The Influence of Leadership Style and Organizational Culture by Mediating Job Satisfaction on Organizational Commitment Case Study in Employees Of Islamic Education Institution

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Abstract

This study aims to describe the influence of leadership style and organizational culture with the mediating variables of job satisfaction on organizational commitment. This study uses a case study method for employees of educational institutions in Purwokerto. Respondents in this study were 74 employees from management level to staff level. PLS (Partial Least Square) analysis using SmartPLS 3.0 is the analysis technique used in this study. The results obtained are first, Leadership Style has no significant effect on Job Satisfaction. Second, Organizational Culture has a significant effect on Job Satisfaction, and Third, Job Satisfaction has a significant effect on Organizational Commitment. Based on the research results prove that Job Satisfaction can only mediate the relationship between Organizational Culture and Organizational Commitment while the relationship between Leadership Style and Organizational Commitment cannot be mediated by Job Satisfaction.

Keywords: leadership style, organizational culture, job satisfaction, organizational commitment

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1. INTRODUCTION

Educational organizations, in this case, the university is one form of education service organization for the community by providing comprehensive and integrated services that include learning efforts. To create quality education services can not be separated from the role of human resources with motivation, behavior, knowledge, and abilities that support the effectiveness of service realization. Human resources have a role and a very important part of achieving organizational goals. Therefore we need reliable human resources to overcome new challenges, for that we need to increase the potential, skills, and other factors inherent in humans by developing human resources. The development of human resources aims
to produce a workforce that is strong and of high quality in carrying out its work.

An organization needs a leader who can bring a company or organization to maintain consistency and be able to compete in the business world. This is related to the important role of a leader in achieving the vision and mission of the organization. Organizations need strong leadership for optimal effectiveness (Robbins, 2008)

(O’Reilly & Chatman, 1986) (Supomo & Indriantoro, 1998), (Ashari, 2013) shows that people-oriented organizational culture reinforces (moderates) the effect of budgeting participation on managerial performance. (Suweno & Rahadini, 2012) found that human-oriented organizational culture (human relations) strengthens (moderates) the effect of transformational leadership on employee performance. (Francesco & Chen, 2004) found that collectivist culture orientation moderates (strengthens) the effect of organizational commitment on employee performance in pharmaceutical companies in China.

(Sinambela, 2016) job satisfaction shows that there is a match between someone's expectations that arise with the available rewards so that job satisfaction is also related to justice. Based on previous research that examines organizational commitment which is influenced by job satisfaction (Bagis, 2018). Employee commitment will determine the success of organizational performance. (Shore & Martin, 1989) stated that organizational commitment can be seen from employee loyalty to the organization and their involvement in the organization. (O’Reilly & Chatman, 1986) stated that organizational commitment is the psychological attachment that a person feels to the organization; It will reflect the degree to which individuals internalize or monitor organizational relationships or perspectives.

H4b: Job satisfaction mediates the relationship between a cultural organization and organizational commitment.

2. METHOD

The quantitative approach is the approach used in this study. This study used a survey method using a self-report questionnaire that was given personally to employees of an educational institution in Purwokerto. The collected questionnaires were obtained from 74 employees from management level to staff level. Partial least squares (PLS) analysis is an analysis of the data used in this study.

a. Leadership Style

(Judge & Locke, 1993) states that leadership style is one of the determinants of job satisfaction. If a leader applies a leadership style that can create a conducive atmosphere then it can encourage the level of employee job satisfaction, employees will feel more comfortable. Leadership has a major role in trying to understand group behavior because it is the leader who usually provides direction for achieving the goals (Robbins & Judge, 2008).

b. Cultural Organization

Organizational culture is a form of an implicit assumption that the group has that will be accepted by the group, and can determine how the group feels, thinks, and reacts to its various environments. (Kreitner & Knicki, 2005).

c. Job Satisfaction

Based on (Locke, 1969), job satisfaction is a pleasant or positive emotional state that can be generated based on the results of a job appraisal or a person's work experience. According to (Brayfield & Rothe, 1951), job satisfaction can be measured using nineteen items developed by him.

d. Organizational Commitment

According to (O’Reilly & Chatman, 1986), organizational commitment is the psychological attachment that a person feels to the organization; It will reflect the degree to which individuals internalize or monitor organizational relationships or perspectives.
3. RESULT AND DISCUSSION

Hypothesis Testing

This study uses hypothesis testing with a significance level of 95% (α = 0.05). Based on the results of the Partial Least Square (PLS) analysis, it shows that leadership style does not have a significant effect on job satisfaction, and the first hypothesis which states that leadership style has a significant effect on job satisfaction, then this hypothesis is not accepted.

**Table 1. Parameter Coefficient and Statistical Values among Variables**

| Parameter Coefficient and Statistical Values among Variables | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|-------------------------------------------------------------|---------------------|----------------|---------------------------|----------------|----------|
| Culture organization -> Job Satisfaction                    | 0.565               | 0.561          | 0.149                     | 3.797          | 0        |
| Leadership Style -> Job Satisfaction                        | 0.094               | 0.124          | 0.116                     | 0.809          | 0.419    |
| Job Satisfaction -> Organizational Commitment               | 0.666               | 0.682          | 0.058                     | 11.554         | 0        |

The results of the Partial Least Square (PLS) analysis show that organizational culture has a significant effect on job satisfaction, so the second hypothesis which states that if the organizational culture has a significant effect on job satisfaction, the hypothesis is accepted. The result of the loading factor value is 0.565 which means that 56.5% of job satisfaction can be explained by organizational culture.

Based on the results of the Partial Least Square (PLS) analysis, it can be seen that job satisfaction has a significant effect on organizational commitment, and the third hypothesis which states that job satisfaction has a significant effect on organizational commitment, the hypothesis is accepted. The result of the calculation of the factor loading value is 0.666 which means that 66% of organizational commitment can be explained by job satisfaction.
Mediation Effect

Table 2. Result of Sobel Test

<table>
<thead>
<tr>
<th></th>
<th>Leadership style → Job Satisfaction → Org. Commitment</th>
<th>Cultural Organization → Job Satisfaction → Org. Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>0.094</td>
<td>0.565</td>
</tr>
<tr>
<td>B</td>
<td>0.666</td>
<td>0.666</td>
</tr>
<tr>
<td>SE_A</td>
<td>0.116</td>
<td>0.149</td>
</tr>
<tr>
<td>SE_B</td>
<td>0.058</td>
<td>0.058</td>
</tr>
<tr>
<td>Sobel Test</td>
<td>0.80833449</td>
<td>3.60069479</td>
</tr>
<tr>
<td>Statistic One-tailed</td>
<td>0.20944903</td>
<td>0.00015868*</td>
</tr>
<tr>
<td>Two-tailed prob.</td>
<td>0.41889805</td>
<td>0.00031737*</td>
</tr>
</tbody>
</table>

The Sobel test used in this study is to determine whether the mediator variable significantly influences the independent variable on the dependent variable. Based on the Sobel Test results in Table 2, it can be concluded that job satisfaction can only mediate the relationship between organizational culture and organizational commitment, while on the other hand job satisfaction cannot mediate the relationship between leadership style and organizational commitment.

4. CONCLUSION

Leadership style does not have a significant effect on job satisfaction of employees of educational institutions, meaning that leadership style does not affect work behavior such as satisfaction. This study also provides results that job satisfaction is not able to be a mediating variable of leadership style on organizational commitment. This can explain that the current employee is comfortable working and has organizational commitment and job satisfaction but is not influenced by the existing leadership style.

Job Satisfaction has a significant effect on employee organizational commitment in educational institutions. This shows that employees will have a higher commitment to the university if they are more satisfied with their work.

Organizational culture has a significant influence on job satisfaction, and job satisfaction can be a mediating variable of the influence between cultural organizations on organizational commitment. Employees currently work with the cultural values obtained and developed by the organization with habits in a situation where employees favor the organization and work so that organizational goals can be achieved.

It is expected that further research will research by changing the existing framework in this research, namely using the leadership style variable and organizational culture as a mediating variable to find out how the actual employee job satisfaction with organizational commitment.

5. REFERENCES


