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# RELATIONSHIP ANALYSIS BETWEEN DEMOGRAPHIC FACTORS, JOB SATISFACTION, AND JOB PERFORMANCE AMONG FORMAL EMPLOYEES IN DKI JAKARTA

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Abstract. The primary resource to support the productivity of innovative, high quality, and competitive product is proven gained from highly performing employees. Any aspect related to high performance thus has become an interest to organizations to stay in the business and protect their profit. Some studies and wisdom indicate that job satisfaction is one of the biggest aspects affecting the performance of an employee. DKI Jakarta is the capital city of Indonesia. Not only as the central of the government, but also as the central of economics, businesses, and employments. In 2015, formal workers took 73% of the total working citizen, which indicates as the highest proportion of overall working citizen in DKI Jakarta comparing to informal workers. The growth of formal worker is seen to be the biggest with an increase percentage of 10.26% in one year, it means that 344 thousands of people were get employed within a year. Therefore, this research was constructed to enrich and complete the scarcity in previous studies regarding the relationship between job satisfaction and job performance. The specific type of object was formal worker in DKI Jakarta area. The study was executed by distributing questionnaires in regard to demographic factors, job satisfaction, and job performance to 258 respondents who are currently employed as formal workers. The data collected was analyzed using Microsoft Excel, SPSS 20, and processed through Descriptive Analysis, Chi Square Analysis, T-Test, and Simple Linear Regression. The result found that formal workers' demographic factors (age, gender, and education level) of DKI Jakarta are not associated with Job Satisfaction. While the relationship between job satisfaction and job performance was found positively related. Not only relations, the author discovered that whenever one's job satisfaction increase as 1 unit, his performance at work will also increase as 0,738 unit. Between three dimensions of job performance, contextual performance takes the highest position that gains most influence by job satisfaction.

Keyword: Job Satisfaction, Job Performance, Task Performance, Contextual Performance, Counterproductive Work Behavior, Demographic Factors, Human Resource Management

## Introduction

This chapter explained the research background, problem statement, research objective, research questions, scope and limitation, and writing structure of the study. This chapter is expected to give a clear idea regarding the foundation of this research. The significant growth of DKI Jakarta's employment and the importance of workers' job satisfaction to their performance has become the basic foundation of this study. Therefore, the researcher conducted this study to enrich and complete the topic. DKI Jakarta is the capital city of Indonesia. Not only as the central of the government activities, but also as the central of economics and businesses. Build upon BPS Data of Jakarta, in 2015, the population number of DKI Jakarta has reached 10 million people with an increasing percentage of 1% per year. The growth is assumed to be the reflection of migration and natural growth. As those happens, DKI Jakarta has become the most populous city in Indonesia. The migration of people outside Jakarta to Jakarta is powered by the plentiful amount of employment availability within the city.

Portal Resmi DKI Jakarta Data shows that the number of working citizen in Jakarta has been increasing approximately 2% from 4.63 million people to 4.72 million people in one year (Aug 2014 – Aug 2015). Referred to BPS Data of Indonesia, there are seven working statuses in Indonesia, which are a freelancer, a freelancer with a help of temporary labors, a freelancer with a help of permanent labors, labor or employee, a freelancer in agriculture, a freelancer in non-agriculture, and unpaid worker. From those seven categories, formal workers cover freelancer with a help of permanent labors and labor or employee, while the other five categories are recorded as informal workers.

Table 1.1: Formal and Informal Workers Proportion in DKI Jakarta (2015)

Source: www.jakarta.go.id

Penduduk Usia 15 Tahun Ke Atas yang Bekerja menurut Kegiatan Formal dan Informal,
Februari 2014 – Februari 2015 (ribu orang)

| Deskripsi          |           | Februari 2014 |          |           | Februari 2015 |          |           |
|--------------------|-----------|---------------|----------|-----------|---------------|----------|-----------|
|                    | Laki-laki | Perempuan     | Jumlah   | Laki-laki | Peremp;uan    | Jumlah   | perubahan |
| (1)                | (2)       | (3)           | (4)      | (5)       | (6)           | (7)      | (8)       |
| 1. Pekerja Formal  | 2.124,60  | 1.227,86      | 3.352,46 | 2.334,85  | 1.361,58      | 3.696,43 | 10.26     |
| 2. Pekerja Infomal | 794,50    | 531,87        | 1.326,38 | 733,25    | 654,85        | 1.388,10 | 4.65      |
| Jumlah             | 2.919,10  | 1.759,73      | 4.678,84 | 3.068,10  | 2.016,43      | 5.084,53 | 8.67      |

The data shown in **Table 1.1** informs that formal workers took 73% of the total working citizen, which indicates as the highest proportion of overall working citizen in DKI Jakarta comparing to informal workers. The growth of formal worker is seen to be the biggest with an increase percentage of 10.26% in one year, it means that 344 thousands of people were get employed within a year. With the foundation of BPS Data of Jakarta, from the year 2010 – 2015, a number of formal workers has continued showing a significant enhancement. This accretion indicates the increment of workers status and wealth.

As the majority of DKI Jakarta citizens who are currently in their productive age tends to be employed in the formal sector, Hanif Dhakiri as the employment minister of Indonesia indicates that there are enormous amount of companies and business entities in DKI Jakarta which leads to the plentiful amount of employment. With that statement, competition among companies and businesses are clearly getting strongest. They require a high utilization of resources to support the productivity of innovative, high quality, and competitive product (Risqi, Ushada, & Supartono, 2015). And the primary resource is the high performing employees (DelVecchio, 1999). Highly performing individuals will be helpful to support a business aiming their goals (Dessler, 2011) and determining the profit and losses of the organization (Ahmad, Ing, & Bujang, 2014). The focus on employee's effort and performance has become stronger as the company requirement to respond rapidly to market demands (Cho, Woords, Jang, & Erdem, 2006). Any aspect related to high performance thus has become an interest to organizations to stay in the business (DelVecchio, 1999) and protect their profit (Ahmad, Ing, & Bujang, 2014). Some studies and wisdom indicate that job satisfaction is one of the biggest aspects affecting the performance of an employee (Chavez, 2014).

Job satisfaction is one of the most timeless constructs used in the study of industrial relations (Locke, 1976), mainly because of its direct relationship with both the mental health of the workforce and with the interest of enterprises for high efficiency and satisfied staff (Spector P. E., 1997). It is necessary for corporate to maintain their workers' satisfaction with the intentions of preserving the productivity of them, inherent the humanitarian value of the corporate, and escalate the life satisfaction of all of the stakeholders (Ahmad, Ing, & Bujang, 2014). It is a common assumption that employees who are happy about their job are productive workers too (Spector P. E., 1997). Therefore, many researchers and academician are interested learning job satisfaction of an employee and relate them to his or her performance at work. It is also proven that an individual job stress level has a significant impact on both corporate and personal performance (Mimura & Griffiths, 2003). It is affecting the life of an individual in many ways, but the biggest impact is seen in

the efficiency of workers while they are on their jobs (Golabli, Rezaei, Najjar, & Nameghi, 2013). Employee's efficiency is reported in terms of one's performance in the workplace. How the productivity of a person in both quantitative and qualitative aspects of the job and how well a person is in accomplishing his or her job are called as job performance (Coetzer & Rothmann, 2006).

Many studies have assessed the topic of job satisfaction and its relation with job performance. The relationship status between job satisfaction and job performance are commonly studied yet it is still highly debated (Schermerhorn, Hunt, & Osborn, 1991). It is contradictive to decide in terms of whether job satisfaction causes job performance or job performance causes job satisfaction (Judge, Bono, Thoresen, & Patton, 2001). It is still an unsupported statement when the job satisfaction of a person increases; it will increase the performance of that person too (DelVecchio, 1999). Another controversial issue about this topic is how previous studies showed that there is no relationship between job satisfaction and job performance whereas some proved that there is a positive relationship between them (Ahmad, Ing, & Bujang, 2014). As an addition, Crossman and Bassem Abou – Zaki (2003) stated that there were already plentiful of studies constructed in the western country regarding this topic, but it is just a small number of studies were conducted in the non-western country such as Indonesia. Therefore, a comprehensive study about which type of relationship is ideal in a specific context, in this case, DKI Jakarta, needs to be assessed.

## Statement of Problem

The significant increase of formal workers proportion and the importance of the satisfaction level and its impact on highly performing employees in the most populous and plentiful amount of employment city in Indonesia, DKI Jakarta, did not supported by a comprehensive and concrete study that highlighted the relationship between job satisfaction and job performance. As an addition, Crossman and Bassem Abou – Zaki (2003) stated that there were already plentiful of studies constructed in the western country regarding this topic, but it is just a small number of studies were conducted in the non-western country such as Indonesia. As well as job satisfaction is sorted in previous studies as one of the factors affecting the job performance, it is essential for human resource division within every organization to maintain the satisfaction of their employee to control their employees' performance in order to stay in the business, increase the profit, and survive the rapid growing industry. An on-going controversy debating the relationship between job satisfaction and performance is also an issue that needs to be evidenced by a comprehensive study.

## **Research Objectives**

The main objective of this study is to find any possible links between demographic factors to job satisfaction and job satisfaction to job performance among formal workers in DKI Jakarta. However, this research is expected to give an additional value to the insufficient studies about the relationship between job satisfaction and job performance of formal workers in one of the busiest city in the emerging countries, DKI Jakarta. By knowing the relationship among them, both academician and human resource experts may have supplementary information specifically in DKI Jakarta scope. This study is also expected to add a supportive result for clarifying an on-going contradiction about the relationship between job satisfaction and job performance.

#### **Research Questions**

There are some of questions that will be answered in this research:

- 1. How is the formal employee demographic distribution within DKI Jakarta?
- 2. How is the formal employee's job satisfaction (pay, promotion, supervision, fringe benefit, contingent reward, operating condition, co-workers, nature of work, and communication) in DKI Jakarta?
- 3. How is the DKI Jakarta formal employee's job performance?
- 4. Is there any relationship between demographic factors and job satisfaction?
- 5. Is there any relationship between job satisfaction and job performance? If there is a relationship, how far is the impact of job satisfaction on job performance?

#### **Research Scope and Limitation**

The scope of this study is limited in several ways; the sampling method, the demography aspects, and more focused on the specific discussion regarding job satisfaction and job performance. Furthermore, due to the fact that this study is constructed towards formal workers in DKI Jakarta, the results will be limited to the context of a different type of culture, environment, and perspective if it is compared to another type of subject. Lastly, the length of this study will be running in three months until the researcher is able to suggest and conclude the research result.

#### Literature Review

# **Human Resource Management**

Human resource management (HRM) is defined as a system of activities and strategies to successfully manage the employees within an organization to achieve organization goals (Byars & Rue, 2006). For more than a century, HRM has developed into a bigger usage for various type of areas (Armstrong, 1995). It is considered to be the most valuable asset in any organization that has a role in being a moderator between HRM strategies and HRM outcomes (Mudor & Tooksoon, 2011). It is also believed as an additional form of competitive advantage in a company to move forward compared to their competitors (Hall, 2008). HRM itself is widely interpreted as the activity of getting, training, evaluating, and compensating employees — human resource within an organization, maintaining relation, concerning their needs, and ensuring the fairness among them (Dessler, 2011). The techniques of HRM are used to improve production, reduce costs, and ensure the availability of competent staff in the company (Itika, 2011). The discussion of HRM is wide and could drive to many aspects. However, aligned with the pre-determined background, problems, and objectives of this study, the researcher will focus on the understanding of job satisfaction, job performance, and the relationship between them.

#### Job Satisfaction

Job satisfaction is simply defined as how people feel about their jobs (Spector P. E., 1997). While (Locke, 1976) defined it as a pleasurable or positive emotional state coming out from the appraisal of employee's job or job experience. It is generally assessed as an attitudinal variable to describe how they like or dislike their job. It is also determined by one's feelings or state-of-mind regarding the nature of their work (Mudor & Tooksoon, 2011). Job satisfaction is widely interpreted into various facets that are considered as the aspects influencing employees' judgment to measure their satisfaction towards their job (Mudor & Tooksoon, 2011). There are 14 most popular facets that can provide a complete picture of a person satisfaction level towards their job. Those facets are appreciation, communication, co-workers, fringe benefits, job conditions, nature of work, organization, policies and procedures, pay, personal growth, promotion opportunity, recognition, security, and supervision (Spector P. E., 1997).

The importance of understanding one's job satisfaction is believed to be beneficial for the organization development itself (Locke, 1976). Referred to the book of Nature of Human Resource Management, job satisfaction could generate the satisfaction level of the overall programs or policies of the organization, diagnostic the problems among employees, strengthen the communication system, improve the employees' attitudes, integration, sense of belongings, and facilitates in deciding the training and development needs for both employees and organization.

## Job Performance

Organizations require highly performing individuals to seize their goals, deliver the products and or services, and primary to achieve competitive advantage (Sonnentag & Frese, Psychological Management of Individual Performance, 2002). Besides the company advantages, performance is also essential for the individual itself to become the source of satisfaction, recognition, and somehow – get rewarded by financial bonus and other benefits (Sonnentag & Frese, Psychological

Management of Individual Performance, 2002). In general, job performance can be defined as all the behaviors employees engage in while at work (Berghe, 2011). From employees' point of view, job performance is essentially interpreted as the result of a set of behaviors and tasks performed on a daily basis (Cardy, 2004). On the other hand, supervisor's perspective concludes that the outcomes are the key element for job performance appraisal (Berghe, 2011). Authors agree that in conceptualizing performance, one has to be able to differentiate between an action or behavior aspect with an outcome aspect (Campbell, 1990). The behavioral aspect refers to what an individual does in work such as selling products, teaching students, performing a heart surgery while outcome aspect refers to the consequence or result of the behavioral aspect such as number of product sold or the successes of a surgery (Sonnentag & Frese, Psychological Management of Individual Performance, 2002). However, authors do not entirely agree about which of these two aspects should be assessed as 'performance'. But referred to Campbell et al. (1993), the researcher followed their suggestion to treat behavioral aspect when we speak about performance.

In all of the studies fields assessed earlier, job performance of an individual confidently becomes a relevant outcome measure in any occupational settings (Koopmans, Measuring Individual Work Performance, 2014). Interestingly, job performance is mainly executed as a dependent variable – which makes a perfect conclusion that individual performance is something businesses or organizations require to optimize and enhance (Sonnentag & Frese, Psychological Management of Individual Performance, 2002). Three basic assumptions were made based on earlier studies and theories regarding the measurement of an individual performance at work. On the most general level, task and contextual performance are treated as the most recognized assumptions (Borman & Motowidlo, 1999) and one additional assumption is somehow assorted based on the context of the study.

### Job Satisfaction and Job Performance

Job satisfaction has been the most broadly studied issue in organization science (Judge, Bono, Thoresen, & Patton, 2001). It performs a significant role in this modern management as it has a relevance to organizational performance (Schneider, Hanges, Smith, & Salvaggio, 2003). The search for a link between job satisfaction and job performance was conducted first in 1930 and it is still continuously constructed until this day. Some studies generally assumed that a higher level of one's job satisfaction is associated with an increase in productivity, lower absenteeism, and lower employee turnover (Hackman & Oldham, 1975). It is assumed that a satisfaction of a person about his job will lead that person to go for faster and excellent performance (Ahmad, Ing, & Bujang, 2014). For an example, a study was conducted by Wong (1989) affirms that teachers in Hong Kong tend to have a low level of satisfaction and lead to a low level of commitment and productivity, Haccoun and Jeanre (1995) also discussed that job satisfaction is the factor that is not only affecting employees' health but also organizational outcomes, and Fisher (2003) demonstrated that happy worker is clearly more satisfied worker and lead to be more productive in the organization.

The decision of the researcher to build a hypothesis by generating job satisfaction as independent variable and job performance as dependent variable are build upon earlier research results summarized above. In more recent and comprehensive study of 301 researchers, Judge, Thoresen, Bono, and Patton (2001) concluded that the correlation between job satisfaction and job performance was found to be stronger than before, the average result is presenting a correlation of 0.30 and even higher. For an addition, based on the last 20 years literature and research, job performance has become the dependent variable or outcome measure for 72,5% of overall studies in this topic (Sonnentag & Frese, Psychological Management of Individual Performance, 2002). Therefore, the researcher decided to build a comprehensive study regarding the topic of job satisfaction association to job performance and how significant is the impact between them.

## **Demographic Factors and Job Satisfaction**

The understanding of the relationship between age, gender, and education level to overall job satisfaction of a person has been discovered for years. The impact of demographic factors of employees to their job satisfaction indicated that there is a significant association between age, gender, educational qualification, and job satisfaction (Sundar & Ashok, 2012). Gender differences in employees' job satisfaction have been attracting the attention of many academician and researchers; they believed that women could be happier due to their lower expectation about their job (Spector P. E., 2012). Carrilo-Garcia (2013), Bender, Donohuey, Heywoods (2005) and Clark (1997) found in their research how job satisfaction of employees could differ among gender. They conclude one same result that women present a higher level of work satisfaction than men. Furthermore, it is also believed that younger people are hardly satisfied due to their disappointment that they receive from their first job responsibility and expectation (Schultz & Schultz, 2006). Findings of a research by Hancer and George (2003) and Kumar and Giri (2009) showed there is a significant difference between job satisfaction across age of working people, it is proven that aged people tend to have higher job satisfaction due to their lower expectation and more experiences. The last, education level factor. This factor has been studied for years and it is comprehensively concluded that qualified and educated individuals perceive lower job satisfaction due to their high expectation, needs, and knowledge (Albert, 2005).

#### Variables Analyzed

These below are variables that analyzed in this research. The variables used in this research were adopted from previous study and some research modifications

# a. Job Satisfaction

Job satisfaction is widely defined as how people feel about their jobs (Spector P. E., 1997). It is generally assessed as an attitudinal variable to describe how they like or dislike their job. The facets of job satisfaction are used to find out the relation between job satisfactions to another variable. Referred to Paul E. Spector, Scott Macdonald, and Peter MacIntyre, the researcher indicates twelve facets described as the dimensions that will have an impact on one's job performance; pay, promotion, supervision, fringe benefit, contingent reward, operating condition, co-workers, nature of work, communication, working hours, company reputation, and skill utilization.

## b. Task Performance Scale

Task performance covers one's contribution to overall organization performance. It refers to a set of actions performed by employees, which address the requirements as specified in their job description (Williams & Karau, 1991). Task performance is measured by the fulfillment of the requirements listed on the contract between employer and employee (Sonnentag & Frese, Psychological Management of Individual Performance, 2002). Therefore, almost all frameworks in researches mentioned task performance as an essential dimension of employee's job performance (Koopmans, Bernaards, Hildebrandt, Schaufeli, De Vet, & Van Der Beek, 2011). Task performance itself can be defined as the proficiency or competency with which an individual performs central job tasks. Other labels used in studies regarding this type of performance are job-specific, job proficiency, technical proficiency, or in-role performance (Koopmans, Bernaards, Hildebrandt, Schaufeli, De Vet, & Van Der Beek, 2011). The development of task performance has grown to numbers of categories; working accurately, showing concern for time, detail and planning, revising work, and getting things done (Koopmans, 2014).

# c. Contextual Performance Scale

The required performances written formally on the contract are often not sufficient enough to support the organization performance. A worker needs to go beyond that by examining contextual performance (Sonnentag & Frese, Psychological Management of Individual Performance, 2002). Contextual performance stands for a behavior that does not directly contribute to the organizational performance but supports the organization, social, and psychological environment of the workplace (Sonnentag, Volmer, & Spychala, 2008). It indirectly helps an organization to improve its performance by facilitating task performance. Therefore, this behavior is generally labeled as a non-job-specific task proficiency, extra-role performance, enthusiasm, initiative, and helping others (Koopmans, Measuring Individual Work Performance, 2014). Some studies specifies the categories

of contextual performance into several points; volunteering for tasks beyond a person's formal job requirement, assistance to others, following rules and procedures, helping others, and alerting coworkers about work-related problems (Borman & Motowidlo, 1999), enthusiasm, taking extra responsibilities, being proactive, decision-making capability, leadership skill, and up for challenging tasks (Koopmans, Measuring Individual Work Performance, 2014).

# d. Counterproductive Work Behavior Scale

A behavior that harms the existing of an organization is interpreted as counterproductive work behavior. It consists of behaviors such as absenteeism, being late, substance abuse, arguing and gossiping, complaining, and too many breaks at work (Koopmans, 2014). To be more specific, Sackett and DeVore (2001) classified counterproductive work behavior into two types; individual deviance and organizational deviance. Individual deviance consists of harassment, gossip, verbal abuse, and fighting. While organizational deviance includes theft, property damage, sabotage, absence, tardiness, long breaks, sloppy work, and substance abuse.

# e. Demographic Factors

Some researchers believed that demographic factors or personal characteristics such as age, gender, race, and personality should be included into account in the perspective of understanding one's job satisfaction (Concialdi, 2014). Therefore, demographic factors are labeled as important aspects to be studied in this research. Gender differences in employees' job satisfaction have been attracting the attention of many academician and researchers; they believed that women could be happier or more satisfied due to their lower expectation about their job (Spector P. E., 2012). Furthermore, the age factor is assumed to be also impactful towards job satisfaction, it is believed that younger people are hardly satisfied due to their disappointment that they receive from their first job responsibility and expectation (Schultz & Schultz, 2006). Another factor labeled education level factor has been also studied for years and it is comprehensively concluded that qualified and educated individuals perceive lower job satisfaction due to their high expectation, needs, and knowledge (Albert, 2005). Therefore, the researcher decided to include age, gender, and education level as a means to get a clearer understanding whether those factors affecting formal employees' satisfaction towards their job.

## Methodology

#### **Conceptual Framework**



Figure 1.1: Conceptual Framework

Referred to previous literature, the researcher conducted and modified the variables that have already become the representative in other variable dimension. Adaptive Performance would not be included in this study because it is already represented in the Contextual Performance. **Figure 1.1** described the conceptual framework that is being used in this research to define the relationship between job satisfaction and job performance and how demographic factors (age, gender, and education level) affect the job satisfaction.

# **Hypothesis**

With 95% of confidence level, the hypothesis of this research goes as follow:

H1: There is a positive relationship between job satisfaction and job performance.

H2: Job satisfaction has a significant impact on job performance.

H3: Job satisfaction has a significant impact on task performance.

H4: Job satisfaction has a significant impact on contextual performance.

H<sub>5</sub>: Job satisfaction has a significant impact on counterproductive work behavior.

H6: There is a significant association between demographic factors (age, gender, education level) and job satisfaction.

# Methodology

This section will explain the methodology that the researcher used in doing the research. It consists of defining the sample and population, data collection method, and data analysis.

# Sample and Population

The targeted population of this research is DKI Jakarta formal workers. Based on Data Resmi Jakarta (jakarta.go.id), the population of DKI Jakarta working people in 2015 is 5.084.530 people with 3.696.430 of formal workers. According to random sampling method with 95% confidence level and 7% error measurement, the researcher should take 196 respondents.

# **Questionnaire Design**

To build a proper questionnaire, the questionnaire was breakdown into 31 questions with an adaptation and improvement on previous studies. The adjustment was made to meet the right context for formal workers in DKI Jakarta in filling the questionnaire. Generally the questionnaire contained three sections: demographic questions, job satisfaction self-assessment, and job performance self-assessment. The Likert scale was mostly used in the questionnaire for the measurement of each variable: (1) indicates "strongly disagree", (2) indicates "disagree", (3) indicates "neutral", (4) indicates "agree", and (5) indicates "strongly agree".

#### **Data Collection**

A structured quantitative questionnaire was generated as an intention to gather more valid data about the level of f DKI Jakarta formal employees' satisfaction and performance at work. All of the questionnaires were distributed online by using online form questionnaire.

#### Data Analysis

To analyze the data, Microsoft Excel and SPSS were used. Microsoft Excel was used to recapitulate the responses collected before it is being analyzed with SPSS 20. SPSS 20 was the primary software used by the researcher to statistically analyze the Validity, Reliability, Descriptive Research, Chi-Square, Pearson's Correlation, and Simple Linear Regression.

# **Data Analysis**

# Validity and Reliability Test

Validity test is required as an extent to which any measuring instrument measure what is intended to measure (G. Carmines & A. Zeller, 1979). The researcher conducted three validity tests, which are content validity test, concurrent validity test, and face validity test. Content validity test was done by gathering a group of people, asking whether the researcher's question items are appropriately matched to the desired understanding, and evaluating the result. Face validity test was done simultaneously with the content validity test to ensure that the question items are suitable for the respondent research context. To measure the concurrent validity test, the researcher used KMO and factor loading from factor analysis.

The aim of reliability test is to measure how far measurement has a constant level, trusted as a tool to gathered the data, and free from error measurement. A test that concern about any measuring procedure gives the same results on repeated trials (G. Carmines & A. Zeller, 1979). The researcher examined the reliability test by doing a Cronbach's Alpha test towards a group of people until the result is showing an alpha exceeded 0.7 as an indication that the researcher's test is having an acceptable reliability level.

Referred to the result of the test, Job Satisfaction and Job Performance dimensions came out with the KMO exceed 0.5, indicates that all variables are qualified for further analysis in this study. Moreover, all of the constructs of each dimension have reached 0.5 for the factor loading and exceeded 50% for extracted variance, means that all of the constructs may be calculated for the regression test. Lastly, the reliability test of each dimension reached the Cronbach's Alpha above 0.8, shows that the test is strongly reliable.

# **Descriptive Analysis**

From all 246 valid responses, most of the respondents are aged between 18-25 with the percentage of 52,8%, got educated until bachelor degree with the percentage of 68,3%, currently working in Jakarta Selatan area with the percentage of 53,2%, employed in private sector company with the percentage of 75,2%, got a position in staff level with the percentage of 66%, and 50:50 between male and female.

# **Responses Analysis**

Job Satisfaction variable was interpreted by 12 questions. Each questions represents one facet of job satisfaction. From all of the answers collected, the highest mean response with a score of 4,24 (84,7%) goes to the question of "Saya akrab dengan rekan-rekan kerja saya", it indicates that coworkers satisfaction is valued as the most satisfying facet. Furthermore, the lowest score with 3,18 (63,6%) goes to the question of "Saya puas dengan benefit yang saya dapatkan", it indicates that fringe benefit satisfaction is valued as the most not satisfying facet.

Job Performance variable consisted of 18 questions. The questions are grouped into three dimensions that represent each dimension of Job Performance, which are Task Performance, Contextual Performance, and Counterproductive Work Behavior. From all of the answers collected, the highest mean responses with a score of 3,88 (77,5%) goes to the question in Contextual Performance dimension, while the lowest with a score of 3,43 (68,7%) goes to the question in Counterproductive Work Behavior dimension.

## Chi Square Test Result

The Chi-Square analysis was used to determine the relationship between demographic factors (age, gender, and education level) and job satisfaction. Based on the tables below, the result is showing that the p values are exceeding 0,05, which means that the association between demographic factors (age, gender, and education level) and job satisfaction is not existed.

|  |   | K. Job Sa                  | atisfaction |         | Р     |  |
|--|---|----------------------------|-------------|---------|-------|--|
|  |   | Not<br>Satisfied Satisfied |             | Total   | Value |  |
| مريط مع المعادد المعاد | f | 18                         | 112         | 130     |       |  |
| 18 - 25 tahun  | % | 72,00%                     | 50,70%      | 52,80%  |       |  |
| 26 25 tahun  | f | 5                          | 51          | 56      |       |  |
| 26 - 35 tahun  | % | 20,00%                     | 23,10%      | 22,80%  |       |  |
| a6 (5 tabup  | f | 1                          | 30          | 31      |       |  |
| 36 - 45 tahun  | % | 4,00%                      | 13,60%      | 12,60%  |       |  |
| , 6  | f | 1                          | 25          | 26      | 0,274 |  |
| 46 - 55 tahun  | % | 4,00%                      | 11,30%      | 10,60%  |       |  |
| > == +> bun  | f | 0                          | 3           | 3       |       |  |
| > 55 tahun   | % | 0,00%                      | 1,40%       | 1,20%   |       |  |
| Total  | f | 25                         | 221         | 246     |       |  |
| Total  | % | 100,00%                    | 100,00%     | 100,00% |       |  |
|  |   | K. Job Sa                  | atisfaction | Total   | Р     |  |

|                |   | Not<br>Satisfied | Satisfied   |         | Value      |  |
|----------------|---|------------------|-------------|---------|------------|--|
| Men            | f | 10               | 120         | 130     |            |  |
| ivien          | % | 40,00%           | 54,30%      | 52,80%  |            |  |
| Women          | f | 15               | 101         | 116     | 0.475      |  |
| women          | % | 60,00%           | 45,70%      | 47,20%  | 0,175      |  |
| Total          | f | 25               | 221         | 246     |            |  |
| TOLAT          | % | 100,00%          | 100,00%     | 100,00% |            |  |
|                |   | K. Job Sa        | atisfaction |         | P<br>Value |  |
|                |   | Not<br>Satisfied | Satisfied   | Total   |            |  |
| SMA atau       | f | 0                | 9           | 9       |            |  |
| sederajat      | % | 0,00%            | 4,10%       | 3,70%   |            |  |
| Diploma        | f | 6                | 31          | 37      |            |  |
| Diploma        | % | 24,00%           | 14,00%      | 15,00%  |            |  |
| S <sub>1</sub> | f | 18               | 150         | 168     |            |  |
| 51             | % | 72,00%           | 67,90%      | 68,30%  | 0.265      |  |
| S <sub>2</sub> | f | 1                | 29          | 30      | 0,365      |  |
|                | % | 4,00%            | 13,10%      | 12,20%  |            |  |
| S <sub>3</sub> | f | 0                | 2           | 2       |            |  |
|                | % | 0,00%            | 0,90%       | 0,80%   |            |  |
| T-1-1          | f | 25               | 221         | 246     |            |  |
| Total          | % | 100,00%          | 100,00%     | 100,00% |            |  |

# **Pearson Correlation Test Result**

To discover the relationship between Job Satisfaction and Job Performance, the researcher used Pearson Correlation method as the responses collected are in interval number.

| Relationship                                       | R     | R Square (KD) | Description |  |
|--|-------|---------------|-------------|--|
| Job Satisfaction → Job Performance                 | 0,616 | 0,379         | Strong      |  |
| Job Satisfaction → Task Performance                | 0,627 | 0,393         | Strong      |  |
| Job Satisfaction → Contextual Performance          | 0,582 | 0,339         | Moderate    |  |
| Job Satisfaction → Counterproductive Work Behavior | 0,128 | 0,016         | Weak        |  |

Referred to the table above, the researcher earned the r value between Job Satisfaction and Job Performance of 0,616 which indicates that the relationship is categorized as a strong relationship. With the r square (KD) value of 0,393, it means that Job Satisfaction gives the impact as much as 37,9% towards Job Performance while the other 62,1% are determined by other variables besides Job Satisfaction. Furthermore, the r values of Job Satisfaction to Job Performance dimensions (Task Performance, Contextual Performance, and Counterproductive Work Behavior) are found to be; 0,616 (Job Satisfaction to Task Performance) which indicates a strong relationship, 0,627 (Job Satisfaction to Contextual Performance) which indicates a moderate relationship, and 0,128 (Job Satisfaction to Counterproductive Work Behavior) which indicates a weak relationship. Moreover, the r square results (KD) for Job Performance dimensions are; Job Satisfaction gives the impact as

much as 39,3% to Task Performance, 33,9% to Contextual Performance, and 1,6% to Counterproductive Work Behavior.

The correlation between job satisfaction and job performance among formal workers in DKI Jakarta is supported by previous study conducted by more than 300 researchers (Judge, Thoresen, Bono, Patton, 2001). This finding proves that job satisfaction takes high proportion (37,9%) in determining the performance of formal workers in DKI Jakarta. This phenomenon might happen as satisfied workers will feel more motivated to do positive attitudes. Therefore, it will also related to their attitudes in performing well at their workplace.

# **Simple Linear Regression Test Result**

To have a deeper understanding of the relationship and the significant impact of Job Satisfaction to Job Performance dimensions, the researcher tested the data by using simple linear regression method.

| Model  |                         | Unstanda<br>Coeffici |               | Standardize<br>d<br>Coefficients | t      | Sig.  |
|--|-------------------------|----------------------|---------------|----------------------------------|--------|-------|
|  |                         | В                    | Std.<br>Error | Beta                             |        |       |
| Task<br>Performance (Y1)                                 | (Constant)              | 10,200               | 1,034         |                                  | 9,868  | 0,000 |
|  | Job<br>Satisfactio<br>n | 0,301                | 0,024         | 0,627                            | 12,576 | 0,000 |
| Contextual<br>Performance (Y2)                           | (Constant)              | 15,388               | 1,418         |                                  | 10,851 | 0,000 |
|  | Job<br>Satisfactio<br>n | 0,367                | 0,033         | 0,582                            | 11,189 | 0,000 |
| Counterproductiv<br>e Work Behavior<br>(Y <sub>3</sub> ) | (Constant)              | 10,728               | 1,519         |                                  | 7,061  | 0,000 |
|  | Job<br>Satisfactio<br>n | 0,071                | 0,035         | 0,128                            | 2,008  | 0,046 |
| Job Performance<br>(Y)                                   | (Constant)              | 36,316               | 2,615         |                                  | 13,887 | 0,000 |
|  | Job<br>Satisfactio<br>n | 0,738                | 0,060         | 0,616                            | 12,205 | 0,000 |

Referred to the table above, the regression model for each relationship goes as follow:

# Y1 = 10,200 + 0,301 X

The value of constant "a" owns a meaning that whenever Job Satisfaction (X) is valued zero or Task Performance (Y1) is not affected by Job Satisfaction, the mean value of Task Performance (Y1) will be 10,200. While regression coefficient "b" owns a meaning that whenever Job Satisfaction (X) increases as much as 1 unit, then Task Performance (Y1) will also increase as much as 0,301 unit. That regression coefficient is valued positively which implies that Job Satisfaction gives a positive impact towards Task Performance (Y1); the higher one's Job Satisfaction, the higher Task Performance of that person.

$$Y_2 = 15,388 + 0,367 X$$

The value of constant "a" owns a meaning that whenever Job Satisfaction (X) is valued zero or Contextual Performance (Y2) is not affected by Job Satisfaction, the mean value of Contextual Performance (Y2) will be 15,388. While regression coefficient "b" owns a meaning that whenever Job

Satisfaction (X) increases as much as 1 unit, then Contextual Performance (Y2) will also increase as much as 0,367 unit. That regression coefficient is valued positively which implies that Job Satisfaction gives a positive impact towards Contextual Performance (Y2); the higher one's Job Satisfaction, the higher Contextual Performance of that person.

$$Y_3 = 10,728 - 0,071 X$$

The value of constant "a" owns a meaning that whenever Job Satisfaction (X) is valued zero or Counterproductive Work Behavior (Y<sub>3</sub>) is not affected by Job Satisfaction, the mean value of Counterproductive Work Behavior (Y<sub>3</sub>) will be 10,728. While regression coefficient "b" owns a meaning that whenever Job Satisfaction (X) increases as much as 1 unit, then Counterproductive Work Behavior (Y<sub>3</sub>) will decrease as much as 0,071 unit. That regression coefficient is valued negatively which implies that Job Satisfaction gives a negative impact towards Counterproductive Work Behavior (Y<sub>3</sub>); the higher one's Job Satisfaction, the lower Counterproductive Work Behavior of that person.

$$Y = 36,316 + 0,738 X$$

The value of constant "a" owns a meaning that whenever Job Satisfaction (X) is valued zero or Job Performance (Y) is not affected by Job Satisfaction, the mean value of Job Performance (Y) will be 36,316. While regression coefficient "b" owns a meaning that whenever Job Satisfaction (X) increases as much as 1 unit, than Job Performance (Y) will also increase as much as 0,738 unit. That regression coefficient is valued positive which implies that Job Satisfaction gives a positive impact towards Job Performance (Y) the higher one's Job Satisfaction, the higher Job Performance of that person.

#### **Conclusion and Recommendation**

This study exposes the demography of formal workers in the most populous and plentiful amount of employment city in Indonesia – DKI Jakarta, the relationship between demography factors and job satisfaction, and also the significant impact of job satisfaction on job performance dimensions. The majority of the respondents were male, aged between 18-25 years old, got educated until bachelor degree, working in Jakarta Selatan, responsible in staff level, and working in private company. The tendency of more responses collected to that kind of profile was supported by the higher amount of young people than older in DKI Jakarta, more employment in Jakarta Selatan, and higher position opportunities in the staff position.

This research offers several potential contributions to the development of human resource management in DKI Jakarta which has not been assessed before and improve an on-going controvertial issue about the exact relationship between job satisfaction and job performance dimensions. After conducting a data analysis from 246 responses, the researcher found that the relationship between demographic factors (age, gender, and education level) does not exist. It means that age, gender, and education level has no significant association to job satisfaction. This result is supported by the evolution of gender equality, how male and female are receiving the same treatments, having the same expectation, and providing equal performance about their work. While in age variable, this might happen, as younger workers tend to have lowering their expectation due to their fewer experiences, while older workers have discovered the work life situation. Therefore, both younger and older workers will have the same answer regarding their satisfaction but in different context and measurement. For education variable, the phenomenon is quite the same with age variable. Each worker will perceive the same result about his or her satisfaction but in different context (type of company, needs for living, and level of expectation).

For the main purpose of this study, the data analysis result shows that job satisfaction and job performance relationship is strong and positive. This statement supports the research findings of Rusli Ahmad, Hii Ee Ing, Sopian Bujang (2014); Gary Jon Springer (2011); Arham Abdullah, Abdulquadri Ade, Wallace Imoudu, Akintunde Musibau, Kherun Nita (2011). The result found that the relationship between Job Satisfaction to Task Performance is moderately positive, while to

Contextual Performance is strongly positive, and to Counterproductive Work Behavior is weakly positive. It means that one's Contextual Performance has the strongest relationship with Job Satisfaction rather than Task Performance and Counterproductive Work Behavior. These findings are expected to be beneficial as new information regarding the topic of the relationship between Job Satisfaction and Job Performance. This information supports the fact that satisfied workers will have a positive attitude and higher passion about their work. Job satisfaction is their first priority before they decide how they will perform at work.

In terms of the significance influence between variables, the researcher found that Job Satisfaction has a strong and positive influence on Job Performance. It shows that whenever one's Job Satisfaction increases as much as 1 unit, than the Job Performance of that person will also increase as much as 0,738 unit. While the significance influence of Job Satisfaction to each dimension of Job Performance shows that; whenever Job Satisfaction increases as much as 1 unit, then Task Performance and Contextual Performance will also increase as much as 0,301 unit (for Task Performance) and 0,367 unit (for Contextual Performance). While Counterproductive Work Behavior is having a negative relationship which means that whenever Job Satisfaction increases as much as 1 unit, then Counterproductive Work Behavior will decrease as much as 0,071 unit.

The result indicates that formal workers of DKI Jakarta's job satisfaction (pay, promotion, supervisor, co-workers, fringe benefits, rewards, operating condition, communication, skill utilization, company reputation, nature of work, and working hours) are affecting each dimensions of Job Performance in different proportion. From the results above, it could be concluded that the majority of DKI Jakarta's formal workers tend to avoid unproductive behaviors that harm the existence of the company although they are not satisfied about their work. However, their satisfaction tends to change the task performance (tasks that are written on contract) and contextual performance (initiative, leadership, creativity, and other positive acts beyond task performance).

Among three dimensions of Job Performance, Contextual Performance receives highest impact from Job Satisfaction. A worker needs to go beyond that by examining contextual performance (Sonnentag & Frese, Psychological Management of Individual Performance, 2002). Contextual performance stands for a behavior that does not directly contribute to the organizational performance but supports the organization, social, and psychological environment of the workplace (Sonnentag, Volmer, & Spychala, 2008) such as taking initiative, responsibility, being creative, high commitment, and taking on challenging work. These findings are expected to be beneficial as new information regarding how one's contextual performance is highly powered by his satisfaction at work.

Referred to the pre-determined hypothesis of the study, the researcher tested the hypothesis and found that H1-H5 are accepted and H6-H8 are rejected. The summaries of the result are:

- Satisfied workers will have more positive attitudes, performance, and motivated to do beyond what they can do about their work.
- Job Satisfaction explains Job Performance as much as 37,9%.
- Whenever Job Satisfaction increases, Task Performance, Contextual Performance, and overall Job Performance of DKI Jakarta's formal workers will also increase.
- Whenever Job Satisfaction increases, Counterproductive Work Behavior of formal workers' DKI Jakarta will decrease.
- Formal workers at any age perceive the same result about their job satisfaction
- Formal workers at any gender perceive the same result about their job satisfaction level.
- Formal workers with any background of education tend to have the same result about their job satisfaction level but in different context (the company type, level of expectation, different needs for living)

#### Recommendation

The amount of formal workers in DKI Jakarta has been growing significantly for years and the contribution number of formal workers to overall worker in DKI Jakarta takes the highest position among other type of workers. That fact encouraged the researcher to conduct a study regarding the relationship between job satisfaction and job performance of formal workers in DKI Jakarta as employees' performance has become one of the most significant aspect in determining the overall performance and competitive advantage of a company. The fact that Job Satisfaction has a positive relationship and significant impact to Job Performance dimensions (Task Performance, Contextual Performance, and Counterproductive Work Behavior) of a worker, HRM of a company should consider to maintain the satisfaction of their employees by providing:

- Satisfying pay and promotion opportunity
- Good engagement with supervisors and co-workers
- Competent supervisor and co-workers
- Respectful treatment for employees at all levels
- Fringe benefits
- Create a space to improve employees creativities and use all of their skills
- A positive working environment
- A clear communication among employees at all level
- Necessary working hours
- Organization's good reputation; transparent, professional, and family oriented
- Recognitions and rewards for a good work and achievement
- Training, mentoring, and coaching.
- Accept mistakes (As an encouragement to do improvement and booster to not repeat it again)

Build upon <a href="www.forbes.com">www.forbes.com</a>, every year, Glassdoor takes a look at the best places to work based on employees experience and satisfactions for the last twelve months. In 2015, there are some companies that could be looked up to as an example to build a good environment at work that leads to satisfied employees; Google, Bain & Company, Nestle Purina, F5 Networks, Boston Consulting Group, Chevron, and HEB. On the other hand, there are also 10 best companies that have done the most to make their employees happier; Qualcomm, Philips Healthcare, Insight Global, Oracle, Comcast, State Farm Insurance, Time Warner Cable, Ericsson, Microsoft, and Xerox. Based on all of those companies above, the author believed HRM managers or expertise in DKI Jakarta could learn from them as references to improve the satisfaction of formal employees in DKI Jakarta.

As for further research recommendation, there are several things that can be analyzed deeper in the future:

- The scope area of the study is DKI Jakarta only. There might be different results if the respondents are built from more type of cities even overall Indonesia.
- The majority of the respondents for this study are in the category of formal employees.
   Future research can be more balance with all type of employees to shows any different result.
- The relationship analysis of this research examined only the overall Job Satisfaction to Job Performance dimension. Further research could be assessed to differentiate every facet of Job Satisfaction to understand more about which part of Job Satisfaction is more impactful to Job Performance dimensions.
- The result shows that 37,9% of Job Performance is determined by Job Satisfaction. There could be a study conducted to reveal the other variables that contributes in defining the 62,1% of one's Job Performance.
- The result shows that Contextual Performance received the highest impact from Job Satisfaction rather than Task Performance and Counterproductive Work Behavior. A further

research can add a deeper understanding about the contribution percentage of each dimension to overall Job Performance.

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