THE EFFECT OF EMPOWERMENT ON EMPLOYEE PERFORMANCE WITH ORGANIZATIONAL COMMITMENT AS MEDIATING VARIABLE AND ORGANIZATIONAL CULTURE AS MODERATION VARIABLE

Lilik Lestari
email: pusponjolol@yahoo.com
Askar Yunianto
email: askaryunianto@yahoo.com
Post Graduate, Stikubank University

ABSTRACT

This study examines the effect of employee empowerment on employee performance with organizational commitment as a mediating variable. This study was based on previous research conducted by Fadzilah (2006), Praptadi (2009), Rahman (2009), Tielung (2013), Kambey and Suharnomo (2013), Rahayu and Sudibia (2014), Srinadi and Netra (2014) which states empowerment positive and significant effect on the behavior of employees. This study focused on Lung Hospital dr. Ario Wirawan Salatiga. The method of sampling a total of 210 employees used a simple random sampling. The statistical method used to test the hypothesis of linear regression of moderation and mediation. The results showed that employee empowerment significant indirect effect on employee performance through organizational commitment to be moderated by organizational culture.

Key words: Employee Empowerment, Organizational Commitment, Organizational Culture, Employee Performance

INTRODUCTION

In the era of globalization, the demand for high performance no longer just on profit-oriented company, but has become a necessity also for non-profit organizations that have a public service role. Likewise with Lung Hospital dr. Ario Wirawan Salatiga which has been set by the government to be the only hospital in the province of Central Java lungs. Performance hospital organization in line with the required high public awareness of the rights and demands for services hospitals improve the quality and types of services are developed.

However, the results of performance measurement contained in The Report of Governmental Institution Accountability (LAKIP) Lung Hospital dr. Ario Wirawan Salatiga in 2010 to 2012 showed an average achievement of the program's activities can not be met 100%, because there are some activities that are not implemented exactly as described in Table 1.
Table 1. Program Activity Targets Lung Hospital dr. Ario Wirawan Salatiga

<table>
<thead>
<tr>
<th>Activity</th>
<th>Achievement 2010</th>
<th>Achievement 2011</th>
<th>Achievement 2012</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Patient</td>
<td>146%</td>
<td>92.00%</td>
<td>100.76%</td>
<td>113%</td>
</tr>
<tr>
<td>Out Patient</td>
<td>132.4%</td>
<td>70.37%</td>
<td>90.88%</td>
<td>98%</td>
</tr>
<tr>
<td>In Patient</td>
<td>115%</td>
<td>99.48%</td>
<td>83.89%</td>
<td>99%</td>
</tr>
<tr>
<td>Service of Medical Action</td>
<td>100%</td>
<td>100.0%</td>
<td>76.22%</td>
<td>92%</td>
</tr>
</tbody>
</table>

Source: Lung Hospital dr. Ario Wirawan Salatiga

Wirawan (2009) describes the organization’s performance is influenced by the performance of employees, which is the result of the synergy of a number of environmental factors internal to the organization, external factors and internal factors of employees. One of them is the empowerment of employees, i.e. the participation of employees in every step of the journey of the organization. Ratnawati (2004) said empowering employees were able to increase the intrinsic motivation of a comprehensive work.

Fadzilah (2006) explains the concept of empowerment means that someone will be able to behave independently and responsibly. The concept of empowerment is manifested in four cognitions that reflect individual orientation on the role of works is the sense (meaning), competence, self-determination, and the impact. Employee empowerment will provide more opportunities for employees to develop creativity, flexibility and autonomy over their own work. It is believed will bring beneficial effects in recognition of employees.

The importance of empowerment of employees is due to the demands of society will be the quality of human resources to operate the technology to support services. Employees are required able to optimally utilize its competency-based to generate value for customers.

However, several studies have shown different results for the contribution to the empowerment of employee behavior. Fadzilah (2006), Praptadi (2009), Rahman (2009), Tielung (2013), Kambey and Suharnomo (2013), Rahayu and Sudibya (2014), Srinadi and Netra (2014) shows a positive and significant effect of empowerment on behavior employee. Instead the results Lodjo (2013) concluded that the empowerment variables are variables that weak who have no significant effect on employee behavior. Therefore, further research is needed to examine the contribution of employee empowerment on performance.

This study develops a model employee empowerment contributes to employee performance by incorporating organizational commitment as a mediating variable. However, some research results on the effect of organizational commitment to employee performance showed inconsistent results and frequent contradictions between the other researchers. Research results of Haryanti and Hand (2011), Purnama (2013), demonstrate organizational commitment serves as an intervening variable internal environment influences the organization on employee performance. But the research results Irawati (2012) showed different results, which affects organizational commitment organizational commitment not significant effect on employee job performance.

Development of the second model in this study is the inclusion of organizational culture as a moderation in the influence of organizational commitment to employee empowerment on the impact on employee performance. Organizational culture that serves as an adhesive, a unifying, identity, image, motivator for all employees and the people in it, is believed to strengthen the relationship of employee empowerment by management with the quality and quantity of employees. Anderson research results et.al (2008), Arifin (2010), Awadh and Alyahya (2013) shows the organizational culture has a significant influence on employee performance. Instead Indriyani research results and Waluyo (2010) describes the organizational culture does not significantly influence employee performance.

Based on the above background problems as well as the research gaps that require further research to resolve these differences, the researchers looked at the need to conduct research under the title "Effect of Empowerment on Employee Performance with Organizational Commitment As Mediation and Organizational Culture In Moderation (Study on Lung Hospital dr. Ario Wirawan Salatiga) ". The purposes of this research can be formulated as follows:

1. Analyze the effect of employee empowerment on organizational commitment in Lung Hospital dr. Ario Wirawan Salatiga.
2. Analyzing the effect of employee empowerment on performance in Lung Hospital dr. Ario Wirawan Salatiga.
3. Analyze the effect of organizational commitment to employee performance in Lung Hospital dr. Ario Wirawan Salatiga.

The purposes of this research can be formulated as follows:

1. Analyze the effect of employee empowerment on organizational commitment in Lung Hospital dr. Ario Wirawan Salatiga.
2. Analyzing the effect of employee empowerment on performance in Lung Hospital dr. Ario Wirawan Salatiga.
3. Analyze the effect of organizational commitment to employee performance in Lung Hospital dr. Ario Wirawan Salatiga.
4. Analyze the effect of organizational culture on employee performance in Lung Hospital dr. Ario Wirawan Salatiga.
5. Analyze the effect of organizational commitment to employee performance in Lung Hospital dr. Ario Wirawan Salatiga moderated organizational culture?

THEORIES

Employee Empowerment

Thomas and Velthouse (1990) defines empowerment is the need for freedom to the individual to act and at the same time responsible for his actions according to the task in hand. The concept of empowerment it means that someone will be able to behave independently and responsibly. Empowerment by Mulyadi (2007) is enabled (to enable), provide an opportunity (to allow) or allow (to permit), which can be interpreted either through their own initiative or triggered by others. Empowerment means enabling employees and provides an opportunity for employees to plan, implement the plan, and control implementation work plans which are the responsibility of the group. Seen from the perspective of the manager, employee empowerment is a process of providing opportunities for employees to enable themselves in planning, implementing and controlling the work plan is the responsibility of the employee. Viewed from the standpoint of employees, employee empowerment is a process to improve the reliability of himself in order to be trusted by the manager in planning and controlling the implementation of the work plan which it is responsible.

Satyarini (1999) defines empowerment is the participation of employees in every step of the production process. Empowerment is a very practical way and productive to get the best from employees themselves. Demanded more than just delegating that power appropriately placed so that it can be used effectively. This means not only need delegation tasks, but also the delegation of decision-making and responsibility in full.

Organizational Commitment

Definition of organizational commitment according to Robbins (1996) is a high employment engagement means in favor of a particular person's individual work, while the high organizational commitment means an impartial organization that recruits individuals. Ivancevich et.al (2007) explains that organizational commitment relates to the ability of employees and organizations to adapt to events that can not be known in advance. Mowday et.al (1992) defines organizational commitment as a sense of identification (confidence in the values of the organization), engagement (the willingness to do my best for the sake of the organization) and loyalty (desire to remain a member of the organization in question) are expressed by employees against organization. Gibson (1988) gives the sense of commitment of the employees is a form of identification, loyalty and engagement expressed by employees of the organization or unit. Luthan (2007) organizational commitment is the extent to which employees believe and accept organizational goals, as well as the desire to stay with or leave the organization ultimately reflected in absenteeism and employee turnover figures.

Meyer, Allen and Smith (1993), describes the organizational commitment of three-dimensional hereinafter described in several indicators, namely:

a. Affective commitment, to the degree of an individual Which psychologically tied to the organization that hired through such feelings of loyalty, affection, since agreed to organizational goals.

b. Continuance commitment, a commitment based on the losses when they leave the organization, which is often interpreted as calculative commitment.

c. Normative commitment, conviction of the employee that he feels compelled to live or survive in the organization as a personal loyalty, so that employees with high normative commitment that will persist in the organization because they feel should be doing it, through compliance with the rules set by the organization and does not make the effort to leaving the organization.

Organizational Culture

According to Robbins (1996), organizational culture is a common perception held by members of the organization. This is important given the common perception that the organization's members have diverse backgrounds and different levels. Schein (1992) describes the organizational culture is a basic pattern received by the organization to act and solve problems, form the employees who are able to adapt to the environment and to unite the members of the organization. Wirawan (2008) defines organizational culture is a pattern of beliefs and expectations held by members of the organization. Beliefs and expectations produce strong values that shape the behavior of individuals and groups of members of the organization.
Organizational culture according to Hofstede (1986) was formed by some of the indicators in five dimensions: capability (professionalism), the distance of the management, trust in co-workers, regularity, trust employees, and integration.

**Employee Performance**

Mangkunagara (2010) defines performance is the result of the quality and quantity of work achieved by someone employee in performing their duties in accordance with the responsibilities given to him. Handoko (2007) said the performance of the job performance is the process through which organizations evaluate or assess the performance of human resources, human resources performance. Simamora (2006) performance is the level of the work of human resources in achieving the requirements of a given job. Wirawan (2009) defines performance is the output generated by functions or indicators of a job or a profession within a certain time. Robbins (2006) argues that the performance is a result achieved by the worker in his job according to certain criteria to apply for a job.

Mas'ud, (2004) describes the indicators are often used to assess the performance of employees, among others, high quality work, efficiency of time to complete the work, have the ability to better knowledge and skills, the ability to complete the number of jobs well, providing innovations in work.

**Relationship Between Empowerment and Organizational Commitment**

Research Pratiwi (2012) shows that there is a direct effect of empowerment with organizational commitment. Employees who have an internal locus of control, usually have expectations greater impact on certain tasks. Employees are empowered to have a sense of impact, is to believe that they have an influence on employee and organizational units aspirational against his ideas. Thus it can be said that through empowerment will have personal control on how to do the work (locus of control) and have confidence in his ability (self-efficacy) and ultimately empowered employees who will be responsible for the results of its work and is responsible for the organization as part of organizational commitment.

**Relationship Between Organizational Culture and Organizational Commitment**

Research results Pratiwi (2012) proved that there is a direct effect between organizational culture and organizational commitment. This suggests that organizational culture can increase organizational commitment. Organizational culture variables showed a positive influence on organizational commitment. It can be concluded that a conducive organizational culture where each member feels comfortable against the unpleasant situation that the organization can be used as an indicator of the level of commitment to the organization.

**Relationship Between Organizational Culture and Employee Performance**

The study results Sudiharto and Widajanti (2012) proved that there is a direct positive influence between the organizational culture of performance. Organizational culture can also be a moderating influence on employee performance indicates that the culture of the organization that implements the rules of good behavior keryawan eye and form the values of trust that is understood by the employee to provide maximum work to strengthen by the level of performance of employees in organization. Robbins (2006), suggests that one of the functions of organizational culture is a shared objective and it includes improving employee performance. High and low impact of organizational culture on two behaviors, namely job satisfaction and employee performance.

**Relationship Between Employee Performance and Performance**

Empowerment of conformity with the wishes of employees and job assignments, can directly increase the performance of the employee. Empowerment is a very good program because of changes in the organization, and the participation of members. But management must also understand that achieving this level of empowerment is a long-term initiative and requires continuous management commitment. There was also a good empowerment felt by employees that management provide more opportunities for employees to develop their creativity, flexibility and autonomy over their own work.

**Relationship Between Organizational and Performance**

Research results Sudiharto and Widajanti (2012) proves there is a positive influence organizational commitment to employee performance. Employees who have a strong desire and continues to stay in the organization as to the benefits he got. Employees with a high commitment to the vision, mission, and goals of the organization have a positive attitude and a strong desire to come to work and contribute to the objectives of the organization.
Conceptual Framework Chart

The conceptual framework chart is shown in Figure 1.

Figure 1. Conceptual Framework

H1: Employee empowerment has significant effect toward organizational commitment.
H2: Employee empowerment has significant effect toward employee performance.
H3: Organizational commitment has significant effect toward employee performance.
H4: Organizational culture has significant effect toward employee performance.
H5: Organizational commitment has significant effect toward employee performance with organizational culture as a moderating variable.

Hypotheses

Operational Definitions and Measurement of Research Variables

Employee empowerment is autonomy, authority, trust, and encourages employees in the organization to develop regulations in order to complete the work. Indicators of this study include: the work in accordance with the wishes, the work being done is very important, very significant work undertaken, the desire to be able to provide the best, the desire to achieve the target accuracy of job options, accuracy in placement with a co-worker confidence in the ability, capability determine how to do the job, and the ability to manage the consumer.

Organizational commitment is defined as a condition that is felt by employees that can lead to a strong positive behavior towards work organization owned. Indicators of study include: spend the rest of his career, emotional connection, high loyalty, spend the rest of his career, emotional relationships, loyalty high, difficult to leave the organization, the work plan is very important, and cooperation with other employees, spent the rest of his career, emotional connection, high loyalty, spend the rest of his career, emotional relationships, loyalty high, difficult to leave the organization, the work plan is very important, and cooperation with other employees.

Organizational cultures are the norms and guidelines of behavior that determine the attitude of the behavior of members of the organization. Indicators of study include: devote all the capabilities, know the purpose and importance of the work, attention to personal problems, organize own work, being open to other people, be friendly in the association, making decisions based on facts, speaks job seriously, not mutual suspicion and secrecy, good social relationships, feeling safe with the job, proud and valued in the organization.

Employee performance is measured based on the standards or criteria established organization. Indicators in this study is the quality of work above average, good quality work, better efficiency, standard work better, try harder, good workability, the work on time, support good knowledge, creativity, and understanding guidance work.

Population and Sample

The study population were all employees of the Lung Hospital dr. Ario Wirawan (RSPAW) Salatiga the number of 446 people. The research sample determined by formula Slovin, obtained a number of 210 people. The sampling technique used simple random sampling. The questionnaire used as data collection instruments.

Data Analysis Method

Analysis Moderated Mediation (ModMed) Regression is used to test hypotheses of the study.
The formula of multiple regressions in this research is shown as follows:

\[
X_2 = a_1 + b_1X_1 + e_2 \\
Y = a_2 + b_2X_1 + b_3X_2 + b_4X_3 + b_5X_2\times X_3 + e
\]

**Description:**
- \[Y\] = Employee Performance
- \[a_1, a_2\] = Intercept
- \[b_1, b_2, b_3, b_4, b_5\] = Regression coefficient
- \[X_1\] = Employee Empowerment
- \[X_2\] = Organizational Commitment
- \[X_3\] = Organizational Culture

**RESULT**

**Normality Assumption of Multiple Regression**

One-sample Kolmogorov-Smirnov test was used to test the regression residuals are normally distributed or not, with the result as in Table 2.

**Table 2. Kolmogorov-Smirnov Test for Normality Result**

<table>
<thead>
<tr>
<th>Unstandardized Residual</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>210</td>
</tr>
<tr>
<td>Normal Parameters* Mean</td>
<td>.000000</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>4.25429560</td>
</tr>
<tr>
<td>Most Extreme Differences</td>
<td></td>
</tr>
<tr>
<td>Absolute</td>
<td>.036</td>
</tr>
<tr>
<td>Positive</td>
<td>.018</td>
</tr>
<tr>
<td>Negative</td>
<td>-.036</td>
</tr>
<tr>
<td>Kolmogorov-Smirnov Z</td>
<td>.525</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
<td>0.946</td>
</tr>
</tbody>
</table>

*a. Test distribution is Normal.

Source: primary data, 2014

Normality test results in Table 2 it is known that the probability value (Asymp. Sig.) Kolmogorov-Smirnov at 0.946>0.05 so it is stated that the regression residuals data are normally distributed.

**Testing Hypotheses**

Data were analyzed with regression moderation mediation methods with SPSS version 16, with the results as in Table 3.

**Table 3. Moderation-Mediation Regression Result**

| Variable                  | Coeff    | SE      | t       | P>|t| |
|---------------------------|----------|---------|---------|-----|
| COMMITMENT                |  |
| Constant                  | 22.0736  | 3.4559  | 6.3872  | 0.0000 |
| Employee Empowerment      | 0.4229   | 0.0579  | 7.3068  | 0.0000 |
| DEPENDENT VARIABLE MODEL : EMPLOYEE PERFORMANCE |  |
| Constant                  | 30.1316  | 2.3417  |         | 0.0202 |
| Employee Empowerment      | 0.0611   | 0.0547  | 1.1164  | 0.2656 |
| Organizational Commitment | 1.4436   | 0.3218  | 4.4862  | 0.0000 |
| Organizational Culture    | 1.1257   | 0.2038  | 5.5231  | 0.0000 |
| Inter2                    | -0.0180  | 0.0046  | -3.8669 | 0.0001 |

*Interaction Terms: Inter2: Commitment*Culture

Source: primary data, 2014

As presented in Table 3, it can be seen there are 4 hypothesis is accepted (probability value < 0.05) and 1 hypothesis is rejected (probability value > 0.05). Employee empowerment has significant effect on organizational commitment, but has no significant influence on employee performance. Organizational commitment is the variable that significantly effect to employee performance. Similarly, organizational culture has significant influence on performance of employees. Last result, organizational commitment significantly influence toward employee performance with organizational culture as a moderating variable.

**DISCUSSION**

**Empowerment Influence on Performance with Organizational Commitment As an Intervening Variable**

This study was intended to prove the effect of empowerment on employee performance with organizational commitment as mediation. The pattern of relationships that are formed can be described in Figure 2.
Figure 2. Independent-Intervening-Dependent Variables Relationships
* The effect is significant at the 5% significant level

Sobel Test Calculator for the significance of mediation can be described in Figure 3.

Figure 3. Sobel Test Calculator Result
Source: www.danielsoper.com

From Figure 3 known value of t-statistic 3.822 > t-table 1.96 concluded coefficient of mediation 0.4229 x 1.4436 = 0.6105 is significant, which means there is the effect of mediation. The value of indirect effect 0.6105 > direct effect 0.0611 also demonstrated of organizational commitment as an intervening variable.

Figure 4. Relationships between Variables
* The effect is significant at the 5% significant level

Empowerment Influence on Performance with Organizational Culture As Moderating Variable

Relationships between variables can be described in Figure 4. Research results in Figure 4 demonstrate the role of organizational culture as moderating variables, which strengthen or weaken the effect of employee empowering to employee performance through organizational commitment.
Conclusions

The result of the study and analysis of the hypothesis testing, it can be concluded:

1. Employee empowerment has significant effect on organizational commitment in Lung Hospital dr Ario Wirawan Salatiga.
2. Employee empowerment has no significant effect on employee performance in Lung Hospital dr Ario Wirawan Salatiga.
3. Organizational commitment has significant effect on employee performance in Lung Hospital dr Ario Wirawan Salatiga.
4. Organizational culture has significant effect on employee performance in Lung Hospital dr Ario Wirawan Salatiga.
5. Organizational commitment significantly influence toward employee performance with organizational culture as a moderating variable.

Limitations and Recommendation

Limitations of this study include: (1) the researcher spread questionnaires in limited area coverage, so the research was not sufficiently rich in terms of the data obtained, (2) the respondents were less careful in reading the statement of the research as a source of primary data, (3) respondents who answered with a perfunctory and dishonest. However, it can be reduced by looking at the answer to the meaning behind the statement. Therefore, for further research, it can be expected to collect more data by distributing questionnaires in a wider region with more varied respondents to find a more comprehensive result.

REFERENCES


