Compensation And Job Characteristics Affect Organizational Commitment With Work Environment Moderation

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ABSTRACT

One of the problems that often arise in internal organizations is employee work productivity, one of which is influenced by worker commitment in the organization. This study will discuss the effect of compensation, job characteristics on organizational commitment and the role of the work environment as a moderating variable. The data collection technique used by researchers is distributing questionnaires conducted online via Google form. Questionnaires filled out by respondents were subjected to instrument testing which included validity and reliability tests using the SPSS version 22.0 program, then multiple linear regression tests were performed, hypothesis testing both partially and simultaneously and Moderated Regression Analysis (MRA) tests. In accordance with the results of the discussion, there are several things that can be concluded according to the objectives of this study, namely that there is a positive influence of compensation variables, job characteristics and work environment on organizational commitment. The work environment moderates (strengthens) the effect of compensation on organizational commitment. This means that the more supportive the work environment, the stronger the relationship between compensation and organizational commitment. The work environment moderates (strengthens) the effect of job characteristics on organizational commitment.

Keywords: Compensation, Job Characteristics, Organizational Commitment, Work Environment
INTRODUCTION

One of the problems that often arise in internal organizations is employee work productivity, one of which is influenced by the commitment of workers in the organization. A person's high involvement in a job means in favor of the individual's particular job, while high organizational commitment means in favor of the organization that recruited the individual (Octafian, 2020; Suryaningrum et al., 2019).

The amount of distribution in 2021 will be more in the field of advocacy and da'wah education. There are several factors that cause the distribution to several fields to be less than optimal, 65% is influenced by external factors and the rest is influenced by internal factors from BAZNAS itself. Based on initial observations made by researchers at the National Amil Zakat Agency (BAZNAS), it was found that employees were less loyal to the organization, there was a feeling of wanting to change jobs and also employees who did not feel proud of their own organization. This certainly shows that employees do not want to survive and have a commitment to be able to develop their organization.

Compensation is a reward given by the company to employees for their services in carrying out the duties, obligations and responsibilities assigned to them in order to achieve company goals. (Sanjaya et al., 2021). Compensation is important for employees because the amount of compensation reflects the size of the value of the work of employees, namely colleagues, family and society. An adequate compensation system, especially with regard to employee motivation, should be owned by companies or business units with higher environmental uncertainties.

At BAZNAS, the compensation felt by employees within the Central Java BAZNAS is uneven, this is indicated by the distribution of bonuses and benefits that are not evenly distributed among employees. The issue of compensation is closely related to the consistency of internal and external parties. Internal consistency relates to the concept of relative pay within the organization. While external consistency is related to the relative pay rate that applies outside the organization. Giving this compensation can improve performance and motivate employees.

Based on Susanto & Riva'i, (2022), Job characteristics are efforts to increase a person's autonomy in managing his work, given greater freedom and responsibility in planning his activities and wider opportunities to control himself in carrying out various work activities.

Regarding the characteristics of work at BAZNAS, after making initial observations it was found that promotions that were considered fake for employees made most employees feel that their existence so far in the organization had been ignored and ignored.

Another thing that becomes a factor of organizational commitment is the work environment (Wowor et al., 2016). At Baznas it was found that there was a work environment that felt uncomfortable, and also made employees uncomfortable at work. There are real conditions at
BAZNAS, namely situations that are uncomfortable for employees, because there are still employees who feel uncomfortable at work and also employees who do not fully realize that they are part of the organization. This certainly shows that employees do not want to survive and have a commitment to be able to develop their organization. For this reason, it is hoped that the management from Baznas will also pay attention to this, so that matters that cause problems can be resolved.

Some research results also form the basis of this research, research results from Anvari et al., (2014) explains that compensation has a significant effect on organizational commitment while according to the results of research from Purnama (2017) explains that compensation has no significant effect on organizational commitment.

The question in this research is how the effect of compensation, job characteristics and work environment on organizational commitment? Does the work environment moderate the effect of compensation on organizational commitment? Does the work environment moderate the effect of job characteristics on organizational commitment?

LITERATURE REVIEW
1. Compensation

   Compensation is a direct reward paid to employees because the performance exceeds the specified standards, measurement of compensation indicators consists of material compensation and non-material compensation (Minarsih et al., 2016).

   a. Job Characteristics

   Job characteristics are the nature of the task which includes responsibility, type of task and level of satisfaction obtained from the job itself (Rahman et al., 2020). The measurements used are skill diversity, task identity, task significance, job autonomy and feedback (Özbağ et al., 2014).

b. Organizational commitment

Organizational commitment is the extent to which employees believe in and accept organizational goals and desire to remain with the organization (Triguero-Sánchez dkk., 2022) with Affective Commitment, Continuing Commitment and Normative Commitment (Purnama, 2017).

c. Work environment

The work environment is the environment where employees do their daily work, which consists of a physical work environment and a non-physical work environment (Pratama & Supriyatin, 2020; Sedarmayanti, 2014).

RESEARCH METHODOLOGY

Based on Sugiyono (2006), population is a generalization area consisting of: objects or subjects that have certain qualities and characteristics determined by the researcher to be studied and then drawn conclusions. The number of BAZNAS Central Java Province employees with positions held as well as permanent employees includes Collection and planning of 27 employees, Finance and reporting of 19, Distribution of 26, Administration.
of Public Relations and IT of 28 employees, Coordinators of 3 employees.

The sample is part of the number and characteristics possessed by the population and samples taken from the population must be truly representative, Sugiyono (2017). The sampling method uses saturated sampling or saturated samples where the population is used as the sample. This was done because the number of population is limited so that it is possible to be sampled, the sample used is 103.

The questionnaire scale uses a 7-point Likert scale to answer the question "to what extent do you agree or disagree with this statement?". (1: Strongly Disagree (SSTS) to 7 Strongly Agree (SSS)) with each variable consisting of 8 indicators for compensation variables, 10 indicators for job characteristics variables, 6 indicators for organizational commitment variables, 9 indicators for environmental Work variables.

This study used data collection techniques, namely questionnaires and interviews. This method Aims to obtain primary data with a questionnaire containing closed questions with alternative answers that have been prepared.

Interview is the process of collecting data by conducting interviews. The data collection technique used by researchers is to distribute questionnaires online through the Google form. The questionnaires filled with respondents were tested for instruments including validity and reliability tests using the SPSS version 22.0 program, then multiple linear regression tests were performed, hypothesis testing both partially and simultaneously and Moderated Regression Analysis (MRA) tests.

RESULT

The description of the respondents is divided into three, namely respondents based on gender, employee status and education. Based on the SPSS output results in Table 1, it can be seen that the number of respondents who participated in this study and who filled out the questionnaire were 46 (44.7%) men and 57 (55.3%) women. The number of respondents who filled out as many as 53 (51.5%) were contract employees and 50 (48.5%) were permanent employees. Respondents with high school/vocational school education were 48 (46.6%), followed by 28 respondents with diploma education (27.2%) and 27 undergraduate graduates (26.2%).

1. Instrument Test

In ascertaining how well an instrument is used to measure the concept to be measured, a validity test is used first using the KMO test and factor loading values, for each variable declared valid because the KMO value is > 0.50 and all statement items in the questionnaire for each indicator variable compensation, job characteristics, work environment and organizational commitment have met the requirements of predetermined measurement criteria.

From the calculation of the reliability index of the instrument being tested, it can be interpreted that the value of α obtained is greater than 0.70 so that it can be concluded that the response given
is reliable for all the variables tested.

2. Multiple Linear Regression Analysis

This analysis is used to find the regression equation or the influence between Compensation (X1), Job Characteristics (X2), Work Environment (M) and Organizational Commitment (Y1).

Table 1. Regression Output Results

<table>
<thead>
<tr>
<th>Regression Models</th>
<th>Test Models</th>
<th>Adj R Square</th>
<th>F test</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model I :</td>
<td>Y = a + b1X1 + b2X2 + b3M + e</td>
<td>0.631</td>
<td>59.13</td>
<td>0</td>
</tr>
<tr>
<td>Model II :</td>
<td>Y = a + b4X1 + b5(X1M) + e</td>
<td>0.604</td>
<td>78.65</td>
<td>0</td>
</tr>
<tr>
<td>Model III :</td>
<td>Y = a + b6X2 + b7(X2M) + e</td>
<td>0.587</td>
<td>73.45</td>
<td>0</td>
</tr>
</tbody>
</table>

Based on the results of multiple linear regression analysis in table 1, for the first model the regression equation is obtained as follows:

Y = a + 0.357X1 + 0.275X2 + 0.305M + e

From this equation it can be explained that:

a. The regression coefficient of the compensation variable (X1) is 0.357 (positive value), this means that the compensation variable has a positive effect on organizational commitment. The higher the compensation given, the more employees have a high commitment to the organization.

b. The regression coefficient of the Job Characteristics variable (X2) is 0.275 (positive value), this means that the Job Characteristics variable has a positive effect on organizational commitment. The clearer the characteristics of work in an organization will also increase the high commitment to the organization.

c. The regression coefficient of the Work Environment variable (M) is 0.305 (positive value), this indicates that the Work Environment variable has a positive effect on organizational commitment. The better the work environment that is received or felt by employees, the employee will have a high commitment to the organization.

The adjusted R² value of 0.631 in table 1 means that the Compensation (X1), Job Characteristics (X2) and Work Environment (M) variables are able to explain the organizational commitment variable (Y1) of 63.1% while the remaining 36.9% is influenced by other variables which were not included in the study.

3. Moderated Regression Analysis (MRA) Test

The calculation results in table 1 show that the regression coefficient value of the work environment variable as a moderator has a regression value of 0.763 which is positive with a calculated significance value of 0.000 <0.05. This means that there is a positive and significant influence of work environment variables in moderating (strengthening) the relationship of compensation to organizational commitment.

The results of calculations
DISCUSSION

1. Effect of Compensation (X1) on Organizational Commitment (Y1)

Referring to the results in Table 1, the regression coefficient value of the compensation variable has a regression value of 0.357 which is positive with a calculated significance value of 0.000 < 0.05. This means that there is a positive effect of the compensation variable on organizational commitment, meaning that the first hypothesis is accepted.

These results are in accordance with research that has been conducted by Anvari et al., (2014) explains that compensation has a significant effect on organizational commitment. So that the Amil Zakat Agency can provide compensation to its employees, the higher the compensation given will also affect employee commitment so that employees are motivated to always give the best.

Effect of Job Characteristics (X2) on Organizational Commitment (Y1)

The calculation results in Table 1 show that the regression coefficient value of the Job Characteristics variable has a regression value of 0.275 which is positive with a calculated significance value of 0.002 < 0.05. This means that there is a positive influence of job characteristics variables on organizational commitment, meaning that the second hypothesis is accepted.

The more work provided by the Amil Zakat Agency has clear job characteristics, the more employees will understand what will be done, this certainly increases organizational commitment. These results are in line with the results of research conducted by Januardi & Budiono (2021) where job characteristics affect organizational commitment.

2. Effect of Work Environment (M) on Organizational Commitment (Y1)

Table 1 shows that the regression coefficient value of the work environment variable has a regression value of 0.305 which is positive with a significance value of 0.000 > 0.05. This means that there is a positive influence of work environment variables on organizational commitment. This means the third hypothesis is accepted.

The more the work environment of the Amil Zakat Agency supports it, the easier it is to grow employee commitment to the organization. These results also support the results of research that has been conducted by Subagy (2014) in his research found that organizational commitment is
significantly influenced by the work environment, meaning that the stronger the influence of the work environment, the higher organizational commitment.

3. **Work environment (M) Moderates compensation (X1) On organizational commitment (Y1)**

   The regression coefficient value of the work environment variable as a moderator in table 1 has a regression value of 0.763 which is positive with a calculated significance value of 0.000 < 0.05. There is a positive and significant influence of work environment variables in moderating (strengthening) the relationship of compensation to organizational commitment. From these results, the proposed hypothesis is accepted.

   This is certainly a concern for the management of the Amil Zakat Agency to pay more attention to the work environment because based on research results, the work environment is able to strengthen the relationship between compensation and organizational commitment.

4. **Work environment (M) Moderates Job Characteristics (X2) on Organizational Commitment (Y1)**

   Based on table 1 the calculation results then show that the regression coefficient value of the work environment variable as a moderator has a regression value of 0.972 which is positive with a calculated significance value of 0.000 < 0.05. This means that there is a positive and significant influence of work environment variables in moderating (strengthening) the relationship between job characteristics and organizational commitment. From these results, the proposed hypothesis is accepted.

   If an employee in the work environment does not get what is expected, including fair promotion opportunities, good salary, pleasant co-workers and superiors and satisfaction with the work itself, then it is certain that the employee's performance will be bad, of course this will also affect organizational commitment. Based on the results of this study, the management of the Amil Zakat Agency began to pay attention to the existing work environment, considering that the work environment has a role in strengthening the relationship between job characteristics and organizational commitment.

**CONCLUSION**

In accordance with the results of the discussion, there are several things that can be concluded in accordance with the objectives of this study, namely that there is a positive influence of compensation variables, job characteristics and work environment on organizational commitment.

The work environment moderates (strengthens) the effect of compensation on organizational commitment. This means that the more supportive the work environment, the stronger the relationship between compensation
and organizational commitment. The work environment moderates (strengthens) the effect of job characteristics on organizational commitment. This means that the more supportive the work environment, the stronger the relationship between work characteristics and organizational commitment.

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