Job Performance and Government Banks: Evidence from Indonesia

*Yanuar yanuar*<sup>a</sup>, Yenny Lego<sup>b</sup>, Ronnie Resdianto Masman<sup>c</sup>,
<sup>a,b,c</sup>Economics and Business Faculty, Tarumanagara University, Jakarta, Indonesia,
*Corresponding Author Email: *<sup>a</sup>yayanuar@fe.untar.ac.id,
<sup>b</sup>yennyl@fe.untar.ac.id, <sup>c</sup>ronniem@fe.untar.ac.id

This study aims to investigate whether Organizational Citizenship Behavior (OCB) and Work Engagement (WA) are mediating between Perceived Organizational Support (POS) and Job Performance (JP). This study methodology uses a survey tool and data is collected in this study from 205 respondents who are government bank employees in Jakarta. Data is analyzed with Structural Equation Modelling (SEM). The results are that OCB is mediating between POS and JP, while WA is not mediating between POS and JP, and POS has a significant correlation to JP. The government banks in Indonesia must pay more attention to improve the indicators of WA. Never conducted research on OCB and WA as mediators of POS and JP on Indonesian government banks.

**Key words:** Organizational Citizenship Behavior, Work Engagement, Perceived Organizational Support, Job Performance.

**Introduction**

Performance in the organization indicated by the success or failure of organizational goals can be measured because the success of an organization is influenced by the performance of its employees. Performance is related to the behavior shown by employees in achieving organizational goals because the behavior will later show whether or not the goal is achieved. (Hughes, Ginnet, and Curphy, 2009). There is no research on the performance of government bank employees in Indonesia, especially about Organizational Citizenship Behavior, Work Engagement, Perceived Organizational Support and Job Performance. Perceived Organizational Support affects job performance as found by Mohamed & Ali in their 2015) which revealed a link between Perceived Organizational Support and job performance. These features were evident when employees had a good perception of the leadership and felt that the leadership had a sense of care for their existence, both which impact on employee
performance positively. In a review of literature about POS (Rhoades & Eisenberger, 2002), it was found that POS increases the performance of some standard jobs where activities favourable to the organization are completed voluntarily beyond those responsibilities assigned.

Organ (Houser, 1988) was the first to mention organizational citizenship behavior (OCB). He said there were 5 dimensions of OCB: altruism, civic virtue, conscientiousness, courtesy, and sportsmanship. Every organization needs employees who are willing to do the job, even beyond that which is expected. OCB may be tied to job performance through their relationship with social capital. OCB helps create and maintain social capital within firms, which in turn produces highest levels of job performance (Ariani, 2012). This research found that altruism and courtesy affect structural, relational, and cognitive social capital, but sportsmanship doesn’t. In his research, Andrew (Andrew & Cazares, 2015) said that employees have a favourable view on performance in the organization through OCB. The effect of OCB on the quantity and quality of performance was measured (Podsakoff, Ahearne, & MacKenzie, 1997) and the results indicate that helping behaviour and sportsmanship had significant effects on performance quantity and only helping behaviour had significant effects on performance quantity. Civic virtue had no significant effect on the performance.

A study conducted in 2017 (Aledeinat & Alrfou, 2017) indicates that Organizational Support is the major determinant of Organizational Citizenship Behaviour. It is assumed that POS increases employee effective attachment to the organization and his or her expectancy that greater effort toward meeting organizational goals will be rewarded (Eisenberger, Robert Huntington, Robin Hutchinson, Steven Sowa, 1986). In his research, using affective commitment, Gupta (Gupta, Agarwal, & Khatri, 2016) found that there was a significant relationship between Perceived Organizational Support and the outcome in the organization, work engagement and organization citizenship behavior. In 2009, Liu's research found that parent company and subsidiary of Perceived Organizational Support were significantly related to Organizational Citizenship Behaviour. The relationship between perceived organizational support and organizational citizenship behavior became stronger among employees who were more embedded in their jobs within the organization and thus Afsar & Badir (2016), perceived organizational support has a positive influence on citizenship (Chang, 2014).

Perceived Organizational Support is related to work engagement. In the long term it will increase job satisfaction and enhance performance (Caesens & Stinglhamber, 2014). Some research revealed the same results that there is a significant positive relationship between perceived organizational support and work engagement (Murthy, 2017; Köse, 2016; Peng, 2018; Sc, Ph, Elewa, Sc, & Ph, 2016; Gokul, Sridevi, & Srinivasan, 2012). In further research, it was found that Work Engagement was positively related to job performance. The employee is engaged in the job will perform (Yongxing, Hongfei, Baoguo, & Lei, 2017; Chung &
Angeline, 2010). Research conducted by Dajani (Mohamed & Ali, 2015) in the Egyptian banking sector found that employee engagement had significant impact on job performance, but less impact on organisational commitment. A study about proactive personality (Bakker, Tims, & Derks, 2012) found that that employees with a proactive personality are most likely to craft their own jobs and by mobilizing their own resources and setting their own challenges, employees actively work on their own engagement. This work engagement, in turn, is predictive of other ratings of performance.

Employee engagement is said to have a positive significant relation with perceived organizational support. It played a role of partial mediation between Perceived organizational support and employee performance (Rabiul & Rubel, 2015)

**Literature Review**

**Perceived Organizational Support Organizational**

Perceived Organizational Support Organizational support theory (Eisenberger, Cummings, Armeli, & Lynch, 1997; Eisenberger, Robert Huntington, Robin Hutchinson, Steven Sowa, 1986; Rhoades & Eisenberger, 2002) proposes that to meet the needs and to determine the organization’s readiness to increase work effort of the employees, organizations have to develop global beliefs concerning the extent to which they values employee contributions and care about their well-being (perceived organizational support). Accordingly, employees that showed a consistent pattern of agreement with various statements concerning their involvement in work, state that the organization appreciated their contributions and would treat them favorably or unfavorably in differing circumstances (Eisenberger, Fasolo, & Davis-lamastro, 1990; Eisenberger, et.al, 1986; L. M. Shore & Wayne, 1993). Employees evidently believe that the organization has a general positive or negative orientation toward them that encompasses both recognition of their contributions and concern for their welfare.

**Organizational Citizenship Behavior**

In his book, Organ (Houser, 1988) said that it was fascinating when an employee is willing to help others in his work without any promises of reward. He defined the OCB as a behaviour of a discretionary nature that is not part of the employee’s formal role requirements, but nevertheless promotes the effective functioning of the organization. Organ’s five dimensions (Organ, 1994) had been used in most research about OCB. The five dimensions are Alturism, employee’s behaviour in helping other people with work related matters; Courtesy, employee’s behaviour in helping other people to prevent problems on the job or with the task; Sportmanship, employee’s behaviour that does not evidence complaint when involved in an inconvenient situation at work; Civic virtue, implies the behaviours that indicate responsible
Participation in political process of the organization; Conscientiousness, the behaviors when employees complete all tasks well beyond the minimum role requirements of the organization.

The importance of OCB is explained by the argument of Koys (2001) who says that employee’s attitudes cannot influence organizational effectiveness on their own. Employee have to behave appropriately. Two employee’s behaviors that are important to many managers and organizations are job performance and retention. In a study it is said that Civic Virtue and Sportmanship were positively correlated with job performance (Podsakoff et al., 1997). In his study, Podsakoff (Podsakoff et al., 1997) states OCB make important contributions to the variance in organizational effectiveness, although helping behavior tends to have more systematic effects than either sportsmanship or civic virtue.

**Work Engagement**

Kahn (Kahn, 1990) defined work engagement as personal engagement, harnessing of organization members’ selves to their work roles. He explained that personal engagement is the simultaneous employment and expression of a person’s “preferred self” in task behaviour that promotes connections to work and other people. A similar definition by Schaufeli (Schaufeli, Salanova, Gon Alez-ro, & Bakker, 2002) is that work engagement is the, “positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption.”.

Schaufeli (Schaufeli et al., 2002) developed work engagement dimensions. The first dimension is Vigor, a high level of energy and mental resilience in an employee while working, the willingness to invest effort in one’s work, and persistence even in the face of difficulties. The second is Dedication, it is a sense of significance, enthusiasm, inspiration, pride, and challenge. The last dimension is absorption, it is a condition when an employee is fully concentrated and deeply engrossed in work.

**Job Performance**

Job performance concerns itself with the result of the task completed by the employee. In further meaning it deals with the standard of work that correlates with outstanding quality and productivity. A systematic review of Job Performance (Koopmans et al., 2011) said that work performance is a relevant outcome measure of studies in the occupational setting. Work performance is defined by Viswevaran (Viswevaran & Ones, 2000) as scalable actions, behavior and outcomes that employees engage in or bring about that are linked with and contribute to organizational goals. The work performance dimensions developed by (Koopmans et al., 2011) were task performance, contextual performance, adaptive performance, and counterproductive work behavior. Task performance in this study is defined
(Borman & Motowidlo, 1997) as the effectiveness with which job incumbents perform activities that contribute to the organization's technical core either directly by implementing a part of its technological process, or indirectly by providing it with needed materials or services. Contextual performance is all behaviours (Borman & Motowidlo, 1997) that contribute to organizational effectiveness in ways that shape the organizational, social, and psychological context and serves as the catalyst for task activities and processes.

**Hypothesis Development**

*Organizational citizenship behavior can mediate the relationship between perceived organizational support and job performance of employees*

Organizational Citizenship Behavior mediates the relationship between Perceived Organizational Support and job performance. Research conducted (Chiang & Hsieh, 2012) on the performance of hotel employees in Taiwan shows that Organizational Citizenship Behavior mediates partially on the relationship between Perceived Organizational Support and job performance. Employees who feel that there is a high level of support from the company will improve their performance through more work behavior than the company requires.

**H1**: Organizational Citizenship Behavior can mediate the relationship between Perceived Organizational Support and job performance of employees of government banks in West Jakarta.

**Work Engagement can mediate the relationship between Perceived Organizational Support and job performance**

Work Engagement mediates the relationship between Perceived Organizational Support and job Performance. Research conducted by (Christian, Garza, & Slaughter, 2011) found the role of work engagement as a mediation between Perceived Organizational Support and job performance.

**H2**: Work Engagement can mediate the relationship between Perceived Organizational Support and job performance of government bank employees in West Jakarta.

*Perceived Organizational Support can affect job performance of employees*

Research conducted by (Casimir, Ngee, Ng, Wang, & Ooi, 2014) revealed POS have synergistic effects on performance. The same research (Cullen, Edwards, Casper, & Gue, 2014) revealed that perceived organizational support has a relationship to performance. Further research (Nielsen, 2014) suggested that POS is a strong predictor on performance. And even
further, (Latif & Baloch, 2016) said that in the banking sector, perceived organizational support has a direct and positive impact on organizational performance and that perceived organizational support (POS) predicted job performance. The more favourable organization support perceived by the employee, the better the resultant performance in job and citizenship behaviour of the employee.

H3: Perceived Organizational Support can affect job performance of employees of government banks in West Jakarta.

On the basis of the above hypotheses, this study proposes the model shown in Fig. 1

**Figure 1. Conceptual Framework**

Organizational Citizenship Behavior (OCB) mediates the relationship between Perceived Organizational Support (POS) and Job Performance (JP). Work Engagement (WE) is a moderating variable of the relationship between Organizational Citizenship Behavior (OCB) variables with Job Performance (JP) variables.

**Methodology**

**Population**

The research subjects were employees of government bank branch offices in West Jakarta. The objects of the study were to test Perceived Organizational Support, Job Performance, Organizational Citizenship Behavior (OCB) and Work Engagement (WA). The population in this study were employees of government banks consisting of Bank Negara Indonesia (BNI) Harmoni branch office, Daan Mogot branch office, Jakarta Kota branch office, Roa Malaka branch office; Bank Rakyat Indonesia (BRI) Daan Mogot branch office, Jelambar branch office, Kebon Jeruk branch office, Joglo branch office, Kalideres branch office, Kota branch office; Bank Mandiri City branch office, Kyai Tapa branch office, Daan Mogot branch office; and the Bank Tabungan Negara (BTN) branch office Kebon Jeruk. The number of samples (respondents) in this study was chosen in reference to Loehlin and Beaujean (2017: 61) who convey the number of respondents needed to estimate parameters and standard errors that are more accurate is 200.
Operationalization of Variables

Variables are divided into exogenous and endogenous variables:

Exogenous variables

The exogenous variable in this study is Perceived Organizational Support. This variable is defined as organizational support perceived by employees for their existence in the organization and how employees feel the organization values what they do for the benefit of the organization. In this study the intended support is all forms of attitudes and appreciation of the bank leadership of the employees of government banks in West Jakarta.

Endogenous variables

The endogenous variable in this study is Job Performance.
Performance is the achievement of employees' work in accordance with their responsibilities and authority in order to realize the goals of government bank employees in West Jakarta.

Mediation variables

The Mediation variables in this study were Organizational Citizenship Behavior (OCB) and Work Engagement (WA) employees of government banks in West Jakarta.

Variable Measurement

Perceived Organizational Support (POS) variables are measured using six indicators (Eisenberger, 1986) consisting of:

1. The organization takes pride in my accomplishments at work.
2. The organization really cares about my well-being
3. The organization values my contribution to its well-being.
4. The organization strongly considers my goals and values.
5. The organization is willing to help me when I need a special favour.
6. The organization shows very little concern for me

Variable Work Engagement (WA) is measured by three dimensions, vigor, dedication, and absorption, as expressed by (Schaufeli et al., 2006). Organizational Citizenship Behavior (OCB) variables are measured by dimensions: Helping Behavior, Sportsmanship, Organizational Loyalty, Organizational Compliance, Individual Initiative, Civic Virtue and Self Development. Job Performance variables use four performance dimensions in the banking
sector (Avkiran, 1999), namely Staff conduct, Credibility, Communication, and Access to teller services.

**Analysis and Result**

*Descriptive Statistics*

Questionnaires were distributed to employees of West Jakarta branch government banks (BNI banks, BRI banks, and BTN banks) through the HRD (Human Resource Department) section with a total of 205 respondents. The questionnaire was distributed from 23 August 2018 to 5 October 2018. Total respondents, 205 were grouped based on gender, education, and position. By sex, there were 95 male respondents (46.34%) and 110 (53.66%) female respondents. Based on education there are 4 respondents from high school (1.95%), 30 respondents from D3 (14.63%), 167 respondents from S1 (81.46%), and 4 respondents from S2 (1.95%). Based on their position the group comprises 4 Head Section respondents (1.95%), 31 Supervisor respondents (15.12%), and 170 Staff respondents (82.93%).

*Validity test*

Testing for validity utilized Convergent Validity. Hair (2006) states that to meet the convergent validity the value of loading factor > 0.70 is highly recommended, but loading factor 0.50-0.60 is still tolerable. In this study the loading factor limit of 0.5. Validity test results of latent variables are presented in Table 2. The discriminant validity test was conducted by measuring the average variance extracted (AVE) value. According to Hair (2006) the recommended value is> 0.5. The results of AVE can be seen in table 2. Based on Table 1, the value of AVE> 0.5 can be concluded that the variables: Perceived Organizational Support, Organizational Citizenship Behavior, Work Engagement, and Job Performance are valid.

*Reliability Test*

Reliability testing was carried out by determining the value of Composite Reality and Crobach's Alpha. Reliability testing is seen by looking at Crobach's Alpha value. Crobach's Alpha results will show satisfactory values if above 0.7. Table 1 show the values of Composite Reality and Crobach's Alpha, above 0.7. Thus it can be concluded that all constructs are reliable.
Table 1: Reliability Test

<table>
<thead>
<tr>
<th></th>
<th>Cronbach's Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>JP</td>
<td>0.933</td>
<td>0.938</td>
<td>0.943</td>
<td>0.563</td>
</tr>
<tr>
<td>OCB</td>
<td>0.923</td>
<td>0.935</td>
<td>0.936</td>
<td>0.597</td>
</tr>
<tr>
<td>POS</td>
<td>0.888</td>
<td>0.89</td>
<td>0.918</td>
<td>0.691</td>
</tr>
<tr>
<td>WA</td>
<td>0.900</td>
<td>0.905</td>
<td>0.921</td>
<td>0.626</td>
</tr>
</tbody>
</table>

Structural Model Test (Inner Model)

Inner model test is done after testing the outer model, the inner model test is done to measure the R-square value of each endogenous variable. Figure 2 shows the results of the calculation of the coefficient of determination (R-Square) stating that the OCB variable can be explained by the POS variable of 17.5%, while the variable WA is explained by the POS variable of 47.1%. JP variables are explained by WA variables and OCB 67.1%.

Figure 2. Validity Test
Goodness of Fit Test

The goodness of fit test is carried out using the NFI value. Figure 2 shows the NFI value is in the interval 0-1, if the NFI value approaches 1 then the model is said to be fit. The results of the goodness of fit test are shown in table 6 and obtained a value.

Table 2: Goodness of FIT Test

<table>
<thead>
<tr>
<th>Model FIT</th>
<th>Saturated Model</th>
<th>Estimated Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRMR</td>
<td>0.08</td>
<td>0.117</td>
</tr>
<tr>
<td>d_ULS</td>
<td>4.055</td>
<td>8.616</td>
</tr>
<tr>
<td>d_G1</td>
<td>2.47</td>
<td>2.572</td>
</tr>
<tr>
<td>d_G2</td>
<td>2.135</td>
<td>2.181</td>
</tr>
<tr>
<td>Chi-Square</td>
<td>2,042.54</td>
<td>2,090.11</td>
</tr>
<tr>
<td>NFI</td>
<td>0.673</td>
<td>0.665</td>
</tr>
</tbody>
</table>

Contributing Indicators to Variables

Statistical testing of each relationship hypothesized in PLS was done using the bootstrap method of the sample. Bootstrap testing is intended to minimize the abnormalities of research data. The bootstrap test results can be seen in Figure 3 and Table 3 Statistical testing of each relationship hypothesized in PLS was conducted using the bootstrap method of the sample. Bootstrap testing is intended to minimize the abnormalities of research data. The bootstrap test results can be seen in Figure 3 and Table 3

Table 3: Indirect Effect

<table>
<thead>
<tr>
<th>Indirect Effect</th>
<th>Specific Indirect Effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>POS -&gt; OCB -&gt; JP</td>
<td>0.344</td>
</tr>
<tr>
<td>POS -&gt; WA -&gt; JP</td>
<td>-0.029</td>
</tr>
</tbody>
</table>

Variable Indicators of Perceived Organizational Support

Based on Figure 3 and Table 3, the value of all indicators, namely the company is proud of my achievements, the company cares about my welfare, the company appreciates my
contributions, the company seriously considers my values and goals, the company voluntarily helps when I need special assistance, and the company rarely shows concern for me, everything is significant. This means that employees feel good POS when all the indicators are experienced.

**Figure 3. Bootstrapping Test**

![Diagram showing the relationships between variables and indicators]

**Variable Indicator of Organizational Citizenship Behavior**

Based on Figure 3 and Table 3, the values of all indicators grouped in the helping behavior, vertical civic and sportsmanship dimensions are all valid. This means that employees are willing to work beyond the standards set by the company.

**Variable Work Engagement Indicator**

Based on Figure 3 and Table 3, the values of all indicators grouped in the vigor, dedication, and absorption dimensions are all valid. This means that when an employee has a work attachment, he becomes excited about working and completing his work.
Job Performance Variable Indicator

Based on Figure 3 and Table 3, the value of all indicators shows a value of > 0.7, meaning that everything is valid. This means that good employee performance will be reflected in neat appearance and willingness to always provide the best for the interests of customers.

Statistical Hypothesis Test

The exogenous variable is stated to be significant on the dependent variable if the t-statistic result is greater than 1.96 (or significant value <5%). The results of the t-statistics for each variable can be seen in Table 3 and Figure 3.

Hypothesis 1

Figure 3 shows the t-statistics value of the OCB variable as a mediator variable. This value is greater than 1.96. Thus the first hypothesis is not rejected. This means that the OCB variable significantly mediates POS and JP variables. This result was consistent with prior research (e.g. Chiang & Hsieh, 2012)

Hypothesis 2

Figure 3 shows the t-statistics value of the WA variable as a mediator variable. This value is smaller than 1.96. Thus the second hypothesis is rejected. This means that the WA variable does not significantly mediate POS and JP variables.

Hypothesis 3

Figure shows the results of testing the POS variable against the JP variable and giving a t-statistics value of 0.860 is smaller greater than 1.96. Thus the third hypothesis is rejected. This means that the POS variable does not affect the JP.

Conclusions and recommendations

Conclusion

OCB variable mediates POS variables with JP variables. This shows that the POS variable that affects the JP variable has an indirect effect through the OCB variable and the WA variable does not mediate the POS and JP variables. POS variables have a significant effect on JP variables.
Recommendations

The government banks in West Jakarta must pay more attention to improving the indicators that are not significant, namely, I am enthusiastic about my work, I was carried away when I was at work, and I was late in my work to forget time. If these three indicators are improved, employees will increase their work engagement, which in turn can act as a mediating variable between POS variables and JP variables.

REFERENCES


