

Job Satisfaction as a Mediator of the Impact of Organizational Culture and Job Stress on Employee Performance in Bank Indonesia

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Abstract

The purpose of this study is to analyse the impact of organizational culture and job stress on job satisfaction and employee performance. This study also aims to analyse the impact of job satisfaction in mediating the impact of organizational culture and job stress on employee performance. This study uses path analysis as data analysis. The results show that Organizational culture affects job satisfaction and employee performance positively and significantly. Job stress affects job satisfaction and employee performance negatively and significantly. Job satisfaction affects employee performance positively and significantly. Organizational culture affects employee performance positively and significantly by job satisfaction as a mediator. Job stress affects employee performance negatively and significantly by job satisfaction as a mediator.

Key words: Organizational Culture; Job Stress; Job Satisfaction; Employee Performance

Reference to this paper should be made as follows: Maulidiyah, N, N. (2021) Job Satisfaction as a Mediator of the Impact of Organizational Culture and Job Stress on Employee Performance in Bank Indonesia, *Asia Pacific Journal of Emerging Markets*, Vol. 5, No. 2, pp. 182–192.

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1. Introduction

Business competition in Indonesia is growing rapidly. Various things can be done to overcome the existing problems and phenomena. One of them is through human resources itself. Human Resources are all employees who help the process of running activities within the company. It is undeniable that good employee performance will also produce good results for the company. Human Resources owned by a company or organization must be used effectively and efficiently so that organizational goals can be achieved properly. The good and bad performance of employees is supported through facilities and infrastructure as well as leaders within the company. According to Sen et al. (2013), good performance is supported by the quality of competent employees where employee competence can be achieved through the fulfillment of the employee's needs. Employees who have good performance can help the company to achieve goals in accordance with the company's vision and mission. Bank Indonesia Jember Representative Office has one single goal, namely to achieve and maintain the value stability of rupiah. Bank Indonesia Jember Representative Office in achieving its goals requires competent Human Resources. The Human Resources owned by Bank Indonesia Jember Representative Office must be used effectively and efficiently so that organizational goals can be achieved properly. Human resources that have high competence can support the company to be able to achieve its goals. The good or bad quality of the Human Resources in the Bank Indonesia Jember Representative Office can be measured by the performance of its employees. Schein (2004) states that organizational culture is a pattern of basic assumptions created by organizations as learning to solve problems of adaptation to the external environment and internal integration and can be implemented properly. Bank Indonesia Jember Representative Office in carrying out its duties has an organizational culture adopted by its employees in order to maintain cohesiveness among employees within the organization. Every day, before starting work, employees gather to pray together which is then continued with the reading of Bank Indonesia's strategic values. A good organizational culture will provide comfort to employees at work so that employee performance at work will also increase. Employees in carrying out their duties of course also

feel stress. Performance can decrease which can be caused by several factors, both health problems, employee psychology, work environment conditions and so on that can result in work stress. Work stress experienced by employees will ultimately have an impact on the workforce concerned with decreasing work productivity so that their work results are less than perfect. The workload given to employees must be in accordance with the abilities of the employee. The workload that exceeds the limit will affect the performance of an employee. The employees of Bank Indonesia Jember Representative Office also experience job stress in carrying out their duties, especially when employees get tasks that are heavier than usual and when employees have to work overtime to complete their tasks. Job stress is also more evident in the employees of the Bank Indonesia Jember Office when the tasks assigned to them are approaching the deadline. Job stress if not considered properly can have a negative effect on morale, so it must be handled properly. There are six factors that cause employee stress, including difficult and excessive workload, pressure and leadership attitudes that are not fair and reasonable, time and work equipment, inadequate, the conflict between the person and the leader or working group, reply to services

Too low and family problems, overly high employment demands, such as work outside workers' control which must be done repeatedly and continuously, evaluation of work attachments by the superior. Work that is associated with a responsibility for the lives of others, uncomfortable physical work environment, interpersonal that is not good in the environment work, inadequate promotion and dense control over work factors that affect the appearance of work stress. Therefore, it is necessary to investigate the job stress of employees in the banking sector of Indonesia. Hence the study is aimed to investigate the impact of organizational culture and job stress on employee performance through the mediating role of job satisfaction in Bank Indonesia.

2. Literature Review

2.1. Organizational Culture

The organizational culture according to Schein (2004) is a pattern of basic assumptions created by organizations as learning to solve problems of adaptation to the external environment. According to (Zamini et al., 2011; Chen et al., 2006; Aslam and Shaikh, 2018; Saha & Kumar, 2018; Pham-Thi et al., 2021) Organizational culture, procedural and interactional justice deviate

employee performance. The indicators of organizational culture according to Luthans (2018) are as follows:

- Norm
- Philosophy
- Rules
- Cooperation

2.2. Job Stress

Someone who experiences stress at work will be worrying, they often become aggressive, have a bad mood and easy to get angry. From the banking sector of Pakistan, Shahid et al. (2011) find that stress is the most dangerous cause of job dissatisfaction which subsequently leads to lower employee performance and job stress also hinders effective work-life balance (also see Tian et al, 2020). Indicators of job stress according to Suhardi et al. (2020) are as follows:

- Working conditions, including:
 - Excessive workload.
 - Work schedule.

- Stress due to roles, including:
 - Unclear role.

- Interpersonal factors, including:
 - Cooperation between friends, relationships with leaders.

- Career development, including:
 - Promotion to a position that is lower than his ability.
 - Promotion to a higher position than his ability.
 - Job security.

- Organizational structure, including:
 - Rigid and unfriendly structure.
 - Unbalanced supervision and training.

- Involvement in making decisions.

2.3. Job Satisfaction

Most employees in the banking sector are very unhappy with their jobs due to many factors such as like nature of the work itself, promotion opportunities, limited benefits, low salary, job insecurity, lack of work-family balance, long working hours, lack of participation in organizational decision making (Yousef, 2002; Belias et al., 2015 & Shahid et al., 2018; Maan et al., 2020). Job satisfaction is a major factor for employees in doing a job. Employees in obtaining maximum satisfaction will have a positive attitude towards the work they have and motivate them (Ansari et al., 2021). On the other hand, employees who have a negative attitude towards work will get low job satisfaction. Therefore, the job satisfaction of an employee will be maximized by the employee through all the capabilities they have. Latif et al. (2011) in the cultural context of every job, Job satisfaction is the most critical factor which enhances the performance of employees and leads them towards high achievements. According to John et al. (2007), job satisfaction indicators include:

1. Payroll
2. The work itself
3. Colleagues
4. Promotion
5. Supervision
6. Working conditions

2.4. Employee Performance

Mehmood and Sarwar (2020) find that motivation is the most important facet of extrinsic and intrinsic factors for employee performance. Even during COVID-pandemic lack of support from employers and stress put a negative impact on performance and job satisfaction (Hoboubi et al., 2017; Purwadi et al., 2020; Raghavan & Madawana, 2021). Similarly, effective Human resource practices play important role in the enhancement of employee performance. Mangkunegara (2018a) defines performance as the work achieved by a person in completing his work with full responsibility with good quality. Mangkunegara (2018b) states that some indicators that can be used in assessing performance are:

1. Quality of work
2. Working quantity
3. Responsibility
4. Cooperation
5. Initiative

Based on the above discussion we assume the relationship among the variables through the following hypothetical statements to reach reality. We develop hypotheses for both the direct and indirect relationship to testify the mediation effect.

H1: There is significant relationship exists between Organizational-Culture and Job-Satisfaction

H2: There is inverse and significant relationship exists between Job-Stress and Job-Satisfaction

H3: There is significant relationship exists between and Organizational-Culture and Employee-Performance

H4: There is inverse and significant relationship exists between Job-Stress and Employee-Performance

H5: There is significant relationship exists between and Job-Satisfaction and Employee-Performance

3. Research Methodology

3.1. Research Design

Although behavior aspects can be best studied through qualitative research strategy (Shahid, 2017) but we apply quantitative strategy as this research can be classified as explanatory research. Path analysis is used as the data analysis in this study. The population of this research is all employees of the representative office of Bank Indonesia Jember, totaling 69 people. This study uses the saturation sampling technique because the population of Bank Indonesia Jember Representatives is less than 100 people. But the sample size is enough to draw

an efficient conclusion for generalization. Statistical software (SPSS) is utilized to analyze and interpret the data.

3.2. RESULT AND DISCUSSION

3.2.1. The Impact of Organizational Culture on Job Satisfaction

According to path analysis test results, it is clear that the beta value of the impact of organizational culture on job satisfaction is 0.502, which means that if organizational culture increases by 1 percent, it will cause employee job satisfaction to increase by 50%. The test results are significant at 1% as P-value is less than 5%, Hence H1 can be accepted (see table-1). The organizational culture which is created by the company aims to stimulate employee enthusiasm in working so that employees will complete their work comfortably. Furthermore, the company will provide remuneration in accordance with the work of the employee and the employee will feel satisfied. So that it can be said that organizational culture affects job satisfaction positively and significantly.

3.2.2. The Impact of Job Stress on Job Satisfaction

According to path analysis test results, it is clear that the beta value of the impact of job stress on job satisfaction is -0.339, which means that if job stress increases by 1 percent, it will cause employee job satisfaction to decrease by 33.9%. The test results are significant at 1% as P-value is less than 5%, Hence H2 can be accepted (see table-1). Job stress at the Representative Office of Bank Indonesia Jember is relatively low, this is evidenced by the respondents' answers being dominated by answers that do not agree with an average percentage of 49.28% and strongly disagree with an average percentage of 40.93%.

3.2.3. The Impact of Organizational Culture on Employee Performance

According to path analysis test results, it is clear that the beta value of the impact of the organizational culture on performance is 0.292, which means that if organizational culture increases by 1 percent, it will cause employee performance to increase by 29.2%. The test results are significant at 1% as P-value is less than 5%, Hence H3 can be accepted (see table-1). So that it can be said that the organizational culture affects employee performance positively and significantly.

3.2.4. The Impact of Job Stress on Employee Performance

According to path analysis test results, it is clear that the beta value of the impact of job stress on job satisfaction is -0.289, which means that if job stress increases by 1 percent, it will cause employee performance to decrease by 28.9%. The test results are significant at 1% as P-value is less than 5%, Hence H4 can be accepted (see table-1). So that it can be said that job stress affects employee performance negatively and significantly in Bank Indonesia Jember Representative Office.

3.2.5. The Impact of Job Satisfaction on Employee Performance

According to path analysis test results, it is clear that the beta value of the impact of job satisfaction on employee performance is 0.344, which means that if job satisfaction increases by 1 percent, it will cause employee performance to increase by 34.4%. The test results are significant at 1% as P-value is less than 5%, Hence H4 can be accepted (see table-1). So that it can be said that job satisfaction affects employee performance positively and significantly in Bank Indonesia Jember Representative Office. Therefore, the mediation of job satisfaction is confirmed.

Path	Independent Variables	Dependent Variables	Beta & P-values
a	Organizational-Culture	Job-Satisfaction	0.502***
b	Job-Stress	Job-Satisfaction	-0.339***
c	Organizational-Culture	Employee-Performance	0.292***
d	Job-Stress	Employee-Performance	-0.289***
e	Job-Satisfaction	Employee-Performance	0.344***

Table 1: The output of the Path Regression, Beta, and P-Values are presented for the direct and indirect relationship to detect the mediation effect. *** shows the level of significance at a 1 % confidence interval.

4. Conclusion

On the basis of the analysis, it is observed that Organizational culture affects job satisfaction and employee performance positively and significantly. Job stress

affects job satisfaction and employee performance negatively and significantly. Job satisfaction affects employee performance positively and significantly. Organizational culture affects employee performance positively and significantly by job satisfaction as a mediator. Job stress affects employee performance negatively and significantly by job satisfaction as a mediator. Job satisfaction strongly mediates the relationship between organizational culture and employee performance. And the same is observed between Job Stress on Employee Performance in Bank Indonesia. The study infers that good organizational culture and low job stress enhance employees' performance and this relationship is strengthened once employees are satisfied with their jobs

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