

## Effect Of Locus Of Control And Organizational Culture Employee Satisfaction Lg Electronic Indonesia

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**Abstract:** The purpose of this research are : To know about the respondents' perceptions of organizational culture, locus of control, and employee satisfaction, To determine the influence of organizational culture and locus of control on employee job satisfaction partially and simultaneously.

Conclusions on this research are: Respondents' perceptions of organizational culture is strong, it can be seen from the average value of 4.04 and including strong category. It means that the company has the innovation and risk taking, attention to detail, orientation towards results, individual, team, aggressiveness, and stability. Perceptions of respondents about the locus of control is high, it can be seen from the average value of 3.79 and a high category. It means that the respondents of this study have a high degree of self-control. Respondents' perceptions of employee satisfaction is high, it can be seen from the average value of 3.68 that is included in the high category. Meaning that respondents in this study had a high level of satisfaction to salaries, promotion, co-workers, supervisors, and the work itself, There is a positive and significant influence of organizational culture and locus of control on employee job satisfaction, either partially or simultaneously. It means that the stronger the culture of the organization, the higher the level of locus of control will increasingly make increasing employee satisfaction.

**Keywords:** locus of control, organization culture, employee satisfaction.

### I. Introduction

The quality of human resources is crucial to success in a company. With the human resources (HR) competent and excel in their fields will make the company become successful, otherwise if the employee or HR can not do the job competently will make the company concerned would not be able to compete well, especially in the era of increasing competition This competitive.

Each company is often faced with the problem of improving morale and job satisfaction of employees. Every leader in the company will always strive so that every activity undertaken to achieve maximum results and done effectively and efficiency. In order to achieve the level of effectiveness and efficiency desired, then in the company should be a good working system.

LG Electronic Indonesia (LGEIN) is one of the big companies in Indonesia. In 1990 LG Electronic was named Goldstar, then in 1996 changed its name to LG Electronics Indonesia (LGEIN). Based on the results of the research interview several employees at the company is indeed there are problems associated with employee job satisfaction where employees feel less satisfied with the salary increases, promotions and fellow co-workers sometimes there are problems. Then it should be investigated whether factors that cause job satisfaction of employees at LG Electronics is problematic.

From the results of a survey conducted by researchers in mind the various factors that affect the job satisfaction of employees at PT LGEIN this:

Table 1.1. Pre Survey Results - Factors Affecting  
Employee Satisfaction PT. LGEIN (15 People Employees)

No.	Factors that affect Employee Satisfaction	number of answers	%
1.	Organizational culture	8	53.33%
2.	Work motivation	5	33.33%
3.	Work stress	3	20.00%
4.	Self-control (locus of control)	9	60.00%
5.	salary	6	40.00%
6.	promotion	2	13.33%
7.	Confidence (self-efficacy)	4	26.67%

One worker has more than one answer so that the total number or answer more than the number of employees surveyed. From the table it can be seen that there are two main factors that influence job satisfaction

of employees at PT. LGEIN is organizational culture (53.33%) and locus of control (60%) because these two variables have a percentage above 50%.

According to research conducted by Johan (2002) states that the factors affecting employee satisfaction is the locus of control. Referring to the existing theory (Hjele & Ziegler, 1981; Cyberia, 1966-1999; Baron & Byrne, 1994), then the locus of control is defined as a person's perception of the causes of success or failure in carrying out its work. Locus of control is divided into internal locus of control (internal locus of control) and external locus of control (external locus of control).

Other factors that influence job satisfaction is organizational culture. Research conducted by Brahmasari and Suprayetno (2008) states that there is influence between organizational culture on job satisfaction. Therefore the description of this study entitled: "The Effect Of Locus Of Control And Organizational Culture Employee Satisfaction Lg Electronic Indonesia.

### **Research Purposes**

On the basis of the problem formulation and background of the problem, the purpose of this research is:

1. To know about the respondents' perceptions of organizational culture, locus of control, and employee satisfaction.
2. To determine the influence of organizational culture and locus of control on employee job satisfaction partially and simultaneously.

### **Theoretical Basis**

In this section we will discuss the theoretical basis supporting and relevant to this study, which is about organizational culture, locus of control, job satisfaction, the influence of organizational culture on job satisfaction, the influence of locus of control on job satisfaction, and the influence of organizational culture and locus of control on job satisfaction.

### **Organizational culture**

Robbins (2003: 248) defines organizational culture (organizational culture) as a system of shared meaning held by members that distinguishes the organization with other organizations. Furthermore, Robbins (2003: 248) states that a collective utilization system formed by citizens as well as a differentiator with other organizations.

Robbins (2003: 279) gives the characteristics of organizational culture as follows:

1. Innovation and risk taking (innovation and risk taking): the driving power level employees to be innovative and take risks.
2. Attention to detail (Attention to detail): the level of demand for employees to be able to demonstrate accuracy, analysis and attention to detail.
3. The orientation towards results (Outcome orientation): the level of demands on management to focus more on results, rather than focus on the techniques and processes used to achieve these results.
4. The orientation of the individual (People orientation): the level of management decisions in considering the effects of the results of the individual in the organization.
5. Orientation towards team (Team orientation): the level of activity regulated work in a team, not as individuals.
6. Aggressiveness (aggressiveness): the level of demand for people to apply aggressive and compete, and not to relax.
7. Stability (Stability): the level of suppression activities of the organization in maintaining the status quo versus growth.

### **Locus Of Control**

Locus of control is a person's perspective on an event if he can or can not control the events that happened to him (Rotter in Salomi, 2004: 32).

Locus of control is a person's perception of success or failure in performing a variety of activities in his life linked to external factors individuals which include the fate, fortune, power boss and work environment as well as connected also with the internal factors of individuals which include the ability to work and act work related to the success and failure of the individual work (Johan, 2002).

Referring to the existing theory (Hjele & Ziegler, 1981; Cyberia, 1966-1999; Baron & Byrne, 1994), then the locus of control is defined as the locus of control is divided into an internal locus of control and external locus of control.

Someone with an internal locus of control, believe that everything that happened was the result of his own efforts. Someone who believes with external locus of control believes that everything that happened was beyond his ability (Rotter in Salomi, 2004: 35).

By using the concept of locus of control, work behavior can be explained when an employee felt the results of the work carried out as a result of internal locus of control and external locus of control. Internal locus of control will be visible through the ability to work and work-related measures of success and failure of employees at the time of the job (Salomi 2004).

While employees with external locus of control feel that there are controls outside him which supports the results of the work performed. (Salomi, 2004).

Locus of Control has a theoretical background in social learning (Rotter in the dissertation Browel, 1979 Salomi, 2004: 32). Rotter stated that the sustaining effect on humans is not just a simple process, but rather depends on the support itself and whether the individual receives antarperilaku relationship that requires support. However, it is not entirely the case because of his actions. This is usually due to luck, chance, fate or so as a result of something that was not foreseen. Individuals who interpret the incident thereto in the presence of external control. Conversely, if an individual feels that what happens depends on their own behavior and not be influenced by outside forces, he believes in the internal control.

Locus of control according to Rotter (in Elizabeth, 1996) didefinisikan as a matter of identifying the degree to which a person feels that the events in his life depends on the behavior or his personal character. He also considers that forces beyond kemampuan manusia is a series of actions, he believes that such force is the result of luck, chance of fate, the power of the other party or unpredictable because it is very complex.

Rotter (in Ross & Taylor, 1996) suggests humans are often described as "internal", where man himself believe that learning or exercise more produce or have better control in a variety of events and mempunyai results which affect him. This is in contrast to the tendency of the "external" who believe that humans have very little control over what happens to him.

Stone and Jackson (in Elizabeth, 1996) also states that people who have an external locus of control will make changes to external sources. He sure took note and acted as though there are forces beyond their means (for example: fate, chance, others more powerful, social pressure, or instructions external), these are all factors that are important in determining the events that happened in his life.

### **.Job satisfaction**

According to Robbins (2003: 91) job satisfaction refers to an individual's general attitude toward his work. A person with a high level of job satisfaction showed a positive attitude towards work, while someone who is not satisfied with his work showed a negative attitude towards the work itself.

According Anoraga (2003: 82) job satisfaction is a positive attitude regarding a healthy adjustment of the employees of the conditions and the employment situation including the issue of wages, social conditions, physical and psychological condition. This fact shows that people want to work not only seek and receive just wages (economic elements), but with the work of employees expecting gets job satisfaction.

Another notion put forward by Moh. As'ad (2002: 103), namely job satisfaction is a positive attitude regarding a healthy adjustment of the employees of the conditions and the employment situation, including the issue of wages, working conditions, social conditions, physical condition, and psychological. Job satisfaction is an assessment of the workers, ie how much work can meet the needs (Hoppeck in Moh. As'ad, 2002: 103).

Meanwhile, according to Rasimin and Ancok (2002) job satisfaction is a reflection of the behavior in the work that is positive. Basically the job satisfaction is a question of the attitude towards the treatment received by employees in the workplace. Job satisfaction with regard to the selection, compensation promotion, peer support, behavior management, working conditions and job performance (Panggabean, 2004).

### **Influence of Organizational Culture on Job Satisfaction**

Organizational culture is a system of shared meaning held by members that distinguishes the organization with other organizations (Robbins, 2003). Actually between organizational culture and job satisfaction of employees have a relationship, where the culture (culture) is said to provide guidance for an employee how he perceives the characteristics of the culture of an organization, the value of which is required of employees in working, to interact with the group, with systems and administration, as well as interact with superiors ,

Kirk L. Rogga research results in Soedjono (2005) stated that organizational cultures can improve employee job satisfaction. Another study conducted by Koesmono (2005) also resulted in that there is the influence of organizational culture on job satisfaction. Research conducted by Soedjono (2005) states that the organizational culture shaped by the values of innovation, attention to detail, the team, the results, individuals, aggressiveness and stability, can lead to employee satisfaction.

It is thus the hypothesis in this study are:

H1: There is a positive and significant impact on job satisfaction working culture.

### **Influence of Locus of Control on Job Satisfaction**

Man in carrying out various activities in his life always seeks to respond to factors internal and external factors that exist in the environment and in humans. Individual activities in response to internal factors and external factors in the control locus of control.

Locus of Control both internally and externally is not a concept typology, it is the influence or contribution of various environmental factors. That is the locus of control is not from birth but rather arise in the process of formation associated with environmental factors, so that no one who only has its internal controls or external controls alone.

An employee will have job satisfaction, if they can show behavior that corresponds to the type of work he did as a result of his influence in the (internal) as well as the environment outside of himself (external). Through locus of control held, employee behavior can be explained when an employee felt the results of the work they do is the result of internal or external control.

An employee will feel satisfied in their work because of an internal locus of control it gives success in work. While some employees who feel that there is an external locus of control outside themselves that support the work it does. This can be seen through the fate and fortune of employees concerned and the power of the boss and the work environment where employees are working. (Johan, 2002).

One thing that is important here is that the feelings of the employees of the locus of control, both internal and external locus of control has a different effect on employee job satisfaction. From the above description, are suspected positive relationship between locus of control with an employee job satisfaction. The stronger the influence of locus of control an employee to do the job the more satisfied employee. This is confirmed by research conducted by Johan (2002), which examines the influence of locus of control on employee job satisfaction in educational institutions, especially at the college level. Research results show that there is a positive and significant relationship between locus of control (X) and employee satisfaction (Y). Meaning that the higher locus of control employees will be higher the level of employee satisfaction. (Johan, 2002).

It is thus the hypothesis in this study are:

H2: There is a positive and significant effect of locus of control on job satisfaction.

### **Influence of Organizational Culture and Locus of Control on Job Satisfaction**

Luthans (2002: 126) formulates job satisfaction is an emotional state of someone who is positive and fun generated and assessment of a job or work experience. Job satisfaction reflects one's feelings toward his work. This is evident in the positive attitude of employees towards work and everything encountered in the work environment.

According to research conducted by Koesmono (2005) turned out to job satisfaction is influenced by the culture of the organization. The stronger the culture of the organization, the more it will increase work satisfaction and vice versa. While Soedjono (2005) also revealed that there is significant influence between organizational culture on job satisfaction.

While Johan (2002) stated that the other factors that affect an employee's job satisfaction is the locus of control. Therefore, based on the description can be said that the organizational culture and locus of control influencing employee satisfaction.

It is thus the hypothesis in this study are:

H3: There is a positive and significant impact workplace culture and locus of control on job satisfaction.

## **II. Research Methodology**

### **Object and Location Research**

Object of research in this study is LG Electronics Indonesia (LGEIN) The reason for choosing LG Electronics Indonesia as the object is because the company is going on job satisfaction issues, and have never done research on similar topics, as well as the company's willingness to assist the collection of research data

### **Population and Sample**

Population is the whole element which has the same features and characteristics. Determination specification population in a study to be conducted so that research can be done with a focused and systematic. Population is the number of objects (units or individuals) who allegedly wanted characteristics (Supranto, 1998: 18). In this study, the population is the total number of employees at LG Electronics Semarang, namely 45 (the sales and promotion 11, the administration of 5, warehouse 4, a driver 7, service 5, the guard 4, salesman 8, OB / office boy 1). Total population is relatively small (45 people), then all of the population is made the object of this research, or referred to as census studies.

### **Types Data**

The data used in this study are primary data, the primary data is data obtained directly from the source, was observed and recorded for the first time (Marzuki, 2002: 45). The primary data obtained directly from the respondents, the data on the respondent's perception of locus of control, organizational culture, and job satisfaction.

### **Method of collecting data**

In this study collected data obtained through: a questionnaire, which is a method in which researchers compiled a list of written questions which were distributed to respondents to obtain data related to research activities, that of locus of control, organizational culture, and job satisfaction.

### **Validity and Reliability**

#### **1. Uji Validity**

Validity is an index which indicates the extent to which a measure actually measure what needs to be measured. The most widely used to determine the validity of a measure is to correlate between the scores obtained on each of the items (questions or statements) with a score of items with a total score to be significant based on certain statistical measures. To test the validity of the formula used product moment correlation coefficient from Karl Person (Singarimbun, 2002).

After the calculation is done (in this case the calculation process is assisted by SPSS) then the value r obtained compared with r table according to the line n and the level of significance ( $\alpha$ ) = 5% in testing the validity of kestioner said to be valid when the count  $r > r$  table .

#### **Test Reliability**

Reliability test showed to an understanding that something good instrument trusted enough to be used as a means of collecting data because the instrument is a good way of calculating the level of reliability of the data by using Cronbach Alpha formula. Questionnaires said to be reliable if the value of  $\alpha \geq 0.6$  wherein the reliability test using SPSS.

### **Analysis Results**

Results of regression analysis in this study was conducted to test the hypothesis of the study with the following results:

Regression equation:

$$Y = 22.440 + 1.014 X1 + 0.710 X2$$

Where:

Y = Job Satisfaction

X1 = Organizational Culture

X2 = Locus of control

This means:

1. X1 (organizational culture) positive effect on job satisfaction (Y)
2. X2 (locus of control) positive effect on job satisfaction (Y)

#### **Testing Hypothesis 1**

Based on in the table., The significant value to the organization's culture is 0,000 less than the value of  $\alpha$  (0.05) so that Hypothesis 1 is accepted, that there is a positive influence between organizational culture on job satisfaction. It can be seen from the regression coefficient of +1.014. Thus the stronger the culture of the organization will make employees at LG Electronics Semarang satisfied.

#### **Testing Hypothesis 2**

From in the table, The significant value to the locus of control is by 0,037 less than the value of  $\alpha$  (0.05) so that the second hypothesis is accepted, ie there is a positive influence between the locus of control on job satisfaction. It can be seen from the regression coefficient of +0.710. Thus the higher the locus of control it will make employees at LG Electronics Semarang satisfied because they have a high degree of self-control.

#### **Testing Hypothesis 3**

Based on the table, It can be seen that the significance value of 0.002 is smaller than the value of  $\alpha$  (0.05) so that the third hypothesis is accepted, ie there is a positive influence between organizational culture and locus of control on job satisfaction. It means that the stronger the organizational culture within a company and the higher locus of control employees will make increasing employee satisfaction.

### **Managerial implications**

Based on the results of the discussion in mind that respondents to the organization's culture is strong. It means that the company has the innovation and risk-taking, lack of attention to detail, orientation towards results, individual and team, the aggressiveness and stability in the company.

Respondents to the locus of control is high. That is according to the respondents work to produce something, the achievement in work, lack of planning in the completion of the work, any feedback or suggestion to the boss, a job is a matter of luck or good fortune, can make money is a good fortune, the connection will make the work more smoothly, the promotion is good luck, good fortune required to be employees of achievement, and the good luck in making money.

Respondents to the job satisfaction is high. It means LG Electronics employees have high levels of job satisfaction on salary, promotion, co-workers, supervisors and the work itself is high. Then it must be maintained in the future, to increase the job satisfaction of employees at LG Electronics

Regression analysis suggests that there is a positive and significant influence between organizational culture and locus of control on employee job satisfaction either partially or simultaneously. can maintain and even improve the organizational culture has been strong and the locus of control that has been high on its employees to improve employee job satisfaction, which in turn will make the employee's performance is getting better in the future. This can be done while still willing to take the risk to innovate and face the competition and new challenges, pay attention to employee complaints, prioritizing teamwork, increase salaries on a regular basis, conduct a seminar or workshop to improve the locus of control of employees. This is because the seminar will create a level of confidence employee marketing division of LG Electronics increased.

### **III. Conclusion**

The conclusion that can be drawn based on the analysis and discussion in the previous sections are:

- a. Respondents' perceptions of organizational culture is strong, it can be seen from the average value of 4.04 and including strong category. It means that the company has the innovation and risk taking, attention to detail, orientation towards results, individual, team, aggressiveness, and stability. Perceptions of respondents about the locus of control is high, it can be seen from the average value of 3.79 and a high category. It means that the respondents of this study have a high degree of self-control. Respondents' perceptions of employee satisfaction is high, it can be seen from the average value of 3.68 that is included in the high category. Meaning that respondents in this study had a high level of satisfaction to salaries, promotion, co-workers, supervisors, and the work itself.
- b. There is a positive and significant influence of organizational culture and locus of control on employee job satisfaction, either partially or simultaneously. It means that the stronger the culture of the organization, the higher the level of locus of control will increasingly make increasing employee satisfaction.

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