

THE EFFECT OF INDIVIDUAL CHARACTERISTICS TO ORGANIZATIONAL PERFORMANCE AND EMPLOYEE SATISFACTION

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Abstract: The strategy of a company or organization is an area of study that is always interesting to be observed. Business organizations live in a competitive environment, for which the business organization continues to make efforts that can strengthen its existence by creating competitive advantage in its environment. This effort can be possible if the business organization has competent human resources. However, the problem that is often faced by business organizations is the lack of human resources that have sufficient competence to run the business strategy to be able to create competitive advantage. This is where the roles and responsibilities of human resource management to be able to overcome these problems. The purpose of this paper is to describe the business management strategy in order to create competitive advantage through the competencies seen from individual characteristics (age, experience, education, and gender) within an organization that affect job satisfaction of each employee and impact on organizational performance.

A. INTRODUCTION

Human resources is one of the most important assets for the company. The role of human resources for the company is not only seen from the results of work productivity but also can be seen from the quality of work produced, even further the benefits of a company is also determined by the superiority of human competiveness is not determined by the natural resources.

Business organizations live in a competitive environment, for which the business organization continues to make efforts that can strengthen its existence by creating competitive advantage in its environment. This effort can be possible if the business organization has competent human resources. The role of human

resources in business organizations has the same meaning as the business itself (Lertputtarak, 2012).

The company's strategy will determine the success of a business organization. Strategy shows the general direction that an organization wants to reach to achieve its goals (Anoraga, 2007). Competency-based human resource management is one of the implementation of business management strategy. Competitive quality of a business organization is determined by the quality of human resources owned. Therefore, competent human resources are indispensable to a business organization.

What is competency? Defining competency is not an easy thing, therefore communication between employees and

between employees and management is required so that the desired or needed competencies can be recognized and assessed in different organizational situations because there is a difference between individual competence and organizational core competence. Human resource managers must be directly involved in the transformation of

Definition of Competence

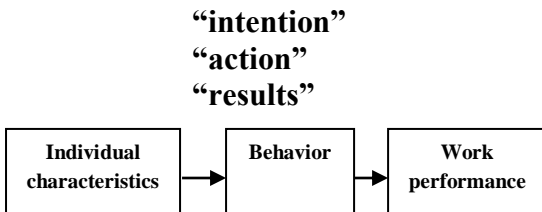


Figure 1. Competency Definition Chart

One of the most important challenges for organizations is the diversity of labor, the concept that labor becomes increasingly heterogeneous in terms of sex, age, race, ethnicity, sexual orientation, and other distribution. Labor diversity discusses differences among people within a country (Robbins, 2015: 13). However, the problem that is often faced by business organizations is the lack of human resources that have sufficient competence to run the business strategy to be able to create competitive advantage. Therefore, organizational behavior is very useful for the organizers to know the nature - the nature / nature of what is needed in behaving in the organization.

In Ivancevich, et al (2014: 91), one of the most contentious and controversial issues in job satisfaction studies with job performance. Three common views about this relationship have been found:

1. Job satisfaction affects job performance
2. Job performance has an effect on job satisfaction
3. The relationship of satisfaction-performance mediated award.

individual competencies into the core competence of the organization. The transformation is not just a matter of training, but it must involve all employees in the organization in order to work together in a network (Moehariono, 2010). Figure 1 below presents a definition of competency chart.

Job satisfaction is a positive feeling for the work of an evaluation of its characteristics (Robbins, 2015: 49). Happy workers are more likely to be productive workers, a review of 300 studies says the correlation is strong enough, as we gather data on satisfaction and productivity for the organization as a whole, we find that organizations with more satisfied workers tend to be more effective than fewer organizations (Robbins, 2015: 53).

Employees as individuals entering the company will bring their personal abilities, beliefs, hopes, needs and experiences as individual characteristics. Therefore, when we observe new employees in the office then there are too active, or too passive. This is understandable because new employees usually still carry their individual characteristic traits.

The purpose of this paper is to describe the business management strategy in order to create competitive advantage through human resource competence which is seen from individual characteristics (age, experience, education, and gender) in an organization that affect job satisfaction of each employee and impact on organizational performance.

B. THEORETICAL

Individual Characteristics

Characteristics of individuals according to Hurriyati (2010: 79) is a psychological process that affects

individuals in obtaining, consuming and receiving goods and services as well as experience of individual characteristics is an internal factor (interpersonal) that drive and influence individual behavior. According to Robbins and Judge (2015: 46), individual characteristics include age, sex, education level, marital status, and length of service within the organization.

1. Age

The relationship of performance to age is closely related, the reason being the widespread belief that performance is declining with increasing age. But on the other hand there are a number of positive qualities that exist in older employees, including experience, consideration, strong work ethics. Job satisfaction will tend to increase steadily in professional employees as they age, whereas in nonprofessional employees satisfaction declines during middle age and then rises again in subsequent years.

2. Gender

There is no consistent difference between men and women in problem-solving skills, analytical skills, competitive encouragement, motivation, sociability, or learning ability. But psychological studies have found that women are more willing to obey authority, and men are more aggressive and more likely than women to have hope for success. Consistent evidence also suggests that women have a higher absenteeism than men.

3. The period of work

The period of work and satisfaction are positively related. Indeed, when age and employment are separately respected, it seems that the working period will be a more consistent and steady forecast indicator of job satisfaction than chronological age. Long work period will tend to make an employee feel more comfortable in

an organization, this is because of them have been adapted to the environment long enough so that an employee will feel comfortable with his job. Another cause is also due to the policy of the agency or company about life insurance on the old days.

4. Level of education

The higher the level of one's education will affect the mindset that will impact on the level of job satisfaction. Another opinion also states that the higher the level of education then the demand for aspects of job satisfaction in the workplace will increase.

5. Marital status

One study showed that married employees had less absenteeism, experienced lower turnover, and were more satisfied with their work than their single bachelor peers. Marriage imposes an increased responsibility that can make a job that remains valuable and important.

Job satisfaction

Job satisfaction is a positive feeling for the work of an evaluation of its characteristics (Robbins, 2015: 49). Ivancevich, et al (2014: 89) Job satisfaction is a person's attitude towards their work. It results from their perception of work and the degree of compatibility between individuals and organizations. Important factors are rewards, work itself, promotional opportunities, coworkers, working conditions, job security. As well as according to Gibson (2010: 193) "Job satisfaction is a pleasant or unpleasant emotional state by which employees view their work".

Organizational Performance

According to Gibson, (2010: 123-124) the factors that affect performance are the first factors of individual variables consisting of abilities and skills, background, and demographics. Factors

that affect the performance of the second is a factor of psychological variables consisting of perception, attitude, personality, motivation, job satisfaction and job stress. While the third factor affecting performance is an organizational factor consisting of leadership, compensation, conflict, power, organizational structure, job design, organizational design, and career.

C. RESEARCH METHODS

Research method that writer use is case study. Mulyana (2013: 201) discloses "The case study is a comprehensive description and explanation of various aspects of an individual, a group, an organization (community), a program, or a social situation". By studying as closely as possible an individual, a group or an event, the researcher aims to provide a complete and in-depth view of the subject under study.

D. RESULTS AND DISCUSSION

The case studies discussed in this study were taken from three international journals, among others: Rehman, et al (2015), Daryanto (2014), Chandrakumara and Senevirathne (2009). All three discuss about the individual characteristics of job satisfaction and performance.

According to research Rehman, et al (2015) entitled The Influence of Individual Characteristics On Organization Performance and Job Satisfaction. The sample of this study amounted to 300 respondents of top and middle level employees working in the Pakistani banking sector. The analysis technique used is descriptive and regression. Individual characteristics are divided into dimensions of age, experience, education, and gender / gender.

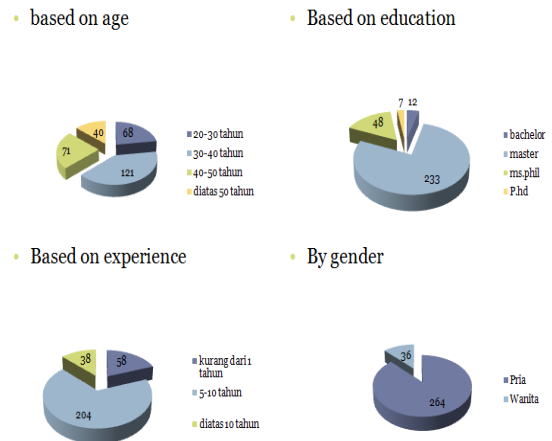


Figure 2. Characteristic Chart of Individuals

significant influence on organizational performance. Employers see a number of positive qualities that older workers have for their jobs. The older you are, the less likely you are to withdraw from work due to increasingly specific expertise. Recent research has shown that worldwide, older workers have fewer psychological or health problems than younger workers. There is no consistent difference between men and women in problem-solving skills, analytical skills, competitive encouragement, motivation, social skills, or learning ability (Robbins, 2015: 30).

Individual characteristics (education dimension, and gender / gender) have a positive and significant influence on job satisfaction, while Individual characteristics (age dimension and experience) have no significant effect on job satisfaction. This is in line with the theory put forward Robbins (2015: 32) which states that job satisfaction will tend to increase in professional employees with age. In addition, work and satisfaction are positively related. Long work period will tend to make an employee feel more comfortable in an organization, this is because of them have been adapted to the environment long enough so that an employee will feel comfortable with his

job. Another cause is also due to the policy of the agency or company about life insurance on the old days.

Daryanto Research (2014) entitled *Individual Characteristics, Job Characteristics, and Career Development: A Study on Vocational School Teachers' Satisfaction in Indonesia*. The population of this study are all teachers who specialize in the subject of Mechanical Engineering as many as 238 people. The sample size of this study was collected based on proportional random sampling which further resulted in a total of 166 teachers who were found to have expected qualifications. The analysis technique used is path analysis. Personal characteristics such as age, tenure, gender, level of education, and strong work ethics of the individual are factors that influence the individual to see his job satisfaction. The results showed that individual characteristics directly positive effect on job satisfaction with correlation coefficient of 0.389 and the value of path coefficient of 0.134. The findings of this study also underscore the importance of minimizing characteristic interpersonal gaps and increasing the clarity of assigned jobs relevant to teacher competence through continuous career development.

Based on research Chandrakumara and Senevirathne (2009) entitled *Impact Of Individual Characteristics And Cultural Values On Citizenship And Task Performance: Experience Of Non-Academic Employees Of Universities*. The purpose of this study is to look at the variables of individual employee differences affect the level of performance of CTP (Citizenship And Task Performance). Performance (CTP) is defined as "the existing individual effort is not directly related to its main task function but important because of the organizational, social, and psychological context that serves as a catalyst for task activities and processes" (Borman and Motowidlo). This study is based on a

survey strategy. The type of analysis required is correlational which facilitates to generate quantitative data primarily from relative data from large samples by distributing questionnaires. The research sample is 125 respondents selected from 4 universities in Sri Lanka namely: University of Visual and Performing Arts, University of Colombo, University of Moratuwa, and University of Sri Jayewardenepura. Descriptive results indicate that the majority of respondents are male (53%) have advanced education level (43%), are employed in clerical class (36%), and have gained 1-5 years experience (26%). The study found that gender, power distance and future orientation values have a significant impact on CPT. Other individual characteristics such as age, education, occupation category, and age were not found to be significant in affecting CTP.

E. CONCLUSION

Viewed from the banking sector in Pakistan, individual characteristics have a positive and significant influence on organizational performance and employee job satisfaction. However, the characteristic dimension of age and experience has no significant effect on employee job satisfaction. This is because the increasing age and experience will not affect the employee's job satisfaction if not offset by better performance.

The educational sector, especially vocational teachers in Indonesia shows that individual characteristics directly have a positive and significant impact on job satisfaction. Teacher competence is the result of the incorporation of the capabilities of many kinds, according to the Minister of National Education of the Republic of Indonesia Regulation No.16 of 2007 on the standard of academic qualification and teacher competence, as for the various competencies that must be possessed, among others: the competence of *pendagogik*, , professional and social

that will be reflected in its individual characteristics.

For the non-academic employee sector in Sri Lanka shows that gender has a significant impact on performance. Other individual characteristics such as age, education, job category, and age are not found to be significant in influencing performance. This is because the work done is technical that must be in accordance with operational standards and procedures.

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