Effect of Quality of Work-Life on Employee Morale with Organizational Commitment as a Mediation Variable in a Food Company

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ABSTRACT

Good management of human resources in the company is one form of investment to increase competitive competitiveness. PT. Ital Fran’s Multiindo Food Industries is one of the companies that is experiencing competitive pressure and problems with employee morale. This study aims to analyze the mediating role of organizational commitment on the effect of work life quality on employee morale. This research was conducted at PT. Ital Fran’s Multiindo Food Industries, with a sample of 55 people determined by saturated sampling. Data was collected using interviews and surveys, while the instrument of this research was a questionnaire measured by a Likert scale. The data analysis technique used in this research is path analysis with SPSS 25.0. The results of this study indicate that work life quality and organizational commitment have a positive and significant effect on employee morale. Work life quality also has a positive and significant effect on organizational commitment. Organizational commitment mediates the relationship between work life quality and employee morale. The implications of this research theoretically support the findings of previous studies. Practical implications for PT. Ital Fran’s Multiindo Food Industries are to maintain employee morale by maintaining organizational commitment and work life quality of its employees.

Keywords: Employee morale, quality of work life, Organizational Commitment.

I. INTRODUCTION

Changes in business environmental conditions encourage companies to adapt to maintain their existence. The ability of an organization to survive in an uncertain situation in the future is strongly influenced by the human resources (HR) that run the organization (Grego-Planer, 2019). This is very important because potential and qualified employees can help the company in achieving its main goals. Quoted from Giarto (2018), “However, a phenomenon that often occurs is when the performance of a company that has been so good can be disrupted, either directly or indirectly by various employee behaviors that are difficult to prevent. One form of employee behavior is the loss of employee morale which can lead to a decrease in employee performance”.

Employee morale will be improved if the company can provide work comfort for employees. There are several supporting factors of work morale, including the quality of work-life and organizational commitment (Refiza, 2016). Several factors that influence work morale are salary incentives, spiritual needs, relaxed atmosphere, self-esteem, placement, opportunities for advancement, feelings of security in facing the future, loyalty, participation, and facilities.

The psychological dynamics of the quality of work-life with organizational commitment is when the quality of work-life of an employee is good (Caesar et al., 2017), organizational commitment will be high (Asharini et al., 2018). The achievement of company goals is also supported by the existence of organizational commitment in employees who play an important role, especially in employee morale when working (Anggraini & Oliver, 2019), this is due to the commitment that becomes a reference and encouragement that makes them more responsible for their obligations (Berberoglu & Secim, 2015; Pamungkas, 2016; Supartha, 2019).

II. LITERATURE REVIEW

The theory that underlies this research is theory of social exchange. Fung et al. (2012), “social exchange theory is the view of employees that when they have been treated well by the organization, they will tend to behave and behave more positively towards the organization”. The reason for using this theory is that there is a relationship between research variables and social exchange theory because in this way a leader can see the quality of employee work and its relationship with employee morale which will certainly have an impact on the organization.

Refiza (2016), the quality of the work-life program has been seen as a way to increase morale and improve the quality of output through the participation and involvement of workers in the policy-making process (Sjafitri et al., 2020; Yuhista et al., 2017).
**H1**: Quality of work life has a positive and significant effect on employee morale.

Research conducted by Farjad (2013) resulted in the dimensions of quality of work-life such as compensation, security conditions, occupational health, growth opportunities, balance with other jobs, and social life influence organizational commitment. Imawan & Fajrianthi (2021) indicate, "there is a relationship between the quality of work-life and organizational commitment”.

**H2**: Quality of work life has a positive and significant effect on organizational commitment.

Organizational commitment also influences employee morale if employees have a high commitment to the organization where they belong, then the employee will always be able to provide optimal work results. Henny (2020), “A strong commitment can have a positive impact, including increased work performance, work motivation, length of service, and work productivity, and employees are more diligent in coming to work thereby reducing absenteeism and reducing turnover”.

**H3**: Organizational commitment has a positive and significant effect on employee morale.

Ramadhoan (2015), “The quality of work-life on employee morale will have a greater or positive effect if include the organizational commitment variable as a mediating variable, in other words, if want to improve employee performance and morale through quality work life, must first create or increase organizational commitment as an average quality of life. work on employee morale and performance”. Akbar (2017) “Organizational commitment encourages employees to keep their jobs and show the results they should. Employees who have a high commitment to the company tend to show good quality, and more totality at work and the turnover rate for the company is low”.

**H4**: Organizational commitment mediates the effect of quality of work-life on employee morale.

### III. Methodology

Based on the problem to be studied, the research used is classified as associative research. The research was conducted at PT. Ital Fran's Multiindo Food Industries Bali branch. This study used a saturated sampling technique with 55 respondents. Data collection methods used in this study were interviews and questionnaires. The analysis used in this research is path analysis.

Quality of work life is the feeling of employees of PT. Ital Fran's Multiindo Food Industries deals with every dimension of welfare, wages, security, organizational working conditions, and relationships between employees and with the company. There are five indicators: participatory management; Reward system innovation; Work environment; Work restructuring; Work Integration.

Work enthusiasm can be interpreted as a climate or work atmosphere contained in PT. Ital Fran's Multiindo Food Industries shows the enthusiasm of employees in carrying out their work and encourages them to work better and more productively, there are several indicators of morale, including employee attendance; Timeliness of execution of work; Accuracy of working time; Conformity of work to instructions; Satisfaction with the division of tasks.

Organizational commitment is a psychological bond to the employees of PT. Ital Fran's Multiindo Food Industries is characterized by a strong belief and acceptance of the organization's goals and values, a willingness to strive for the achievement of the organization's interests, and a desire to maintain a position as a member of the organization. There are three indicators: Affective commitment; Continuance commitment; normative commitment.

### IV. Results and Discussion

#### A. Description of Respondents' Answers

The indicator of the quality of work-life variable that has the lowest average is the statement “My salary is following the work I do”, with a score of 3.31 including sufficient criteria. It means, in general, respondents think that their salary is not following their workload and responsibilities. The variable quality of work-life that has the highest average is the statement “I get a positive impact from the participation that I give”, with a score of 3.71 which is a high criterion, this means that in general respondents think that they have a positive impact from my participation.

The variable of employee morale that has the lowest average is the statement “I am satisfied with the tasks given by the leadership” with a score of 3.29 which is considered sufficient. It means that in general, the respondents are not satisfied with the tasks given by the leadership. The employee morale variable that has the highest average is the statement “I do the work according to the instructions of the superior”, with a score of 3.67 which is included in the high criteria, means that in general, the respondents do the things according to the superior's orders.

The organizational commitment that has the lowest scores “I am not interested in job offers from other companies that may be better than this organization”, with a score of 3.22. This means that in general respondents are interested in job offers from other companies that may be better than this organization. The highest scores “I feel part of this company”, with a score of 3.45; the respondents feel they are part of company.
B. Path Analysis Results

<table>
<thead>
<tr>
<th>TABLE I: RESULTS OF PATH ANALYSIS IN SUBSTRUCTURE 1</th>
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<tbody>
<tr>
<td>Model</td>
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<tr>
<td>(Constant)</td>
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<tr>
<td>Quality of Work Life</td>
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R² = 0.432

Based on Table I, Quality of work-life has a coefficient of 0.657 meaning that the quality of work-life has a positively affect organizational commitment.

<table>
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<tr>
<th>TABLE II: PATH ANALYSIS RESULTS ON SUBSTRUCTURE 2</th>
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<tr>
<td>Model</td>
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<tr>
<td>(Constant)</td>
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<tr>
<td>Quality of Work Life</td>
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<tr>
<td>Organizational Commitment</td>
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R² = 0.568

Based on Table II, Quality of work-life has a coefficient of 0.358 which means that the quality of work-life has a positive influence on employee morale. Organizational commitment has a coefficient of 0.468, meaning organizational commitment has a positive influence on employee morale.

C. Indirect Effect

The indirect effect occurs if other variables mediate the relationship between the two variables that influence the quality of work-life on employee morale by mediating organizational commitment of 0.657×0.468 = 0.307.

D. Total Effect

To understand the total effect, it can be done by adding the direct effect of quality of work-life on employee morale by 0.358 and the indirect effect of quality of work-life on employee morale through the organizational commitment of 0.307, the results obtained are 0.358 + 0.307 = 0.665.

Calculation of the value of the error variable in each structure.

\[ e_1 = \sqrt{1 - R_1^2} = \sqrt{1 - 0.432^2} = 0.754 \]
\[ e_2 = \sqrt{1 - R_2^2} = \sqrt{1 - 0.568^2} = 0.657 \]

coefficient of total determination:

\[ R^2 = 1 - (e_1)^2 = 1 - (e_2)^2 = 0.754 \]

75.5% of the variable employee morale at PT. Ital Fran’s Multindo Food Industries Bali branch is influenced by the quality of work-life, and organizational commitment

E. Sobel Test Results

\[ Z = \frac{0.657 \times 0.468}{\sqrt{(0.657^2 \times 0.00097^2) + (0.468^2 \times 0.0135^2) + (0.00097^2 \times 0.0135^2)}} = 3.060 \]

F. Discussion of Research Results

1) Quality of work life on work morale

The quality of work-life has a Beta of 0.358 and Sig value of 0.005, H1 is accepted. The quality of the work-life program has been seen as a way to increase workplace morale (Refiza, 2016). If the company appreciates the ability of employees, employees will have a high level of satisfaction while working. If the employee feels that positive impact from the participation he gives, the employee will always make the best use of his time to complete the job.

2) Quality of work life on organizational commitment

Quality of work life has a Beta of 0.657 and Sig. of 0.000. The conclusion is that the quality of work-life has a significant positive effect on organizational commitment, So the second hypothesis is accepted. If employees are often involved in the decision-making process that includes employee duties by the company, the employee will feel part of the company. Research from Normala (2010) shows that there is a relationship between quality of work-life and organizational commitment and provides insight into how Malaysian companies can improve the commitment of their employees.

3) Organizational commitment on work morale

Organizational commitment has a Beta of 0.468 and Sig of 0.000; organizational commitment has a significant positive effect on work morale. When organizational commitment increases, the morale of employees at PT. Ital Fran’s Multindo Food Industries Bali branch will continue to increase. Third hypothesis is accepted. If employees feel they belong to the company, they will be highly disciplined at work. Organizational commitment also influences morale if employees have a high commitment to the organization where they belong, then the employee will always be able to provide optimal work results. Henny (2020) shows that organizational commitment can affect work morale.

4) Organizational commitment mediates the effect of quality of work life on work morale

The Sobel test shows \( Z = 3.060 > 1.96 \), quality of life work has an indirect effect on morale, but through organizational commitment. Quality work-life will lead to increased organizational commitment which in turn will increase employee morale. To increase employee morale, then the management should first improve the quality of work life. If the quality of work-life is good, it will increase organizational commitment which will ultimately have an impact on increasing employee morale (Ramadhan, 2015).

5) Implications of research findings

Social exchange theory is the most important theory for understanding a person’s behavior at work. A company leader who knows the wishes of employees and can explain what will be obtained if the results of his work are in line with expectations such as providing rewards that are proportional to his work morale, then employees will try to show their good work morale to the fullest. This research provides an understanding that a high quality of work-life and organizational commitment can significantly increase employee morale, when an increased quality of work life is obtained from increased organizational commitment, the organizational commitment felt by employees becomes
stronger so that it has the potential to increase workplace morale. employee.

V. CONCLUSION

Companies should provide salaries that are by the workload felt by employees so that it will generate a commitment to the company. Companies should pay more attention to the conditions of their employees, such as providing a comfortable work environment, providing bonuses for employees who contribute more to the company, and also fostering a sense of belonging to the company so that it will foster employee organizational commitment. Companies should pay more attention to the tasks given to employees so that employees do not feel too burdened or work under pressure so that they will be able to increase morale.

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