Mediating role of Job Satisfaction in the Relation of Work-Life Balance and Organizational Commitment

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ABSTRACT: Work-life balance (WLB) and job satisfaction is believed to have an influence on organizational commitment. This paper examined whether there were direct and indirect relationships between these variables. The respondents were 320 operational employees from BRI in Bandung Office Area. Data were collected using 33 items-questionnaires. The direct and indirect effects were measured using bootstrap confidence interval. While previous studies revealed that there was direct effect of WLB on organizational commitment, the research findings showed otherwise. However, job satisfaction act as the mediating variables in the relation between WLB and organizational commitment. It means the organization should apply WLB policy which could increase job satisfaction, which then can develop or enhance employee’s organizational commitment.

Keywords: Work-Life Balance, Job satisfaction, Organizational Commitment, Banking Industry

I. INTRODUCTION

Facing tough competition, organization should build their competitive advantages. Their human capital could become their ultimate advantage if it is managed properly. Great human resources management practices can create not only productive but also committed people. BRI, which is the profit oriented organization, of course, has various targets. They need to maintain their competitiveness in banking industries. The intense competition regarding acquiring and lending the fund required the creative and productive employees. Based on the 2014 annual report, their productivity level was still in the fourth place. While BRI has the highest number of employees, the biggest assets, and also the highest level of operational profit, yet they could not be on the highest level of employee productivity. The performance of the branches also still at number four behind BCA, Mandiri, and BNI. BRI, of course, need to improve this performance. One of the aspects which need attention is the employees’ commitment.

Robbins and Judge [1] argued that there is a positive relationship between organizational commitment and job productivity. While McShane & vonGlinow [2] believed that highly committed employees will work harder and perform better which, in the end, will increase the customer’s satisfaction. Gibson et al [3] claimed that committed employee contribute more to the organization. These experts’ point of view confirmed the importance of organizational commitment to the organization’s success. No wonder BRI want to build the organizational commitment to the higher level. They need committed employees which are productive to achieve their goals.

Organizational commitment can be built through personal, organizational, and non organizational aspects [4]. Personal perspectives affecting commitment were age, affection, and tenure). The organizational aspect consists of job design, culture, policy, and leadership). While, the non organizational factors include availabilities of alternatives or better offer. This paper used the personal and organizational aspects to analyze the organizational commitment. We proposed that work-life balance (WLB) and job satisfaction can predict the employees’ organizational commitment in banking industry. These variables strongly related with personal and organizational aspect. Organization needs to setup and communicate great human resources policies. Great policies could be translated into the policies, which fairly cover the need of the employees and organization. Such policies, then, are perceived and judged by the employees whether they suit their needs or not.

Previous research studied the relation between WLB and job satisfaction on the organizational commitment. Omar [5], Gulbahar et al [6], and Sakthivel & Jayakrishnan [7] found the positive relation between WLB and organization commitment. Markovits et al [8] and Azeem [9] argued the positive relation between job satisfaction and organizational commitment. They also stated that job satisfaction was the predictor of the commitment. Previous research discussed the relation between WLB and job satisfaction on organizational commitment. Most of the previous studies analyzed the relation separately. Our research studied the mediating role of job satisfaction in bridging the relation of WLB and commitment. By presenting new perspective in studying the phenomenon, we hope this paper can provide new way in studying the relations.
II. THEORITICAL BACKGROUND

Employees with higher commitment level will become more productive and contribute more. Armstrong [10] defined organizational commitment as how strong employees identify themselves with their organization. Wagner & Hollenbeck [11] explained it as the level which showed how far employees can be related to their organization. While definition from Robbins [12] viewed commitment as a condition where employees are willing to identify themselves with the organization and remain inside the organization in a long period of time. Meanwhile, Robbins & Judge [1] clearly define organizational commitment as an act of employee to identify themselves with a particular organization and its goals and wishes to remain a member. In short, a commitment to the organization is the behavior of the employees which showed the level of their attachment and the willingness to stay longer inside the organization. Employees with low level of commitment would oftenly seek opportunity outside or at least they would not give positive recommendation to others. It is important for organization to keep their employees commitment at the highest level. Robbins & Judge [1], Schermerhorn et al.[13], Luthans [4], and McShane & von Glinow [2] presented the same notion that commitment has positive relation with high performance, motivation, willingness to work and do more, low turnover, and OCB. Luthans [4] argued that spirited workplace can ignite the commitment.

Spirited workplace can be develop through the human resources policy and practices in the organization. In this case, we present the WLB and job satisfaction as important factors to develop commitment. McShane & von Glinow [2] defined WLB as the degree to which a person minimizes conflict between work and nonwork demands. In recent years, there has been some increases in the employees’ perspective that they had to start balanced work-life. People work to get money to provide themselves and their loved ones. When their job demand increase and they cannot enjoy the private/family life, then they feel their efforts are useless. Employees increasingly complain that their work and nonwork time has become blurred which will result in personal conflicts and also stress. The infringement on their personal lives inflict the unhappy feeling. Employees needs jobs which has flexible schedules so they can manage their time better and avoid unnecessary work–life conflicts. It is clear that WLB become important aspect.

Meanwhile, job satisfaction, which defined by Robbins & Judge [1], is as a positive feeling about a job, resulting from an evaluation of its characteristics that need attention. Gibson et al.[3] argued many managers believed that satisfied employee was a high-performing employee. Highly satisfied employees also tend to have better physical health, learn new job-related tasks quicker have fewer on-the-job accidents, fewer grievances [4]. On the other hand, dissatisfaction and stress do not only create direct costs for organizations, but also the source of indirect costs (in the form of absenteeism and turnover). Dissatisfaction also contributes to declining organizational commitment [11].

Based on the brief explanation above, we would like to present our model that WLB and job satisfaction has direct & indirect effect towards organizational commitment. The next discussion will certainly strengthen the proposed concept. Previous literatures were used to describe the relation between variables which lead to the hypotheses of the research.

2.1. Work-Life Balance and Organization Commitment

Osterman [4] argued that the WLB program implementation in organization had strong relationship with the higher level of commitment which characterized by high employees involvement. Other researchers who had similar point of view were Omar [5], Gulbahar et al.[6], Sakhivvel & Jayakrishnan [7], Soreenseen & McKim [14], and Fattahi et al [15]. They found the positive relation between WLB and organizational commitment. These researches conducted the research in various countries such as Malaysia, Pakistan, India and The United States. This means Eastern and Western countries had the same result. Meanwhile, the work of Koodamara [16] revealed a different result. The employee in printing industries in India found the negative relation between WLB and commitment. This unique finding was very rare. Especially, if we also looked at the meta analysis research from McNall et al.[17] and Butts et al.[18]. Both also found the positive relation of WLB and commitment. McNall used 46 literatures and Butts 57 papers. The negative findings could be a confirmation that nothing should be taken for granted in social sciences. Our hypothesis regarding the relation of WLB and commitment was as followed:

\[ H_1: \text{Work Life Balance (WLB) will have a significant positive relationship with organizational commitment.} \]

2.2. Job Satisfaction and Organization Commitment

We present and discussed previous papers regarding the relation model between job satisfaction and organizational commitment. Satisfaction has often related with the organizational commitment. The relation varied based on the proximity between employees expectation and the reality regarding of what their need. Those gaps will reflect on the employee behavior at work. For example, if one feel that company provides his/her special needs, then they surely display positive attitude like satisfaction. Then, the employee will build their raport for the organization which can then reflected in the form of increasing commitment.
There were vast array of previous literatures which discussed this relation. Markovits et al [8] expressed that there was a relation between job satisfaction and organizational commitment. The increase in satisfaction would definitely push the level of commitment towards the organization. Azsem [9] who conducted research in Oman found that job satisfaction became one of the aspects which influenced the organizational commitment. This positive relation is also supported by other researchers such as Irshad & Naz [17], Gunlu et al [18], and Seijaaaka & Kaawasa [19]. The later which surveyed the accountant profession revealed that job satisfaction became the most important factor which affect the organizational commitment. The viewpoint from previous literatures and from theoretical background lead us into the hypothesis development. It seems that job satisfaction had positive relation with the organizational commitment. Satisfied employee will show more commitment. Based on the findings, we set the hypothesis, that is:

**H2:** Job satisfaction will have significant positive effect on organizational commitment.

### 2.3. WLBand Job Satisfaction

Gibson et al [3] described that well-designed and consistent WLB program can enhance employee’s morale, satisfaction, health, and performance. One of the previous literature also support this ideas. Saltzstein et al [20] insisted that WLB program had significant effect towards employees’ satisfaction. The size of effect varies and it is usually caused by the various needs of the employee. One program can suit the need of certain employees while others could not. Organizations should carefully identify what kind of policy their employees need in order to support their WLB. WLB programs implemented in previous researches were flexible work schedule, compact work hours, child care facilities, part time job, and opportunity to work from home.

The higher the WLB, the more positive it will affect the job satisfaction. This notion is supported by Haar et al [21]. Meanwhile, Rantanen et al [22] explained that the increase in the WLB will affect the job satisfaction. Other positive relation also came from Azem & Akhtar [23] and Kassim et al [24]. They agreed upon the importance of organization to setup WLB program or policy. It all geared to accommodate their employees’ need to achieve balance. So, they can experience higher level of satisfaction. The importance of the WLB in helping the job satisfaction enhancement was clear. So our hypothesis about the relationships is:

**H2:** WLB will have a significant positive effect on the job satisfaction.

### 2.4. Mediation of Job Satisfaction on the WLBand Organizational Commitment Relations

Based on the comprehensive literatures review describing the relation between variables, we argued that job satisfaction will mediate the relation between WLBand organizational commitment. After all, this is the basic purpose of the study to find out whether there was mediation role of job satisfaction in the relation between WLB and commitment. We proposed the final hypothesis as follows;

**H2:** There is a positive indirect effect between WLBand organizational commitment mediated by job satisfaction

### III. METHOD

#### 3.1 Participants

We have 320 participants from all 30 branches in Bandung Offices Area. They are from the marketing and small business unit department. They had direct and frequent interaction with customers. As presented in Table 1, male dominate the samples (65.6%). In this line of work, where person need to travel a lot and sometime quite far, it seems women did not have interest. Most of the respondents are married (70%) and also have children (79.1%). Marital status and children often played important part when discussing the WLB of employees. This is because the fact that employees with spouse and children often face more challenges compare their single co workers.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Sex</th>
<th>N</th>
<th>%age</th>
<th>Marital</th>
<th>N</th>
<th>%age</th>
<th>Children</th>
<th>N</th>
<th>%age</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>210</td>
<td>65.6%</td>
<td>Married</td>
<td>224</td>
<td>70.0%</td>
<td>No Children</td>
<td>129</td>
<td>20.9%</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>110</td>
<td>34.4%</td>
<td>Single</td>
<td>93</td>
<td>29.1%</td>
<td>Have Children</td>
<td>191</td>
<td>79.1%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>320</td>
<td>100%</td>
<td></td>
<td>320</td>
<td>100%</td>
<td></td>
<td>320</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>Education</th>
<th>Years of Service</th>
<th>Work hour/day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Criteria</td>
<td>N</td>
<td>%age</td>
<td>Criteria</td>
</tr>
<tr>
<td>&lt; 25 years</td>
<td>35</td>
<td>10.9%</td>
<td>High School</td>
</tr>
<tr>
<td>25 - 30 years</td>
<td>135</td>
<td>42.2%</td>
<td>Diploma</td>
</tr>
<tr>
<td>&gt; 30 - 35 years</td>
<td>70</td>
<td>21.9%</td>
<td>Undergraduate</td>
</tr>
<tr>
<td>&gt; 35 - 40 years</td>
<td>28</td>
<td>8.8%</td>
<td>Graduate</td>
</tr>
<tr>
<td>&gt; 40 years</td>
<td>52</td>
<td>16.3%</td>
<td></td>
</tr>
<tr>
<td>320</td>
<td>100%</td>
<td>320</td>
<td>100%</td>
</tr>
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</table>

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Table 2 presents the other demographic aspects (age, education, length of service, and hours of work in a day). Most of the respondents (42.2%) were still young, 90% held undergraduate level of education, and 59.4% of them spent more than 9 hours at work. The length of service were varied with the majority at between 1 – 3 years (25%). If we look at the work hours which exceed 9 hours per day, employees seem spent a lot of time at work.

3.2. Procedures

We granted permission by Bandung Office Area deputy head of resources in a national banking network. As previously mentioned, we chose the marketing and small business unit employees as the respondent. Data were collected by offline surveys. Participants were asked to give their phone number or email if they were willing to fill the survey but they were assured that their anonymity was guaranteed. Questionnaires were distributed to the employees who were on duty on the day of survey.

3.3. Measurement

9 items questionnaire adapted from Hayman [25] used to measure WLB. Participants responded to the items using a five-point Likert scale which ranged from 1 (Strongly Disagree) to 5 (Strongly Agree). Higher scores indicated that participant experience better WLB. The internal consistency reliability over WLB items was \( \alpha = .79 \). A sample question for WLB was ‘I am happy with my current work and life’.

The other variable, job satisfaction, assessed using 15 items from Spector[26]. The same method from WLB used for this variable, using a 5-point scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree), ‘my work had exciting and challenging activities’ was one of the items ask in the questionnaire. Higher scores indicated higher satisfaction. The overall Cronbach’s Alpha was .88.

Organizational commitment scale constructed based on Meyer and Allen’s three dimensions concept [27]. The Cronbach’s Alpha for the organizational commitment was .86. The measurement also used 5-point scale (from 1 to 5) just like WLB and job satisfaction. Sample question for the commitment was ‘I felt guilty if I leave the organization’. Overall, there were 9 items used to measure organizational commitment.

We use PROCESS plug-ins for SPSS software to analyzed the relation between variables and to measure the mediation. The software automatically showed the result for the regression and the mediation. Hayes [28] stated that a relationship between two variables said to be mediated by other variables if the value between lower level and upper level confidence interval do not contain zero.

### IV. DISCUSSION

We begin the discussion with the analysis of simultaneous relation between WLB and job satisfaction on organizational commitment. As shown in Table 3, the p-value 0.000 meant simultaneously both variables can predict the commitment. However, partially only job satisfaction can predict the commitment. The result quite different from previous literature concerning WLB and commitment. Respondents did not find their WLB will impact their commitment. But, they perceived that job satisfaction affecting their commitment. In this case, the employee commitment was not built based on their comfort concerning the WLB. Organization can write off the WLB from their strategy to build commitment. They just need to keep their employees satisfy.

| Table 3. The relation of WLB, Job Satisfaction, & Organizational Commitment | Organizational Commitment |
|---|---|---|
| | Beta | Sig. |
| WLB | -0.058 | 0.331 |
| Job Satisfaction | 0.636 | 0.000 |
| WLB & Job Satisfaction | 0.272 | 0.000 |

Organization commitment was not affected by the level of WLB. Although, in contrast to previous research, this finding gave new perspective in studying the relations. We now know that in this banking organization, people realize that their job demand more of their private time. They willingly take the risk and sacrifice their life to pursue their career or income. The positive image of the company should give them confidence that if they do their best, the company will take care of them. This is the spirit which could affect their commitment towards organization. Besides the positive image in the society, BRI also provided good salary, bonuses, clear career path, and other benefits which quite better or at least similar compare to their competitors. Using the reciprocity concept, we can understand why employees commitment was not affected by the WLB level. They knew they had to work hard and made sacrifices in order to achieve their goals.

We are now looking at the other substructure. The relation between WLB and job satisfaction. Table 4 provides the significant relation with job satisfaction (p-value 0.000). This finding matched with the previous research concerning the relation between these variables. Study in United States...
using federal government employees conducted by Saltzstein et al. [20] reveal that the use of family friendly policy had diverse effect on job satisfaction. The studies from Haar et al. [21], Rantanen et al. [22], Azeeem & Akhtar [23] and Kassim et al. [24] show similar pattern of work-life balance and job satisfaction relation. Haar et al [21] even used 1.416 employees from various countries (Malaysian, New Zealand, Italian, Spanish, and French. The similir research using different samples from India enrich our analysis regarding the relation between WLB and job satisfaction [23]. The diversity of the respondent reinforce our result that there was positive and significant relation between these two variables.

Table 4. The relation of WLB and Job Satisfaction

<table>
<thead>
<tr>
<th></th>
<th>Beta</th>
<th>Sig.</th>
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<tbody>
<tr>
<td>WLB</td>
<td>0.409</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Employees perceived that their WLB could affect their satisfaction. Employees who experienced difficulties in attending their private life duties or work duties, tended to feel not satisfy. They might complain about the limited time they had or maybe they thought their job was too difficult or took much of their time. Different from the explanation about the commitment, when associated with job satisfaction, it turned out that the WLB had positive effect. Employees who felt more balance became more satisfy in their job and vice versa. The increasing demand at work usually required more time and more effort from the employee. The study found the WLB and job satisfaction of the employee was in high level. This mean BRI has already successfully implemented good WLB policy which eventually increasing the job satisfaction level. The five dimension of job satisfaction measured showed high level of satisfaction. It proved that company also successfully manage organization policy regarding job satisfaction dimensions. The salary was great, the leader was accord, the clear career path, challenging jobs, and great co-worker’s relation.

Based on the findings we answer the hypothesis $H_1$, $H_2$, and $H_3$. Hypothesis $H_1$ was rejected. The WLB has no significant and positive relationship with organizational commitment. WLB should not be used to develop commitment. Compare with the previous studies, the answer gave different perspective. Individual studies from Omar [5], Gulbahar et al. [6], Sakhivel & Jayakrishnan [7], Soreseen & McKim [14], and Fattahi et al [15] found the opposite result. Meanwhile, the meta-analysis from McNall et al [17] and Butts et al [18] affirm the individual studies that work-life balance had significant and positive relation with organizational commitment. The fact that in banking industry found no relation should be viewed as new perspective. What happen inside the organization? Is it really true that there is no relation? In this case we can explain the reason why this happen. According to the interview we found that employees relate their commitment with the image of the organization. Working in he organization perceived as an honor. That is why employees did not complain about the work demand. In fact they understand the consequences for working in a bank.

The hypothesis $H_2$ and $H_3$, both were accepted. WLB had significant positive effect on job satisfaction and job satisfaction had significant positive effect on organizational commitment. organization can implement WLB policy which develop job satisfaction such as flexi-time, remote working, more annual leave, progressive maternity leave, and so on. Policy, which promote employees flexibility and the freedom to do their work, is believed to have positive impact on their behavior. This was based on affective event concept. The basic concept of affective events was that action of individual usually influenced by the occurrence of certain event. For example, employee who had problems at home and did not have the solution will act rather negative in the workplace. On the contrary, employee who had wonderful time at their honeymoon, will act positively when they got back to work. Those positive and negative feelings will embody in their satisfaction toward their job. This level of satisfaction then turn into other behaviors which one of them was commitment. The more satisfied employees, the more committed they are to the organization and vice versa. Further example for this was employees who are happy with their salary will spread the words regarding the positive side of the organization. Employees whose had great advancement in their career will certainly tell their relatives and friends about how nice working in the organization.

We have already discussed the relation patterns between each variables. Now we answer the fourth hypothesis $H_4$. There is a positive indirect effect between WLB on organizational commitment mediated by job satisfaction. Table 5 provides simple description regarding the mediation analysis.

Table 5. Indirect Effect of WLB on Organization Commitment Through Job satisfaction

<table>
<thead>
<tr>
<th></th>
<th>Effect</th>
<th>Boot SE</th>
<th>Boot LLCI</th>
<th>Boot ULCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indirect Effect - JS</td>
<td>0.0260</td>
<td>0.0456</td>
<td>0.1787</td>
<td>0.3579</td>
</tr>
</tbody>
</table>
Based on Hayes method (2013) to determine the mediation, we found that job satisfaction mediated the relation between WLB and organizational commitment. It proved our fourth hypothesis that there was indirect effect from WLB on commitment through job satisfaction. The figure between Lower Level Confidence interval (LLCI) and Upper Level Confidence Interval (ULCI) did not contain zero. WLB indeed affected the development of employees’ job satisfaction which the later affecting the building of organizational commitment. This findings affirm the importance of WLB policy in the organization. This kind of policy was still rare in the business-oriented organization. They are afraid if employees were given such policy, their performance will decrease. Referring to the latest development, which clearly show that employee need flexibility, this old-fashioned view should be changed. Look at Google, it provides freedom at work, yet still their employees show great performance. This fact is reinforced by the financial performance. Google still provides money for their stockholders.

V. CONCLUSION

Employees’ behavior is one thing that cannot easily be predict. One thing for sure is that company needs to develop program which could drive the positive behavior such as commitment and satisfaction. From the discussion above, it was clearly understood that WLB can be used as a tool to enhance job satisfaction. In the case of BRI, although WLB could not directly affect the organizational commitment, it is still important to build the employees’ satisfaction. Therefore, the management should still pay attention to provide positive work environment which help employees to achieve great private life. The balance between work and life then create and enhance job satisfaction. Satisfied employee will become more committed because they want to reciprocate the action. Besides, they also wanted to make sure that the great things they had (salary, job, co-worker, company that took care of them, career) will last longer.

Managing employees’ behavior has never been an easy task. But once company found their program matched with employees’ need, the rest is quite easy to maintain. To build sales people commitment in BRI Bandung Office Area, management need to make sure the high level of satisfaction because it is proved to be significant factor. But also, they should try to find other factors which might affect the development of employee commitment. For example, they can choose to strengthen the organization culture, create better work environment, build close relation, and promote good company governance. The latter allegedly important because BRI image is quite important for the employee. They said they work in a great company and that made them proud. Regarding the job satisfaction, BRI is already successfull in managing the five aspects. They provide good and competitive salary, develop their employee through challenging jobs, employees do not have problems with the leadership style, and the relation between co-workers also in a very good condition. The organization just need to make sure to well-managed them in the future. The satisfaction level need to be maintained because it plays a crucial part in building organizational commitment. high level of commitment will surely help the organization to easily achieved their designated goals.

ACKNOWLEDGEMENT

Special thanks RISTEKDIKTI for providing the funding and for Mr Hayes and Mr Preacher for their support regarding the bootstrap method.

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