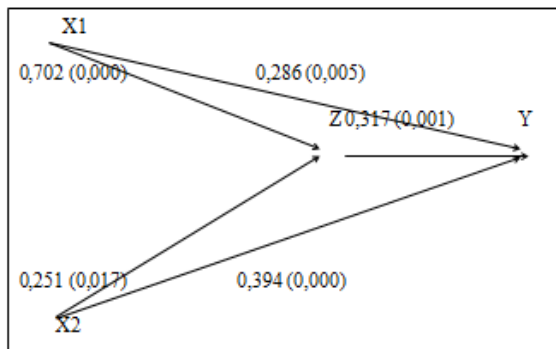


Figure 1. Path Analysis Results

Table 1. Total Effect

	Coefficient	P Values
X ₁ →Z	0,702	0,000
X ₁ →Y	0,286	0,005
X ₁ →Z→Y	0,222	Significant
Total Effect	0,508	-
X ₂ →Z	0,251	0,017
X ₂ →Y	0,394	0,000
X ₂ →Z→Y	0,079	Significant
Total Effect	0,473	

Based on Figure 1 known:

1. Known variable quality of work life has a positive and significant effect on job satisfaction and also job satisfaction has a positive and significant effect on employee performance, job satisfaction significantly in mediating the relationship between quality of work life on employee performance.
2. It is known that the work engagement variable has a positive and significant effect on job satisfaction and also job satisfaction has a positive and significant effect on employee performance, so job satisfaction significantly mediates the relationship between work engagement on employee performance.

CONCLUSION AND SUGGESTION

CONCLUSION

Based on the research results described in the previous chapters, the conclusions obtained from this study are as follows:

1. Quality of work life has a positive and significant effect on job satisfaction at PT. Mopoly Raya Medan.
2. Work engagement has a positive and significant effect on job satisfaction at PT. Mopoly Raya Medan.
3. Quality of work life has a positive and significant effect on employee performance at PT. Mopoly Raya Medan.
4. Work engagement has a positive and significant effect on employee performance at PT. Mopoly Raya Medan.
5. Quality of work life has a positive and significant effect on employee performance through job satisfaction with employees of PT. Mopoly Raya Medan.
6. Work engagement has a positive and significant effect on employee performance through job satisfaction with employees of PT. Mopoly Raya Medan.
7. Job satisfaction has a positive and significant effect on employee performance at PT. Mopoly Raya Medan .

SUGGESTION

The results of the analysis in this study path analysis by providing input that can be used by PT. Mopoly Raya Medan and also for further research. Some suggestions that can be made from the previous discussion are as follows:

1. Management of the company if you want to improve performance through the quality of work life of employees, the thing that must be considered is the improvement of existing systems and structures in the organization by taking into account career path indicators, training, and office facilities because it will benefit employees if the organization provides a working environment support the creation of a harmonious and dynamic work atmosphere so that it is expected to improve employee performance. Management provides the opportunity for employees to participate in decision making especially those that are operational by obtaining input, listening to suggestions and opinions of employees. In addition, based on the results of descriptive statistics, open employee opinions need to

be considered as one of the decision making materials, procedures in achieving career paths for employees must be transparent and objective. This needs to be considered in order to achieve a good quality of work life of employees.

2. The company should conduct more in-depth socialization of the profile of PT Mopoly Raya and its regulations, for example rights and obligations as employees. Involving employees in all organizational activities, both inside and outside the organization, such as company birthdays, religious activities, etc. to strengthen ties with fellow colleagues. Open a forum for employees to interact between fellow employees so that they are able to bridge the top level of management with ordinary employees to foster a strong relationship between leaders and employees. Imposing sanctions if the employee resigns before the agreed time period so that he wants the employee to feel that he is needed by the company. Based on the results of descriptive statistics, it is necessary to pay attention to indicators of work attachment namely urgency (challenge) where challenging work will spur employees to work more productively. However, it also needs to be considered so that the challenges and workload provided do not stress employees.

3. Increased job satisfaction can be done by increasing in terms of rewards (financial and non-financial) commensurate with the work load and responsibilities and by taking into account the conditions and infrastructure used as a support in carrying out work. Based on the results of descriptive statistics, all the indicators of job satisfaction need to be considered. Because there are still many answers from respondents who do not agree that employees are satisfied at work. Providing financial compensation to employees can be in the form of direct salary and wages that are appropriate, incentives for employees who excel at work in the form of bonuses, commissions, profit sharing, and stock options, can also be in the form of deferred pay (savings and annuity

programs). While indirect financial compensation is protection programs (health insurance, life insurance, pensions, labor insurance), pay outside working hours (holidays, annual leave, and facilities such as vehicles, office space and parking lots. In addition, pay attention to non-financial compensation such as, interesting tasks and challenges, recognition of achievement, work environment with healthy policies, supervision that is competent and friendly, pleasant relatives and comfortable work environment.

4. Suggestions for improving employee performance need to be considered the results of descriptive analysis of employee answers. For quality indicators, so that employees can complete work on time, the company should direct employees to arrange priorities in work. So that employees can prioritize their main work and put aside work that is not yet time to be collected so that work can be completed in a non-random manner because it is in accordance with the schedule determined by the company. In addition, employees also need to set definite deadlines so that both prioritized and non-priority work can be completed on time.

5. Future research can direct research on broader research objects by taking objects and adding other variables that affect employee performance

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