PT. XYZ. Indonesia: An Analysis of the Impact of Individual Characteristics on Job Satisfaction and Its Effect on Organizational Commitment

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Abstract

This study aims to ascertain how personal qualities and work-related factors affect organizational commitment in PT. XYZ Indonesia City. 170 PT. XYZ Indonesia City employees were given questionnaires to complete to collect the data. A questionnaire serves as the study's main source of data, and the distribution of questionnaires to respondents—or questionnaires that take the form of a series of written questions submitted to respondents and request written responses—is the study's data collection technique from PT. XYZ Indonesia employees. The statistical research utilized the Amos application to process and evaluate the data using structural equation modeling (SEM). The authors employed this study's Structural Equation Model method for modeling and hypothesis testing. Structural Equation Modeling, or SEM, is a group of statistical methods that enables the simultaneous assessment of complex relationships. This study utilized two analysis methods: regression weight in SEM and confirmatory factor analysis, which determines which factors among a set of variables are the most important. Individual and job factors that affect the organizational culture of PT. are among the variables measured. Indonesia City is XYZ. According to the statistical test analysis, PT. XYZ Indonesia City's organizational commitment is influenced by personal traits, workplace qualities and job pleasure.

Keywords: Individual Characteristics, Job Satisfaction, Organization Commitment

INTRODUCTION

A firm that performs regasification is called PT XYZ. PT XYZ is now the sole Company with facilities for regasification in the districts of Aceh and North Sumatra; the Company's geographic location is particularly advantageous as it has a sea transport route with sufficient dock facilities that make it simple to receive and distribute LNG supplies. PT XYZ uses the former infrastructure, over 40 years old, to help with operational tasks, both regasification and gas processing in Indonesia. Management issues related to the leadership of PT XYZ Indonesia, both in terms of job satisfaction and organizational culture (Abelha et al., 2018). It may be deduced from some expert perspectives on job satisfaction that it is a process of attitudes and feelings experienced by PT. XYZ personnel within their Company. The satisfaction of members of the organization can be related to their performance and work results; on the other hand, the issue of the corporate culture of P.T. X is important and has attracted management's attention. (Riyadi, 2019). In addition to employees' job satisfaction, the built organizational culture of PT. XYZ must be able to bind and guide employees' actions in the direction of the organization's objectives of P.T. XYZ. The corporate culture can encourage the organizational actors and the organization to have goals, objectives, perceptions, feelings, values, and beliefs, and shared norms with clear and measurable direction (Alias et al., 2018). Individual qualities are positive and negative behaviors or characters in PT XYZ employees. Each organization can choose an employee with strong selection criteria using these attributes, which must also align with the organization's goals. These traits are highly different. As stated by (Alias et al., 2018), the indicators of individual characteristics are 1) ability according to what the Company wants, 2) values according to what the Company wants, 3) attitude according to what the Company wants, and 4) interest according to what the organization wants (Luthans, 2015). P.T. XYZ's job characteristics can be seen from the variety of skills, or the degree to which the position necessitates the completion of a variety of different tasks so that it can make use of a variety of other skills and abilities task identity, or the degree Task significance, or the area in which the job has a substantial impact on other people's lives, work autonomy and the extent to which the role requires the fulfillment of all identifiable components of

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the work as a whole. (Adamy et al., 2018), Namely feedback, specifically the degree to which the implementation of work activities required by individuals to increase organizational cultural values for employees and can also improve organizational commitment at P.T. XYZ Indonesia, and the extent to which the job provides considerable freedom, independence, and discretion to the individual in scheduling and determining the procedures used in completing the task.

LITERATURE REVIEW

Theory of Individual Characteristics

Each human possesses unique qualities that change from person to person. The function of human resources is crucial to an organization's development model since the people who work there become a conscious component of any organization. It is a mistake to develop an organization without considering the variable characteristics of each individual. This is very important, considering that each individual involved in each operational activity of the organization has different aspects. According to (Ismuhadi & Yusmahdi, 2021), individual characteristics include needs, values, attitudes, and interests. These differences are brought into the world of work so that each individual's motivation is different (Nasution & Lesmana, 2019). "Individual characteristics" are defined as "special characteristics, psychological traits, morals, or character traits that a person has that differentiates him or her from others," according to the definition. As stated (Abdullah, 2021), individual characteristics include needs, values, attitudes, and interests. These differences are brought into the world of work so that each individual's motivation is different. According to (Simanjuntak et al., 2021), Individual attributes are particular physical traits, psychological features, moral qualities, or character traits that set one person apart from others.

Theory of Job Satisfaction

Since job satisfaction is a component of the advancement of human resource management, organizational activities inside a firm should pay particular attention to it. (Zulfikar et al., 2021) define job satisfaction as a good attitude toward one's employment that comes from analyzing its qualities. Job satisfaction is the result of how well individuals believe their employment provides what is crucial. The degree to which people feel favorably or unfavorably about specific components of their tasks (Mulia et al., 2020). According to Jakfar, 2014), Job satisfaction refers to how employees feel about themselves in relation to their work or circumstances. As stated by (Siahaan, 2017), A person's job happiness is measured by measuring the discrepancy between what should be and what is felt, according to one hypothesis about job satisfaction. (2) Equity theory contends that people's satisfaction or dissatisfaction with a system, particularly the workplace, depends on justice (equity). According to this theory, the primary elements of equity theory are inputs, results, fairness, and unfairness. Inputs provide value to an employee's work, such as their training, experience, abilities, amount of tasks, and the tools they use to do their jobs. (3) According to the two-factor hypothesis, job satisfaction and dissatisfaction are two distinct concepts. There is no continuous variable for contentment or dissatisfaction. This theory shows job characteristics in two groups: satisfiers/motivators & dissatisfiers (Ćulibrk et al., 2018); satisfiers are factors/situations that are required as a source of need.

Theory of Organization Commitment

Professionals' perspectives on organizational commitment Erdeji et al. is a way of thinking that shows employees' devotion to the Company or organization as well as the ongoing process by which members demonstrate their concern for the success and progress of the latter. (Erdeji et al., 2016). Another definition of organizational commitment is the participation of individuals or members of the organization. High commitment is characterized by a strong willingness to work for the organization, acceptance of its values and aims, and a strong desire to stick with it. (Sudarnice, 2020). Commitment manifests in three separate but closely related forms of attitudes: identification with the Company's or the organization's mission, psychological involvement in the organizational tasks, and attachment and loyalty to the organization (Prasetio et al., 2015). According to (Goetz & Wald, 2022), Organizational commitment means that whereas strong job involvement means supporting a person's specific job, high organizational commitment involves supporting the Company that hired the person. Professional personnel in organizations can perform and complete their responsibilities
well and have a strong dedication to their place of employment. High organizational commitment is required because it will influence the professional working environment. Since the word loyalty is frequently used after the word commitment when discussing organizational dedication, this understanding causes the terms loyalty and commitment to have conflicting connotations. (Singh & Onahring, 2019).

**CONCEPTUAL FRAMEWORK**

The conceptual framework of thought justifies the research, which combines data, observations, and research studies. The underlying hypotheses, claims or notions of the research are included in the framework in Figure 1 below shows the link between the factors considered in this study:

![Conceptual framework](image)

**Figure 1**: Conceptual framework

The hypothesis is a plan to search for information that needs to be gathered. The view is the most likely assertion or quick question that needs to be investigated. A hypothesis can be developed using the above framework and the studies of many previous researchers as follows:

- $H_1 = \text{There is an influence of individual characteristics on job satisfaction at P.T. XYZ Indonesia.}$
- $H_2 = \text{There is an influence of individual characteristics on organization commitment at P.T. XYZ Indonesia.}$
- $H_3 = \text{There is an influence of job satisfaction on organization commitment at P.T. XYZ Indonesia.}$

**METHODS**

Researchers use this study approach to collect relevant data, analyze it for specific reasons and answer the questions being researched at P.T. XYZ Indonesia.

**Location**

The site in this study is P.T. XYZ Indonesia. In contrast, the object of this study is the entire staff of P.T. XYZ Indonesia.

**Population and Sample**

Employees who comprise the population in this study are all employees because the population is a generalized area of items or subjects with particular attributes and characteristics specified by researchers to analyze and then draw conclusions from at PT XYZ Indonesia as many as 192 employees. A simple random sampling method, which is simple random sampling selection without considering population strata, was used for the sampling approach. The sample size was first determined using the Maximum Likelihood Estimation method.
(ML) method in Ghazali (2014); in this study, the population was 192, the sample size was recommended between 100 and 200 and could also be measured 5-10 times the indicator for the SEM model, which is 170 employees at PT XYZ Indonesia, and this has met the requirements in this research model:

Operational Variable and Definition

The operational definition is a guide to how a variable is measured so that the researcher can find out the good and bad of a variable from the results of these measurements, while the operational definitions of the variables in this study are shown in Table 1 below:

<table>
<thead>
<tr>
<th>No</th>
<th>Variable Description</th>
<th>Indicators</th>
<th>Scale</th>
</tr>
</thead>
</table>
| 1. | Individual Characteristics (I.C.) | 1. Ability  
2. Attitude  
3. Value  
4. Personality  
5. Learning | Likert |
| 2. | Job Satisfaction (J.S.) | 1. Nature of work  
2. Colleagues  
3. Supervisor  
4. Reward  
5. Promotion  
6. Relationship with superiors | Likert |
| 3. | Organization Commitment (O.C.) | 1. Loyal to the company  
2. Maintain confidentiality  
3. Obey the rules  
4. Willing to sacrifice  
5. Work together | Likert |

The analysis model in this work, which employs structural equation modeling (SEM), is based on an evaluation of the interdependent relationship (Joseph F. Hair J.R., 2017); the path diagram that is compiled will make it easier to see the causal relationship between the constructs to be tested. Based on the theoretical studies and theoretical framework already in place, a path diagram of the causal relationship between the constructs and their indicators is made. This study's mediating variable is represented as a full model flowchart. Figure 2 below the compiled path diagram will make it easier to see the causal relationship of the constructs to be tested in this study using structural equation modeling (SEM) analysis. Based on the existing theoretical studies and theoretical framework, a path diagram of the causal relationship between constructs and their indicators is made in the form of a full model flowchart with the mediating variable Figure 2 below:

![Figure 2. Full Model](image-url)
RESULT AND DISCUSSION

Based on the confirmatory analysis of the exogenous contract factor after discarding invalid indicators, it can be concluded that the loading factor value of the individual characteristics indicator and job characteristics has a loading factor > 0.60, so all hands follow the confirmatory analysis model for more details see Figure 3 below:

![Confirmatory Factor Analysis Exogenous Construct](image1)

**Figure 3**: Confirmatory factor analysis exogenous construct

Based on Figure 3 above, it can be explained that all loading factor values of exogenous construct indicators are > 0.60, so it can be concluded that all hands of this variable are acceptable because they meet the requirements of the confirmatory model, then data analysis can proceed to the next stage. Confirmatory factor analysis of endogenous constructs after dropping indicators can be concluded that the loading factor value of job satisfaction and organizational commitment variable indicators with a loading factor > 0.60 so that all indicators follow the requirements of the confirmatory analysis model, for more details can be seen in Figure 4 below:

![Confirmatory Factor Analysis Endogenous Construct](image2)

**Figure 4**: Confirmatory factor analysis endogenous construct

Based on Figure 5, it can be deduced that all exogenous variables significantly impact endogenous variables, as required by the SEM model, and that this model can test the study's hypothesis. The results of the analysis
after modifying the SEM model are shown in Figure 5 below:

Figure 5. Full model structural modification analysis

<table>
<thead>
<tr>
<th>The goodness of Fit Index</th>
<th>Cut-off Value</th>
<th>Results</th>
<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>X²/Chi-Square</td>
<td>Expected to be Small</td>
<td>92.980</td>
<td>Good</td>
</tr>
<tr>
<td>Probability</td>
<td>≥ 0.05</td>
<td>0.311</td>
<td>Good</td>
</tr>
<tr>
<td>AGFI</td>
<td>≥ 0.90</td>
<td>0.910</td>
<td>Good</td>
</tr>
<tr>
<td>CFI</td>
<td>≥ 0.95</td>
<td>0.995</td>
<td>Good</td>
</tr>
<tr>
<td>TLI</td>
<td>≥ 0.95</td>
<td>0.994</td>
<td>Good</td>
</tr>
<tr>
<td>CMIN/DF</td>
<td>≤ 2</td>
<td>1.069</td>
<td>Good</td>
</tr>
<tr>
<td>RMSEA</td>
<td>≤ 0.08</td>
<td>0.020</td>
<td>Good</td>
</tr>
</tbody>
</table>

Sources: Output Amos (2023).

Based on the analysis of the structural equation modeling with AMOS 22 in Table 2, it can be concluded that all indices meet the conditions specified in the structural equation model, except for the AGFI, which is still marginal. Nevertheless, the overall goodness of fit is good, and this structural model can already test the research hypothesis. The structural model in this study is effective and satisfies the criteria for testing the research hypothesis because, as shown in Table 3 of the analysis results using the Amos application, all exogenous variables significantly impact endogenous variables.

<table>
<thead>
<tr>
<th>Regression Weight</th>
<th>Est</th>
<th>Std. Est.</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job_Satisfaction</td>
<td>.549</td>
<td>.558</td>
<td>.098</td>
<td>5.619</td>
<td>***</td>
</tr>
<tr>
<td>Organization_Commitment</td>
<td>.823</td>
<td>.806</td>
<td>.118</td>
<td>6.960</td>
<td>***</td>
</tr>
<tr>
<td>Organization_Commitment</td>
<td>.157</td>
<td>.156</td>
<td>.077</td>
<td>2.022</td>
<td>.043</td>
</tr>
</tbody>
</table>

Sources: Output Amos (2023).

**DISCUSSION**

The data analysis is based on primary data, as mentioned above, then the discussion of the results of this study will explain in more detail the research results obtained through SEM model analysis. This discussion will be related to the theory and findings of previous research. It will also emphasize the hypothesis testing done in the final data analysis to get answers to the hypothesis statements of this study as follows.
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The Effect Of Individual Characteristics On Job Satisfaction

Based on the research results, it is proven that individual characteristics do not affect job satisfaction; the analysis results confirm that the P value generated from the model is 0.000 <0.05, so it can be stated that there is a significant effect of individual characteristics on job satisfaction of employees of PT XYZ Indonesia, job satisfaction is a positive emotional or evaluative state felt by employees towards their work and the work environment in which they operate. Compensation, participation in decision-making, chances for learning and growth, the work environment, and interpersonal connections are just a few of the many variables that might affect job satisfaction. The results of this study show that individual characteristics impact employees' job satisfaction in PT XYZ Indonesia. The results of this study do not support the findings proposed by (Marbawi, Prihatin Lumbanraja, 2018), (Siahaan, 2017) and (Robbin, 2015); Individual qualities essentially directly affect job satisfaction in an organization, assuming the findings of this study are connected to the preexisting theoretical basis.

The Effect of Individual Characteristics On Organizational Commitment

Based on the study's results, it is proven that individual characteristics do not affect organizational commitment; the analysis results confirm that the P value generated from the model is 0.013> 0.05. Therefore, it can be concluded that the individual characteristics of PT XYZ Indonesia employees have no bearing on their organizational commitment. On the other hand, strong organizational commitment can positively impact employee performance and overall organizational success because committed employees tend to be more enthusiastic, productive, and steadfast in their loyalty to the Company. Therefore, company management should pay attention to and increase employees' organizational commitment through strategies such as providing incentives, providing training and career development, and creating a positive and supportive work environment. The results of this study support the findings proposed by (Marbawi, Prihatin Lumbanraja, 2018), (Siahaan, 2017) and (Robbin, 2015). If the results of this study are related to the existing theoretical support, basically, individual characteristics directly affect job satisfaction in an organization.

The Effect of Job Satisfaction On Organizational Commitment

The study's findings demonstrate that job satisfaction has a favorable and significant impact on organizational commitment; the analysis's findings show that the P value derived from the model is 0.0000.05, indicating that job satisfaction significantly affects PT XYZ Indonesia's organizational commitment. Employees that are happy in their jobs are more productive, innovative, and enthusiastic in their work, which can enhance the performance of the Company as a whole. Additionally, contented workers are more dependable and less inclined to switch employers, which can cut costs for hiring and training new staff. Therefore, the more satisfied employees are at work with the organization's facilities and environment, the more employee commitment will increase. This study supports the findings of supporting research by (Siahaan, 2017), (Mulia et al., 2020), (Permana et al., 2021), and (Robbin, 2015); this condition can be explained that an employee who is satisfied with the job, and promotion opportunities, supervision, colleagues and appropriate rewards, then these conditions will increase his job satisfaction with work and organizational performance will certainly increase in the direction of increasing organizational commitment.

CONCLUSION

The following conclusions can be derived from this study based on the problem formulation, objectives, and research hypotheses mentioned above. The following conclusions can be derived from this study based on the formulation of the problem, objectives, and research hypotheses mentioned above:

Individual characteristics have a positive and significant effect on the job satisfaction of employees of PT XYZ Indonesia, it implies that elements specific to particular workers can boost their job happiness. To increase job satisfaction, organizations need to pay attention to employees' needs and preferences, provide job promotion and career development, provide rewards and recognition, create a positive work environment and maintain good relationships with superiors continuously in the future.
Individual qualities have a favorable and significant impact on the organizational commitment of PT XYZ Indonesia employees, meaning that the individual parts of employees who have worked for the Company up to this point can directly boost organizational commitment of PT XYZ Indonesia employees. Good job characteristics can increase employee organizational commitment because employees who feel involved in their work tend to feel more satisfied and loyal to the organization they work for. Involvement in organizational goals, where employees feel that their work has an important purpose in achieving them, tends to have stronger organizational commitment. On the other hand, employees given autonomy in their tasks tend to feel more involved and have a stronger obligation to the organization.

Job satisfaction has a positive and significant impact on employees’ organizational commitment at PT XYZ Indonesia; it has a significant impact on organizational commitment; and employees who are happy in their jobs are more likely to be committed to the Company where they work. The job itself, connections with coworkers, trust, and loyalty are among factors impacting the relationship between job satisfaction and organizational commitment; people who feel content with their jobs typically have more trust and commitment to the organizations they work for.

REFERENCES


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