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# EFFECT OF EMPLOYEE EMPOWERMENT AND JOB CHARACTERISTICS TO ORGANIZATIONAL PERFORMANCE THROUGH ORGANIZATIONAL CITIZENSHIP BEHAVIOR AT PT. KEMINDO INTERNASIONAL

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#### Abstract

This study aims to analyze the effect of employee empowerment and job characteristics on organizational performance through organizational citizenship behavior. Research conducted on employees of PT. Kemindo International. The sampling technique used a random sampling involving 92 employees. Data analysis using path analysis. The results showed that employee empowerment variables and job characteristics influence organizational performance through organizational citizenship behavior. The direct effect of empowerment on organizational performance is 0,621. While the influence of empowerment on employee performance through organizational citizenship behavior is  $0,621 \times 0,830 = 0,515$ . The total effect on this analysis is the direct influence plus the effect of 0,621 + 0,515 = 1,136. In this case, the direct influence is greater than the indirect effect so that it can be said that the variable of citizenship behavior of the organization is not as intervening variable.

## **Keywords: Employee Empowerment, Job Characteristics, Organizational Citizenship Behavior, Organizational Performance**

#### 1. Introduction

Performance is the result of work shown both quantitatively and qualitatively.Quantitative performance is the result obtained as measured by numbers such as the amount of work of employees in the unit every day, the amount of weight of goods that can be lifted by employees and so while the work can be qualitatively



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shown with quality like good or bad work produced by employees.

Factors that can affect the performance of the organization are the empowerment of employees, job characteristics, and behavior of organizational citizenship. Empowerment is the granting of responsibility and authority from managers to employees, which involves the sharing of information and knowledge to guide employees in acting in accordance with organizational goals.

According to Sudarman (2004) Empowerment is the process of encouraging individuals within the organization to use initiative, authority and responsibility in completing the work, while Mulyadi and Setyawan (1999) argue that Empowerment is the granting of authority to employees to plan, control and make decisions about the work to be responsible without the explicit authorization from the manager on it. In addition, empowerment is an effort that can significantly strengthen the confidence of the authority to make decisions in the area of operations without having to obtain approval of others (Luthan, 2006).

Job characteristics are variations in skills, task identity, task specificity, autonomy and feedback performed by workers/employees in performing their duties that may affect the level of job satisfaction (Hackman et.al.,1975). The more complex a job, the more it will increase job satisfaction and lower the level of absenteeism (Robbins, 2004). With increased job satisfaction and decreased absenteeism will ultimately improve performance.

According to Panggabean (2004), job characteristics consist of task diversity, task identity, task significance, autonomy, and feedback. The greater the diversity of activities performed by a worker, the more unfamiliar the job becomes. In the research, Setyowati and Isrorina (2009) obtained the conclusion that the factors of employee empowerment affect the performance of employees. This research is done to employees in the secretariat area of Pekalongan Regency. In the research Setyowati and Isrorina (2009) also obtained the result that the factors of job characteristics affect the performance of employees. This research was conducted on employees in the environment of Pekalongan district secretariat.

In the study Nugraha (2009) empowerment of human resources also affect the performance of

employees. The research was conducted at the Banjar sub-district office.

Departing from the background of the above problems then the researchers took the title of the influence of employee empowerment and job characteristics on organizational performance through the behavior of citizenship organization.

#### 2. Theoretical Basis

#### Organizational Performance

According to Richard et al (2009) in James (2012) organizational performance is produced by organizations that include the outcome of financial performance such as profit measured by return on assets, return on investment and so on, market performance ) such as market share expansion, and sales. In addition, the return of shareholders is the return of shareholders and the economic growth of shareholders. In some areas of organizational performance can also be measured from other things such as strategic plans, operations, and finance, legal and organizational development. In developing an institution or organization it is imperative to remain in the competitive climate of the world. The purpose of productivity is related to the development of the organization. Small organizations have a desire to keep growing and grow. Such a developing organization in order to accommodate the development itself.

According to the management system (2004) in James (2012), the effectiveness of the organization can be measured by the following criteria:

#### 1. Market

In this aspect, it means whether the consumer will be satisfied with the service on the company's part.

#### 2. Products/services

Products or services/services produced must be considered in order to develop the organization

#### 3. Resource

Resources owned must be well developed for companies to compete with other companies

#### 4. Operating system



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The resulting operating system must be able to support the achievement of organizational goals

#### 5. Management system

The management system must also be well managed for the purpose of the organization properly implemented.

#### 6. Organizational culture

Organizational culture also plays a role in achieving good organizational performance.

#### 7. Impact on finance

Impacts on finances should also be well earned with marked savings on the organization.

#### Employee Empowerment

Empowerment is the granting of responsibility and authority from managers to employees, which involves the sharing of information and knowledge to guide employees in acting in accordance with organizational goals. Meanwhile, according to Sudarman (2004) Empowerment is the process of encouraging individuals in the organization to use initiative, authority and responsibility in completing the work, while Mulyadi and Setyawan (1999) argue that Empowerment is the authorization of employees to plan, control and make decisions about the work be his responsibility without having to get explicit authorization from the managers on it.

From some of these definitions can be concluded that empowerment is the involvement of employees who really mean so that employees really able to carry out the work and involved in decision making and in problem-solving. Employee empowerment is done by exploring the potential within each employee so that empowerment of employees is not only a distribution of power that already exists and has been owned by the organization but also the development of power.

There are several internal and external factors that can hamper empowerment; such factors can appear before or during the process of empowerment. These factors can be identified as follows (Cudron in Sudarman, 2004):

- 1. Management cannot provide an environment that can affect employee behavior. Employees only get views about work and are only involved in work activities.
- 2. Employees tend to reject empowerment programs when they do not know what to do next. This situation is because there is no clear information for the employees themselves.
- 3. Ignorance and inability of employees to do the job well. In this case, the skills and abilities of the employees become something important.
- 4. Many make the mistake of overexposing employees too early in their empowerment, so employees feel they are failing and are not moved to take the initiative again.

#### **Job Characteristics**

Job characteristics are variations in skills, task identity, task specificity, autonomy and feedback performed by workers/employees in performing their duties that may affect the level of job satisfaction (Hackman et.al., 1975). The more complex a job, the more it will increase job satisfaction and lower the level of absenteeism (Robbins, 2004). With increased job satisfaction and decreased absenteeism will ultimately improve performance.

The characteristics of the work can be described in the Job Characteristics Model as follows:

- 1. The three dimensions are the diversity of skills, task identity and important task values together create meaningful work. This means that if all three dimensions of these characteristics exist in a job, then the job executor will see the work as important, valuable and useful to do.
- 2. Jobs that have autonomy will give the job executor a personal responsibility.
- 3. If a job provides feedback, an employee will know how effective he or she works
- 4. From a motivational point of view, the above model says that an internal reward is obtained by an individual when he/she understands the meaning of the job experienced personally the employee has performed.



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#### **Organizational Citizenship Behavior**

Organizational citizenship behavior is a natural behavior that is free to choose. It can be argued that organizational citizenship behavior is not an official part of job requirements for employees; however, attitudes can enhance organizational effectiveness. Podsakoff et al. (1997) states that citizenship behavior is a personal choice; it is not a duty for staff to apply it. Thus, it can be concluded that the behavior of organizational citizenship is

- 1. Voluntary behavior is not a forced act on things that place the organization's needs;
- 2. Employee behavior that performs from satisfaction, and based on performance, does not need to ask.
- 3. There is no direct and open relationship with the formal reward system.

According to Organ, there are five dimensions of organizational citizenship behavior, namely:

a. Altruism, this is called the voluntary action of employees to help other workers solve their problems, to give instructions to new employees and to help employees to obtain new material as needed.

- b. Persistence, this dimension refers to behaviors that exceed the minimum resolution as timeliness, streamline work and save resources.
- c. Sportive, individual willingness to endure suffering without complaining and feeling disadvantaged.
- d. Civilization, referring to far-sighted action to help others to avoid making mistakes or having such problems to inform decisions or actions taken that affect others
- e. Civic Virtue, shows constructive involvement in the processes of political organizations such as reading notices, emails, attending meetings and for knowing what's going on in the organization.

#### 3. Research Methods Research Design

This study uses explanatory analysis and descriptive analysis, which aims to determine the influence of independent variables and bound. This study examines the effect between employee empowerment variables, job characteristics, and organizational citizenship behavior simultaneously or partially on the performance of the organization of PT. Kemindo International. Influence of variables can be described in the form of research framework as follows:

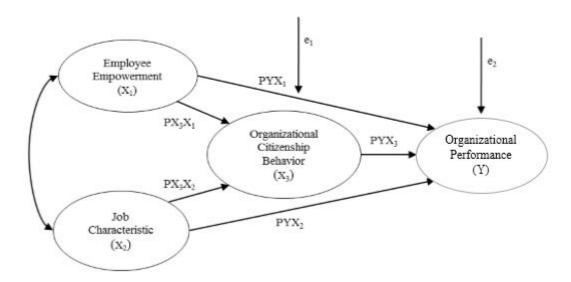


Figure 1. Path Analysis Model

#### Population and Sample

Population in research is an employee of PT. Kemindo International with the number of employees as many as 120 people. The number of samples taken with

the Solving formula is  $n = 120 / (1 + 120x0.05^2) = 92$  people. This sampling uses a simple random method.

#### Method of Collecting Data



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To obtain a concrete and objective data then the researchers collect primary and secondary data:

- a. Primary data is data obtained directly from the object of research. In this case, the primary data obtained from the field research data collection method is done by direct research on the object of research in question. Primary data collection questionnaires. Respondents were asked to fill out the questionnaire answers by checking  $(\sqrt{})$  on the measurement scale listed below according to the respondents' correct assessment of the statements in the questionnaire. The measurement scale used in the questionnaire has a score between 1-5, the more to 1 then the answer the more disapproving to the next to 5 means the answer strongly agree
- b. Secondary data is data obtained indirectly from research object. In this case, the secondary data obtained from the library research data collecting method that is done by studying and understanding books of the literature of the author's work that can be justified theoretical basis.

#### Data Processing Technique Test Data Validity

Validity is intended to test the accuracy of an instrument in measuring the concept to be measured or performing its measuring function. An instrument is said to be valid if the instrument measures what should be measured (Sugiyono, 1999). Testing the validity of the instrument using the item analysis, which is to calculate the score of each item with the total score which is the number of each scored item? The coefficient of correlation used is product moment correlation coefficient.

Test Data Reliability

Looking for instrument reliability whose score is not 0-1, but is a range between several values, eg 0-10 or 0-100 or scales 1-3, 1-5, or 1-7, and so on can use alpha coefficient ( $\alpha$ ) from Cronbach. This test is done by comparing the value of Cronbach alpha with a value of 0.6. If the value of Cronbach alpha is greater than 0.6 then it can be said that the question is reliable.

#### Hypothesis Testing

To observe each model significance, it is done through t-test estimators and F arithmetic. Predictive models are used to answer the problems and prove the proposed hypothesis.

For test F Alternative hypothesis (Ha) is accepted if F-arithmetic > F - table or by looking at the value of P-Sig < 0.05 then the independent variables (employee empowerment, job characteristics, and organizational citizenship behavior) included in the model have a simultaneous or simultaneous influence on the dependent variable (organizational performance). While for the t-test, alternative Hypothesis (Ha) is accepted if t-arithmetic > t-table and if t is negative, then -t-count <-t-table or by looking at a P-Sig value less than 0.05 then each independent variable included in the model has a partial effect on the dependent variable.

#### 4. Research Results and Discussion

#### Validity and Reliability Test Results

Validity test is used to test each research variable, where the overall research variable contains 36 statements answered by 92 respondents. Based on the analysis that has been done, then the test results validity note that the value of r count is greater than the value of 0.3. This means that all items of the proposed statement are valid.

Reliability test is used to determine the extent to which the measurement results are reliable and consistent. Based on the analysis that has been done, the test results validity can be shown in the table below:

**Table 1. Reliability Test Results** 

Reliability Statistics				
Factor	$X_1$	X 2	X 3	Y
Cronbach's Alpha	0.6 55	0.8 27	0.6 66	0.6 65

Based on the above Cronbach alpha reliability figures can be seen that all existing statements form a reliable measure of employee empowerment variables, job characteristics, citizenship behavior and organizational

performance to form a reliable measure of each dimension.

#### **Path Analysis Results**



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In order to provide an overview of the results of the analysis that has been done, then the results obtained

from the analysis of Path Analysis can be presented in the picture as follows:

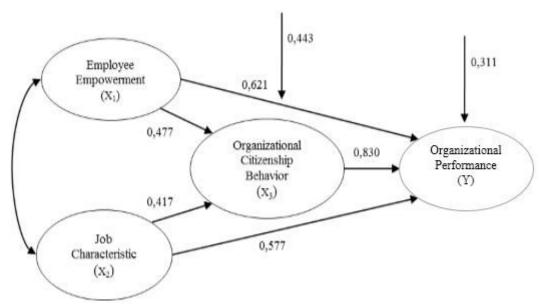


Figure 2. Path Analysis Results

From the above explanation is known:

#### **Substructure I**

Based on the above picture, the value of e1 is 0,443, the value means that the variables outside of empowerment and characteristic affect citizenship behavior of 44, 3% this indicates that the variables empowerment and characteristics greatly affect the citizenship behavior that is equal to 0,557 or 55,7% explained that empowerment variables and characteristics influence citizenship behavior.

Based on the above picture also then can be compiled equation of path analysis described as follows:

$$X3 = 0,477 + 0,417$$

#### **Substructure II**

Based on the above picture, the value of e2 is 0,311, the value means that the variables outside of empowerment, characteristic and citizenship behavior affect the performance of 31,1% This indicates that the variable empowerment, characteristic and citizenship behavior greatly affect the organizational performance of 0,689 or 68,9% explained that empowerment variables, civic characteristics, and behavior influence performance.

Based on the above picture also then can be compiled equation of path analysis described as follows:

$$Y = 0.621 + 0.577 + 0.830$$

Based on the picture above can be seen that the direct effect of empowerment on organizational performance is 0,621. While the influence of empowerment on employee performance through organizational citizenship behavior is  $0,621 \times 0,830 = 0,515$ . The total effect on this analysis is the direct influence plus the effect of 0,621 + 0,515 = 1,136. In this case, the direct influence is greater than the indirect effect so that it can be said that the variable of citizenship behavior of the organization is not as intervening variable.

## **5.** Conclusions and Suggestions *Conclusion*

- 1. Employee Empowerment Variables and Job Characteristics affect the performance of the organization simultaneously. F value counts 56.019 and significance of 0.00. This value is less than 0.05. The r-squared value of 55.7% means Employee Empowerment variables and Job Characteristics affect the organizational performance of 55.7% while the rest is influenced by other variables not included in the equation model.
- 2. Employee Empowerment variable has an effect on partial organization performance. The value of t is



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- 5,148. Value significance of 0.00. This value of significance is smaller than 0.05. The value of r squared is 0.228. This means the effect of employee empowerment variable on performance is 22.8% and the rest is influenced by other variables not included in equation model.
- 3. Variable Job characteristics affect the performance of the organization partially. The value of t is 7.508. Value significance of 0.00. This value of significance is smaller than 0.05. The value of r squared is 0.378. This means that the effect of Job Characteristic variable on organizational performance is 37.8% and the rest is influenced by other variables that are not included in the equation model.
- 4. The variable of organizational citizenship behavior has an effect on partial organization performance. The value of t is 14,112. Value significance of 0.00. This value of significance is smaller than 0.05. The value of r squared is 0.689. This means the influence of organizational citizenship behavior variable on organizational performance of 68.9% and the rest is influenced by other variables that are not included in equation model.
- 5. Influence Employee empowerment to organizational performance is 0,477. The effect of employee empowerment on performance through organizational citizenship behavior is 0.617 X 0.830 = 0.5121. In this case, the indirect effect is greater than the direct effect so that it can be said that the variable of organizational citizenship behavior as an intervening variable.

6. The direct effect of job characteristics on organizational performance is 0.621. While the influence of job characteristics on organizational performance through organizational citizenship behavior is 0.766 X 0.830 = 0.6358. In this case, the direct effect is smaller than the indirect effect so that it can be said that the variable of organizational citizenship behavior as an intervening variable.

#### **Suggestion**

- 1. Organizational performance needs to be improved through increasing employee empowerment, knowing job characteristics and developing an attitude of organizational citizenship behavior. In improving the empowerment of employees need to improve the ability of employees in work, facilitate the implementation of daily tasks, conduct consultation, cooperation and provide support to employees to work properly.
- 2. Employees also need to increase their knowledge of job characteristics by knowing what tasks to perform, identifying tasks, giving employee task autonomy and making feedback on employee work.

**Employees** need to improve attitudes toward citizenship behavior by improving organizational volunteering to help other employees who have difficulty working, persistent in work, improving their sportsmanship and improving their work. In addition, employees also need to improve the attitude as a corporate citizen to comply with all matters specified company.

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