

## Analysis of Employee Performance and Job Satisfaction as Intervening Variables at Bank Jatim Branch Dr. Soetomo Surabaya



Geraldin Pradana Herlambang<sup>1</sup>, Dhani Ichsanuddin Nur<sup>2</sup>, Tri Kartika Pertiwi<sup>3</sup>

<sup>1,2,3</sup>Magister of Management, Faculty of Economics and Business, Universitas Pembangunan Nasional "Veteran" Jawa Timur. Indonesia.

**ABSTRACT:** Performance is a result achieved by workers in their work according to certain criteria. Employee performance will be high if it is supported by employee job satisfaction, besides that it is important work engagement, work life balance and organizational culture are factors that must be considered by the company to achieve company goals.

The purpose of this study was to determine the effect of work engagement, work life balance and organizational culture on employee performance through job satisfaction of employees of Bank Jatim Branch Dr. Sutomo Surabaya

The population in this study were employees at Bank Jatim Branch Dr. Soetomo Surabaya as many as 90 employees, while the sample who became respondents in this study was adjusted to as many as 73 respondents.

Based on the results of research using PLS analysis, the following conclusions can be drawn: work engagement has an effect on employee performance, work life balance has no effect on employee performance, Organizational Culture has an effect on employee performance, work engagement has no effect on performance through employee job satisfaction, work life balance does not affect performance through employee job satisfaction, organizational culture influences performance through employee job satisfaction

**KEYWORDS:** Work Engagement, Work Life Balance, Organizational Culture, Job Satisfaction, Employee Performance

### I. INTRODUCTION

Today's business competition is increasing, every company must be able to carry out an innovation or change that can help its existence in accordance with the development of changes in an increasingly dynamic technological era. In order to prepare to be able to adapt to change, the existence of human resources needs attention so that they can contribute to the performance provided. Performance is a result achieved by workers in their work according to certain criteria. Employee performance will be high if it is supported by employee job satisfaction. Every company is required to be able to improve the work ability of its employees.

Wirawan (2019:21) says there are several factors that affect employee performance, namely external environmental factors, internal employee factors and internal environmental factors. Several internal factors exist in the company, namely, work engagement is important for every employee in a company. Engagement (attachment) is defined as a person's feeling of being responsible and concerned about work performance (Britt et al, 2016: 21), while work life balance is a balance between employee life and personal life so that it runs in balance and can create satisfaction for each individual employee ( Wolor et al., 2020: 6), Organizational culture is a value that is used as a guide in the behavior of employees in organizations in the daily work environment. The application of organizational culture is based on the values that are upheld by the company Sukarno & Sutini (2018), and according to Wibowo (2016: 415) job satisfaction is where everyone who works expects to get satisfaction from their place of work.

This research was conducted at PT Bank Jatim Branch Dr. Soetomo Surabaya, as the company is the object of this research. Various considerations to be able to support this research are, one of which is the existence of a research gap in previous research, where the results of research by Soomro et al. (2018: 23) shows that employee performance is significantly influenced by work life balance, while research by Chiekezie et al., (2016: 22) does not affect work life balance and worker performance. The results of other studies Meanwhile, the research gap for research results which states that work engagement has a positive influence on performance is supported by Madan & Srivastava's research (2015: 44), whereas research on work engagement relationships has no significant effect on employee performance in employees of a company in Batam (Mahardika and Hadi 2018:55). another study on organizational culture Febrian (2019:32) found that organizational culture had an effect on performance, while another study by Finaltri et. al., (2020:44) and Fadude et. al., (2019:65) organizational culture has no effect on employee performance.

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From the description of the results of the study, the background of this research is that performance is directly influenced by work engagement, work life balance, organizational culture and job satisfaction can be mediation, in which some of these things have an important role to be able to improve employee performance and can used as a research variable.

## **II. REVIEW OF LITERATURE**

Work engagement (X1) (work engagement) is important for every employee in a company. Engagement (attachment) is defined as a person's feeling of being responsible and concerned about work performance (Britt et al, 2016: 21) indicators to measure work engagement are strength (vigor), dedication (dedication), appreciation while.

Work life balance (X2) is a balance between employee life and personal life so that it runs in balance and can create satisfaction for each individual employee (Wolor et al., 2020: 6) indicators for measuring work life balance are time balance, involvement balance, satisfaction balance.

Organizational culture (X3) according to Sukarno & Sutini (2018) are values that are used as guidelines in the behavior of employees in organizations in the daily work environment. The application of organizational culture is based on the values upheld by the company. The indicators that measure organizational culture are innovation and courage to take risks, attention to detail, work result orientation, orientation to organizational members, team orientation, and aggressiveness.

Job satisfaction (Z) according to Wibowo (2016: 415) is where everyone who works expects to get satisfaction from his place of work. Indicators for measuring job satisfaction are the job itself, salary, promotion, supervision, co-workers, work environment.

Performance (Y) according to Kasmir (2016: 182) states that it is the result of work and work behavior that has been achieved in completing the tasks and responsibilities given within a certain period. Indicators for measuring performance are the quality of results, quantity of results, timeliness, effectiveness, independence, work commitment.

## **III. POPULATION AND SAMPLE**

The population is a combination of all elements in the form of events, things or people who have similar characteristics which are the center of attention of a researcher because it is seen as a research universe Ferdinand (2016). The population in this study were employees at Bank Jatim Branch Dr. Soetomo Surabaya as many as 90 employees consisting of the Credit Division, General Affairs and HR Division, Customer Service Division.

The sample of this research are employees at Bank Jatim Branch Dr. Sutomo Surabaya. The research population is heterogeneous at Bank Jatim Branch Dr. Soetomo Surabaya, to obtain a homogeneous sample, the sampling technique used in this study was Stratified Random Sampling. The stratified sampling technique is a sampling technique by dividing the population into several groups/strata that do not overlap, and then take randomly from each group.

## **IV. RESEARCH METHODS**

This study uses a quantitative method, referring to Sugiyono (2015: 13) quantitative research can be interpreted as a method based on the philosophy of positivism, used to examine certain populations or samples, sampling techniques are carried out randomly (random sampling), data collection uses instruments research, data analysis is quantitative/statistical in nature with the aim of testing the hypotheses that have been set.

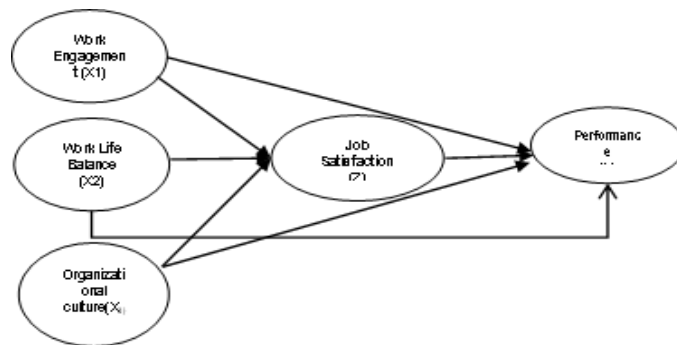
## **V. HYPOTHESES**

Based on the background, the formulation of the problem, research objectives, previous research and the theoretical basis used can be formulated as follows:

1. Allegedly Work Engagement has a positive effect on performance at PT. Bank Jatim Branch Dr. Sutomo Surabaya
2. Allegedly Work Life Balance has a positive effect on performance at PT. Bank Jatim Branch Dr. Sutomo Surabaya
3. Allegedly Organizational Culture has a positive effect on performance at PT, Bank Jatim Branch Dr. Sutomo Surabaya
4. Allegedly Work Engagement has a positive effect on performance through job satisfaction at PT. Bank Jatim Branch Dr. Soetomo
5. Allegedly Work Life Balance has a positive effect on performance through job satisfaction at PT. Bank Jatim Branch Dr. Soetomo
6. Allegedly Organizational Culture has a positive effect on Performance through Job Satisfaction at PT. Bank Jatim Branch Dr. Soetomo

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## VI. CONCEPTUAL MODEL



## VII. DATA ANALYSIS RESULTS AND DISCUSSION

### Outer Model

#### 1. Validity Test

The indicator has met convergent validity or good validity

**Table 1. Average Variance Extracted (AVE)**

	Average Variance Extracted (AVE)
Budaya Organisasi (X3)	0.595
Kepuasan Kerja (Z)	0.588
Kinerja Pegawai (Y)	0.545
Work Engagement (X1)	0.607
Work Life Balance (X2)	0.744

Source: Processed Data (2022)

The next measurement model is the Average Variance Extracted (AVE) value, which is the value indicating the magnitude of the indicator variance contained by the latent variable. Convergent AVE values greater than 0.5 also indicate good adequacy of validity for latent variables. Reflective indicators can be seen from the Average variance extracted (AVE) values for each construct (variable). The results show that the variables are Work Engagement, Work Life Balance, Organizational Culture, Job Satisfaction and Performance has a value greater than 0.5, so it is valid.

#### 2. Reliability Test

*Composite reliability* is an index that indicates the extent to which a measuring device can be trusted to be relied upon. If a tool is used twice to measure the same symptoms and the measurement results obtained are relatively consistent, then the tool is reliable. In other words, reliability shows a consistency of measuring devices in the same symptoms. The full results can be seen in the following table.

**Table 2. Data Reliability**

	Cronbach's Alpha
Budaya Organisasi (X3)	0.749
Kepuasan Kerja (Z)	0.752
Kinerja Pegawai (Y)	0.834
Work Engagement (X1)	0.704
Work Life Balance (X2)	0.827

Source: Processed Data, 2022

The construct will be reliable if the composite reliability value is above 0.70, then the Work Engagement variable (X1) is 0.822, the Work Life Balance variable (X2) is 0.897, the Organizational Culture variable (X3) is 0.746, the Job Satisfaction variable (Z) is 0.822, and the performance variable of 0.877 can be said to be reliable because the composite reliability is more than 0.70..

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## Inner Model Testing

### 1. R Square

Testing of the inner model or structural model is carried out to see the relationship between variables, the significance value and the R-square of the research model. After knowing the significant relationship between variables. thus, it can be concluded the hypothesis for the problem of customer satisfaction. Hypothesis testing is done by bootstrap resampling method. The test statistic used is the t-test statistical test. Testing of the structural model is carried out by looking at the R-Square value which is a goodness-fit model test. Inner model testing can be seen from the R-square value on the equation between latent variables. As follows:

**Table 3. R-Square**

R Square		
	R Square	R Square Adjusted
KEPUASAN KERJA (Z)	0.349	0.321
KINERJA PEGAWAI (Y)	0.721	0.704

Source: Processed Data, 2022

Value of R<sup>2</sup> (Job Satisfaction) = 0.349 This can be interpreted that the model is able to explain the phenomenon/problem of Job Satisfaction of 34.90%. While the rest (65.10%) is explained by other variables (besides variables Work Engagement, Work Life Balance, Organizational Culture) that have not been included in the model and errors. It means Job Satisfaction influenced by the variable Work Engagement, Work Life Balance, Organizational Culture, by 34.90% while 65.10% is influenced by the variable other.

Value of R<sup>2</sup> (Employee Performance) = 0.721, This can be interpreted that the model is able to explain Employee Performance phenomena/problems of 72.10%. While the rest (27.90%) is explained by other variables (besides the variables Work Engagement, Work Life Balance, Organizational Culture, and Job Satisfaction) which have not been included in the model and errors. It means Employee Performance influenced by, the variable Work Engagement, Work Life Balance, Organizational Culture, Job Satisfaction as large as 72.10% while 27.90% are affected by other variables.

### 2. Results of Inner Weights

#### a. Direct Influence

**Table 4. Inner Weight**

Path Coefficients					
Mean, STDEV, T-Values, P-Values					
	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
BUDAYA ORGANISASI (X3) -> KEPUASAN KERJA (Z)	0.489	0.506	0.128	3.816	0.000
BUDAYA ORGANISASI (X3) -> KINERJA PEGAWAI (Y)	0.454	0.445	0.103	4.421	0.000
KEPUASAN KERJA (Z) -> KINERJA PEGAWAI (Y)	0.211	0.216	0.079	2.665	0.008
WORK ENGAGEMENT (X1) -> KEPUASAN KERJA (Z)	0.221	0.243	0.118	1.877	0.061
WORK ENGAGEMENT (X1) -> KINERJA PEGAWAI (Y)	0.246	0.253	0.089	2.780	0.006
WORK LIFE BALANCE (X2) -> KEPUASAN KERJA (Z)	-0.040	-0.042	0.129	0.310	0.756
WORK LIFE BALANCE (X2) -> KINERJA PEGAWAI (Y)	0.152	0.161	0.101	1.504	0.133

From the table above it can be concluded that the hypothesis:

1. Work Engagement (X1) has a Significant Positive effect on Employee Performance with a path coefficient of 0.246 where p-values = 0.006 smaller than the value of  $\alpha = 0.05$  (5%)
2. Work Life Balance (X2) has no effect Significant to Employee Performance with a path coefficient of 0.152 where p-values = 0.133 greater than the value of  $\alpha = 0.05$  (5%)
3. Organizational Culture (X3) has a positive effect Significant to Employee Performance with a path coefficient of 0.454 where p-values = 0.000 smaller than the value of  $\alpha = 0.05$  (5%)

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## b. Indirect Influence

Apart from the direct effect as in the hypothesis testing above, from this modeling it can be seen the total effect or indirect effect or indirect effect (through mediating variables), as shown in the following total effect table for hypothesis testing with mediating variables as follows:

**Table 5. Total Effects (Mean, STDEV, T-Values)**

Specific Indirect Effects					
Mean, STDEV, T-Values, P-Values					
	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O /STDEV)	P Values
BUDAYA ORGANISASI (X3) -> KEPUASAN KERJA (Z) -> KINERJA PEGAWAI (Y)	0.103	0.109	0.051	2.033	0.043
WORK ENGAGEMENT (X1) -> KEPUASAN KERJA (Z) -> KINERJA PEGAWAI (Y)	0.047	0.054	0.036	1.289	0.198
WORK LIFE BALANCE (X2) -> KEPUASAN KERJA (Z) -> KINERJA PEGAWAI (Y)	-0.008	-0.011	0.030	0.280	0.780

Source: Processed Data, 2022

From the total effect table above it can be concluded that the hypothesis:

1. Work Engagement (X1) has a non-significant effect on Employee Performance through Job Satisfaction with a path coefficient of 0.047 where p-values = 0.198 smaller than the value of  $\alpha = 0.05$  (5%)
2. Work Life Balance (X2) has a non-significant effect on Employee Performance through Job Satisfaction with a path coefficient of -0.008 where p-values = 0.780 more big of value  $\alpha = 0.05$  (5%)
3. Digital marketing (X2) has a positive effect on brand image (Y) through brand image (Z) as a mediating variable that is acceptable, with a T-statistic value of 2,874 greater than the value of  $\alpha = 0.05$  (5%) = 1.96, with a value p value of 0.001 which is less than 0.05, then it is significant (positive).

### Effect of Work Engagement on Performance

The results of the study show that Work Engagement has a positive effect on performance. The better the Work Engagement, the better the impact on performance. Employee dedication is the biggest indicator that is equal to (0.815) affect work engagement. This form of loyalty is able to make employees focus and they have attachment to their job descriptions so that by having this attachment employees have full responsibility for completing their work. These results support the research conducted Chandra and Madiono (2017), Handoyo and Setiawan (2017), namely "Determinants of Work Engagement and their impact on employee performance" which states that Work Engagement has a positive and significant effect on performance.

### Effect of Work Life Balance on Performance

The results of this study indicate that Work Life Balance has no significant effect on performance, with this Work Life Balance has not been able to explain its effect on performance. The balance of involvement is the biggest indicator of Work Life Balance of (0.912), where involvement in a job is a form of employee contribution to the company, based on a work agreement between the company and the employee, in which the agreement forms employee professionalism by setting aside their personal lives. The results of this study are contrary to research Lingga (2020: 12) states that the work-life balance variable has a partially significant effect on performance variables.

### The Effect of Organizational Culture on Performance

The results of this study indicate that Organizational Culture has a positive effect on performance. With a strong organizational culture, it will have an impact on the resulting performance. Team orientation is the biggest indicator of organizational culture variable (0.725). The importance of a teamwork is able to achieve the targets set by the company, in other words it will have an impact on performance. this result according to research conducted by Meutia et al., (2019: 33) that organizational culture has a positive effect on performance.

### Effect of Work Engagement on Performance through Job Satisfaction

The results of this study indicate that Work Engagement has no positive effect on Performance through Job Satisfaction. This is indicated by the existence of a psychological bond between employees and the company so that employees feel their job satisfaction will be achieved in terms of the results of what they do, employees work optimally so that their performance is achieved. Result this research is not in accordance with research by Sayekti (2020) which shows that the Work Engagement variable has a positive effect on employee performance through job satisfaction.

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## **Effect of Work Life Balance on Performance through Job Satisfaction**

The results of this study indicate that Work Life Balance has no positive effect on performance through job satisfaction. The existence of a work agreement between employees and the company is a form of commitment in the form of professionalism shown by employees, which will later become an award given by the company, so that employees think that the balance involvement they give to the company will also have an impact on their performance, and will get rewarded for what they give to the company. The results of this study are not in accordance with Weerakkody et al. (2017) proved that job satisfaction managed to mediate work-life balance variables with performance variables.

## **The Influence of Organizational Culture on Performance through Job Satisfaction**

The results of this study indicate that Organizational Culture influences performance through Job Satisfaction. Shown with a team orientation to be a catalyst, with a strong team orientation, having the same vision, and being able to work well together makes employees feel satisfied, and can make a good contribution so that performance can be achieved. The results of this study according to research by Fadlallh (2015) shows that there is a positive and statistically significant relationship between the factors of job satisfaction and employee performance.

### **3. CONCLUSIONS**

Based on the test results using PLS analysis, to test the effect of several variables on brand equity, the following conclusions can be drawn:

1. Work Engagement has a positive effect on performance. Employee dedication is the biggest indicator in the Work Engagement variable. This form of employee service is able to prove that having an attachment to work is a form of employee contribution to the responsibilities at work.
2. Work Life Balance has no significant effect. Balance of work involvement is the biggest indicator. The work agreement is a basis for commitment between employees and the company so that at certain moments employees put aside their personal lives.
3. Organizational Culture has a positive effect on Performance. With a strong organizational culture, it will have an impact on performance. With team orientation, able to achieve targets set by the company.
4. Work Engagement has no positive effect on Performance through Job Satisfaction. With the existence of a psychological bond between employees and the company so that employees feel their job satisfaction will be achieved, it can be seen from the results of what they do, employees work optimally so that their performance is achieved
5. Work Life Balance has no positive effect on Performance through Job Satisfaction. With a balance of involvement, employees direct their professionalism towards the company, at certain moments employees put aside their personal lives in order to contribute to the company, which will get rewards according to what they give to the company
6. Organizational Culture has a positive effect on Performance through Job Satisfaction. with a strong team orientation, having the same vision, and being able to work well together makes employees feel satisfied, and can make a good contribution so that performance can be achieved.

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