

DESCRIPTIVE ANALYSIS OF JOB SATISFACTION, EMPLOYEE ENGAGEMENT, AND ORGANIZATIONAL COMMITMENT IN XMG REAL ESTATE BROKER

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ABSTRACT

This study aims to describe the following conditions of job satisfaction, employee engagement, and organizational commitment in XMG's real estate agents. Firstly, the job satisfaction (X) is described within these nine influential factors, such as: pay, promotion, supervision, benefit, rewards, operating conditions, coworkers, nature of work, and then communication. Then, the employee engagement (Y) is described within these ten influential factors, such as: career development, training, leadership, work environment, recognition, management, alignment, infrastructure, performance measurement, and communication. Lastly, the organizational commitment (Z) is described within these categories, such as: affective commitment, continuance commitment, and then normative commitment. The analytical tool used to describe in this study is the standard statistical analysis with mean, standard deviation, mode, and median in each of the influential factors. The population for this study is the entire real estate agents in XMG, which is 42 people, and the sample size is 32 people determined by using non-probability purposive sampling in which only those who have worked since before March 2017. Based on the results of the analysis, it has been described that the job satisfaction is qualified as moderately high, where the highest satisfaction is seen in the nature of work factor, and the lowest is in the pay factor. Then, the employee engagement has been described and qualified as moderately high, where the highest engagement came from the leadership factor, and the lowest is in communication factor. Lastly, commitment has been qualified as moderately high which the highest form of commitment is affective commitment and the lowest form of commitment is continuance commitment.

Keywords: Descriptive analysis, job Satisfaction, employee engagement, organizational commitment, real estate broker

INTRODUCTION

XMG is a real estate brokerage company established in 2012 and in the last 5 years, there has been a decline in the number of broker recruitment as well as an increase in the turnover rate of existing broker in the company. There are external and internal reasons why this problem occurs. Externally, the competition in brokerage industry has increased tremendously within the last few years, and thus all the offices are competing to offer a better commission deal to recruit brokers including from the competitors. Internally, the brokers who resigned from XMG reported some dissatisfaction in the commission deal. Many of them also admitted to have other jobs that required higher priority than this brokerage job.

In order to resolve this issue, the management of XMG then decided to switch to a new system that provides a higher commission percentage to brokers, and also offers a new career path to reduce the turnover rate. In the period of January to May 2017, this new system has been proven effective to increase the number of broker recruitment to XMG. Therefore, the management of XMG needs to further assess the internal conditions of brokers in order to evaluate the improvement from the new system.

The purpose of this study is to provide a descriptive analysis of the current job satisfaction, employee engagement, and organizational commitment conditions of the existing brokers in XMG.

LITERATURE REVIEW

Previous Research

Goetz et al. (2015) conducted a research to explore the working atmosphere and satisfaction of employees at various health institutions in Kenya. The researchers used a questionnaire with Likert scale and then analyzed the responses with statistical analysis model including mean value and standard deviation to describe the satisfaction. Vaksalla and Hashiman from University Sains Malaysia (2015) also conducted a research on how hope, personal growth initiative, and meaning in life predict work engagement, and the researchers also used the same method with questionnaires and Likert scale. Every variable was then described using statistical analysis using mean value and standard deviation. Cullinan et al. (2008) conducted an exploratory research on the effects of organizational commitment in three American-based companies. The researchers also used the same quantitative methods and statistical analysis to describe the organizational commitment conditions.

These previous researches on job satisfaction, employee engagement, and organizational commitment used different sampling methods, but all used the same instruments and statistic analysis to gather and analyze the data. Hence, this descriptive study is using the suitable sampling method to the population of XMG, and the research instrument is a set of three questionnaires with Likert scale.

Xavier Marks Graha (XMG)

PT. HSC is a real estate brokerage company established in 2012 and located in Surabaya. In the first 5 years, the company is using a franchise brand, and then changes to new XM system in the beginning of 2017. Hence, the company is currently using the brand XMG. This change is due to a problem in decreasing broker recruitment and retention.

The prospect in real estate business is still very promising as more and more competitors begin to open new offices. Therefore, this study is important to provide detail description of the internal conditions of brokers working in XMG so that the management can plan the best strategy to recruit and retain its brokers.

Job Satisfaction

H.L. Kaila (2015) in “Organizational Psychology” quotes Stephen P. Robbins the definition of job satisfaction as the positive feeling when an employee receives the suitable reward according to his expectation. According to Kaila, there are some influencing factors to job satisfaction that will be used as variables in the instrument of this study, such as pay, promotion, supervision, benefits, rewards, operating conditions, coworkers, nature of work, and communication.

Employee Engagement

Kular et al. (2008) quotes William Kahn the definition of employee engagement as the full participation and expression of the employees in performing their work physically, rationally, and emotionally. Saks (2006) proposes a theory that employee engagement is a way the

employees respond to the things that they have received from the company. For example, when a company has provided well-equipped facilities, employees then will show a higher engagement with an extra effort to maximize that given tools to reach the company's goals. In this study, the questionnaire includes 10 factors in employee engagement (Kaila, 2015), such as career development, training, leadership, work environment, recognition, alignment, management, infrastructure, performance measurement, and communication.

Organizational Commitment

H.L. Kaila (2015) defines organizational commitment as an indicator whether an employee will stay in the company after a period of time. Natalie J. Allen and John P. Mayer are quoted in Kaila (2015) to define organizational commitment into 3 categories, such as: continuance commitment, normative commitment, and affective commitment, and they conclude that employees with continuance commitment will stay in the company because they have to, and those with normative commitment feel that they have to stay, while those with affective commitment will remain in the company because they want to. Kaila (2015) quotes Richard T. Mowday that those employees with affective commitment will bring positive contribution and productive work to achieve the goals and values of the company as if those are their own.

RESEARCH METHODS

This research study is a descriptive analysis to provide detail description on the current job satisfaction, employee engagement, and organizational commitment conditions of real estate brokers in XMG. The total current population of brokers in XMG is 42 people, and using the non-probability purposive sampling (Sarwono, 2006: 17), the sample for this research study is determined to include brokers who have been recruited before March 2017. Thus, the total participants are 32 people with 10% degree of confidence (Sarwono, 2006: 120).

The instrument for this research study is a set of questionnaires using 7 point in Likert scale. First, the questionnaire for job satisfaction (X) includes 9 influencing factors with 4 statements for each factor. Second, the questionnaire for employee engagement (Y) includes 10 influencing factors with 3 statements to describe each factor. Lastly, the questionnaire for organizational commitment (Z) includes 3 categories with 8 statements in each category. In addition, participants also provide their gender, age, and working duration.

After collecting the data, these sets of data are tested for their validity and reliability using Pearson Correlation and Cronbach Alpha, respectively (Sugiyono, 2015: 176). Sugiyono explained that the set of data is valid when the significance level is less than 0.05 ($\alpha = 5\%$), and it is reliable if the Cronbach Alpha value is higher than 0.6.

For the descriptive analysis, the central tendency of these sets of data is determined by calculating the mean, median, mode, and the degree of variance is determined by calculating the standard deviation (Sugiyono, 2015: 253).

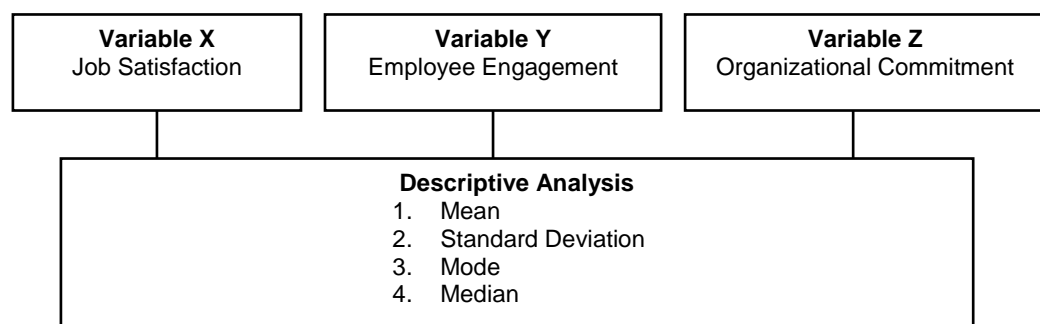


Figure 1. Research Model Structure

RESULTS AND DISCUSSION

The total number of participants in this study is 32 brokers in XMG, and the demography of these participants is summarized in Table 1. Majority of the participants are 75% male, 56% in the age range of 21-30 years old, and 54% with less than 1 year to 2 years work duration.

Table 1. Summary of Participants' Demography

Demography	Gender		Age Range (Year)					Work Duration (Year)				
	M	F	21-25	26-30	36-40	41-45	>46	t ≤ 1	1 < t ≤ 2	2 < t ≤ 3	3 < t ≤ 4	t > 4
Num. of Participants	24	8	8	10	5	6	3	12	5	3	8	4

All the data are then tested for their validity and reliability, and those that do not pass are removed from further analysis to describe the results of the study. The results from the descriptive statistical analysis are summarized in Table 2, and overall, the average condition for all job satisfaction, employee engagement, and organizational commitment are qualified as moderately high. None of the variables are qualified less than neutral, and the degree of variance among the data are fairly homogenous.

Table 2. Results of Descriptive Statistic Analysis

Job Satisfaction	Mode	Median	Mean	Std. Dev.	Average Percentage	Qualification
Pay	4	4	4.57	1.54	65 %	Moderately High
Promotion	6	6	5.22	1.40	75 %	High
Supervision	6	6	5.52	1.46	79 %	High
Benefit	4	4	4.60	1.41	66 %	Moderately High
Reward	4	5	4.93	1.54	70 %	Moderately High
Operating Cond.	6	5	5.22	1.39	75 %	High
Coworkers	6	6	5.44	1.29	78 %	High
Nature of work	6	6	5.63	1.04	80 %	High
Communication	6	6	5.24	1.51	75 %	High
Average			5.15		74 %	Moderately High

Employee Engagement	Mode	Median	Mean	Std. Dev.	Average Percentage	Qualification
Career Development	6	6	5.17	1.48	74 %	Moderately High
Training	6	5	5.05	1.30	72 %	Moderately High
Leadership	7	6	5.66	1.45	81 %	High
Work Environment	6	6	5.48	1.29	78 %	High
Recognition	4	5	4.75	1.53	68 %	Moderately High
Alignment	6	5	5.16	1.47	74 %	Moderately High
Management	6	6	5.60	1.33	80 %	High
Infrastructure	6	5	5.15	1.25	74 %	Moderately High
Performance Measurement	5	5	5.16	1.28	74 %	Moderately High

Communication	4	5	4.68	1.41	67 %	Moderately High
Average			5.19		74 %	Moderately High

Organizational Commitment	Mode	Median	Mean	Std. Dev.	Average Percentage	Qualification
Affective Com.	6	6	5.21	1.31	74 %	Moderately High
Continuance Com.	4	4	4.35	1.58	62 %	Moderately High
Normative Com.	6	5	4.83	1.56	69 %	Moderately High
Average			4.76		68 %	Moderately High

Job satisfaction is described in these 9 factors, such as: pay, promotion, supervision, benefit, rewards, operating conditions, coworkers, nature of work, and communication. Overall, the average satisfaction level is moderately high with the highest satisfaction in the nature of work and the least satisfaction in the financial income.

Employee engagement is described in the following 10 factors: career development, training, leadership, work environment, recognition, management, alignment, infrastructure, performance measurement, and communication. Overall, the average engagement level is moderately high with the highest engagement reported in leadership and the least engagement observed in communication.

Organizational commitment is described in these categories, such as affective, continuance, and normative commitment. Overall, the commitment level is moderately high. The affective commitment has the highest average while the continuance commitment is the lowest.

Table 3. Average Percentage of Job Satisfaction, Employee Engagement, Organizational Commitment in XMG Brokers

Job Satisfaction	Gender		Age Range (Year)					Work Duration (Year)				
	L	P	21-25	26-30	36-40	41-45	>46	t ≤1	1 < t ≤ 2	2 < t ≤ 3	3 < t ≤ 4	t >4
Pay	64	71	57	65	72	73	62	70	63	74	60	59
Promotion	73	79	66	74	86	76	76	75	79	60	70	86
Supervision	79	80	73	81	84	81	74	87	67	85	71	81
Benefit	65	67	65	61	74	71	60	74	57	79	57	60
Reward	70	72	70	64	82	73	69	81	59	62	63	75
Operating Condition	73	79	74	69	79	83	71	83	70	68	68	73
Coworkers	77	79	75	76	85	74	88	85	76	65	72	80
Nature of work	78	87	75	80	80	89	78	84	83	79	76	75
Communication	75	76	77	69	82	74	81	82	65	78	67	79
Average	73	77	70	71	81	77	73	80	69	72	67	74

Employee Engagement	Gender		Age Range (Year)					Work Duration (Year)				
	L	P	21-25	26-30	36-40	41-45	>46	t ≤1	1 < t ≤ 2	2 < t ≤ 3	3 < t ≤ 4	t >4
Career Development	76	68	77	75	74	71	68	81	70	79	63	75

Training	72	71	69	69	77	78	71	75	63	76	71	76
Leadership	81	80	82	80	83	82	76	90	79	89	70	70
Work Environment	80	74	77	82	75	74	81	85	70	87	70	79
Recognition	66	73	67	62	72	72	73	78	56	59	64	68
Alignment	73	76	69	76	79	75	67	85	68	56	70	68
Management	79	82	75	82	78	80	90	84	74	89	73	83
Infrastructure	73	74	70	75	70	75	83	78	76	78	63	74
Performance Measurement	73	75	72	76	69	73	79	76	66	88	70	73
Communication	67	67	69	63	65	68	73	72	62	56	64	70
Average	74	74	73	74	74	75	76	80	68	76	68	74

Organizational Commitment	Gender		Age Range (Year)					Work Duration (Year)				
	L	P	21-25	26-30	36-40	41-45	>46	t ≤ 1	1 < t ≤ 2	2 < t ≤ 3	3 < t ≤ 4	t > 4
Affective Commitment	74	75	74	76	75	77	67	81	66	64	73	77
Continuance Commitment	61	64	58	64	56	66	63	60	56	63	64	68
Normative Commitment	69	68	72	70	61	67	74	67	60	74	72	77
Average	68	69	68	70	64	70	68	69	61	67	69	74

The average results from this study are also arranged based on the demography of the participants in Table 3, and all these three conditions appear to be moderately consistent despite the gender of the participants. On the other hand, the age and work duration show a certain degree of variation in the results.

In job satisfaction, the three least satisfied factors are pay, benefits, and rewards, especially in the 21-30 years old age group. Therefore, the new system that offers a higher commission rate has not yet been effectively experienced by majority of the brokers in XMG. Also, with the increase number of brokers, the management needs to concern the maximum capacity of rooms, facilities, and all the other benefits provided in the office because when the number exceeds the capacity, they will experience greater discomfort and become more dissatisfied. Lastly, reward program offered for brokers is held for the period of 1 year with high target. This can potentially cause a great dissatisfaction when a broker failed to achieve the target despite already working so hard in that year. Therefore, it is recommended to have a shorter-term reward program to allow the brokers to strive for moderate target and thus, their confidence can grow to achieve higher target.

In employee engagement, majority of the factors, 7 out of 10, appear to have moderately high levels, and only 3 factors have high levels. This result indicates that majority of brokers in XMG have yet to fully engage in their work. One of the potential reason is due to the sudden increase of new recruits in the beginning of the year that the leaders of company focus mainly in supervising and training the new brokers. As shown in Table 3, the variance in engagement based on the work duration is higher in comparison to other demography factors. Hence, the leaders of XMG have to develop a schedule to build and maintain personal, one-on-one relationship with every broker in the company so that each of them can have the sense of belonging and then be more engaging in the office.

In organizational commitment, real estate broker is generally perceived as a part-time job so the moderately high commitment level is as expected for this profession. The highest commitment is seen in the affective category, especially those who have worked in XMG less than 1 year as shown in Table 3. The affective commitment level drops after 1 year because these brokers have become less dependent on the leaders to train and help teaching them. On the other hand, continuance and normative commitment starts lower in the beginning of their career and then increase over time. Lower commitment can potentially lead to high turnover rate. In order to raise the commitment level in the beginning of career, XMG can filter out applicants by asking them to pay an investment to join the initial training program. Therefore, only those who are serious will apply for the job and they will have higher motivation to earn their investment back. Also, this will prevent them to resign at the early stage of their career.

H.L. Kaila (2015) in "Organizational Psychology" also quotes Herzberg's Two-Factor theory that financial income can remove employee's dissatisfaction, but doesn't automatically improve the satisfaction level. Therefore, even though real estate brokers have achieved their financial target, the theory suggests that at the very best they will not feel dissatisfied. Locke's Value Theory in Job Satisfaction (Kaila, 2015) also appears to be varying in different age group because the young brokers might have higher ambition and idealism. When they did not achieve the expected value, then their satisfaction level decreases.

CONCLUSION

This study has successfully provided a detail description on the internal conditions of job satisfaction, employee engagement, and organizational commitment in XMG real estate brokers. In job satisfaction, the result shows average 74% (moderately high) with the highest average in the nature of work and the lowest in income. The participants also show 74% average in employee engagement with the highest in leadership factor and the lowest in communication. Lastly, the organizational commitment shows 68% average with the highest in affective commitment and the lowest in continuance commitment.

All these three conditions are appeared to have a moderately high level so the management of XMG has managed the company well in the past, and in order to improve the recruitment and retention rate, some specific areas need urgent attention such as remuneration system in job satisfaction, communication in engagement, and retention through continuance commitment.

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