

CHAPTER II

LITERATURE REVIEW

2.1 Previous Studies

Maria (2013) in the journal 'Influence awards, promotions, and the work environment to employee's job satisfaction in Pandanaran university Semarang'. Job satisfaction is one issue that is always interesting to study because people are always dissatisfied with what they had learned. University Pandanaran Semarang who had established for 14 years also experienced the same thing, especially with regard to its employees. Job satisfaction has always been associated with salaries, promotions, awards, work environment and other positions. Promotion has a positive effect on job satisfaction. Promotions make a person more healthy in competition and always try to be good. Promotions put someone in the spirit of work. Factors affecting job satisfaction of employees, including the award / reward, a chance to grow / promotion, supportive work environment, salary and behavior of boss / supervisor.

According to Robbins (2002) in Maria (2003), job satisfaction is employee attitudes toward works. Robbin also reminded to each organization management to really look at the importance of understanding and fulfillment of job satisfaction that have an impact on the productivity levels of absenteeism and labor turnover. The results using the SPSS showed no significant effect of appreciation, promotion and working conditions on employee job satisfaction. This study has implications, both theoretical and managerial.

Wayan (2012) in the journal 'Effect of Financial Compensation, promotion Work Environment and Physical Position on the Job Satisfaction of Employees in Parigata Sanur Resort and Spa. This study aims to determine simultaneously and partially the influence of financial compensation, promotion and physical work environment on employee job satisfaction and to determine which variables are the most dominant variable in influencing the job satisfaction of employees at Parigata Resort and Spa Sanur - Bali. Data analysis technique used is multiple linear regression analysis. Kostea's Research (2009) found that after employees received a promotion from his boss, in the past two years, this will lead to increase the employee satisfaction. Naveed et al. (2011) also suggests one important factor to improve employees' job satisfaction is promotion.

Promotion undertaken by the company management provides an important role for each of its employees, even every employee makes a promotion as a dream and goal that is always expected by the employees. The results showed that the variables of financial compensation, promotion, and physical work environment significantly influence the employee satisfaction at Parigata Resort and Spa Sanur - Bali with a contribution of 82 per cent, while the remaining 18 percent are influenced by other variables not included in the model.

Faidzin (2011) in his research entitled Pengaruh Kompensasi dan Promosi Jabatan terhadap Kepuasan Kerja Karyawan Pada PT ALTRAK 78 PEKANBARU. This journal aims to examine the effect of compensation and promotion toward job satisfaction in Altrak 78 Pekanbaru. The population of this research is all employees of PT Altrak 78 Pekanbaru. The total sample are 47

employees, which was obtained by using Slovin and stratification technique. Independent variables are compensation and promotion, while the dependent is job satisfaction. The data were analyzed by using descriptive and multiple regression analysis.

Job satisfaction is an assessment of how far the worker feels satisfied with all they need in the workplace. Satisfaction is a general attitude as a result of some special attitudes towards factors of work, adjustment and individual social relationships outside of work (Rival, 2003). Hasibuan (2007) in Faizdin (2011) said the promotion is the displacement that increases the authority and responsibility of employees to a higher position in the organization so that the rights, status, and their earnings will be even greater. This increase will happen to salaries, wages, benefits, incentives or other kinds of force in the company, along with increasing jobs, assignments, workloads, and controls of its range as a result of the promotion.

Faizan (2012) studied about 'Impact of job rotation on employee motivation, commitment and job involvement in banking sector of Pakistan'. Banking industries in Pakistan account for 95% of the financial sector. Pakistan has a well-established banking system which includes a wide variety of financial institutions ranging from central banks to commercial banks to specialize financial agencies to cater for specific requirements of various sectors of the country. The survey method used for this descriptive study was the questionnaires as the data collection instrument. Questionnaires allow time to the respondents to think about the research questions which produce more meaningful answers (Peil et al., 1982).

The scale was developed to measure the extent of job rotational activities in the bank by using five point likert scale. The skill variety, task significance, autonomy, task identity, feedback and empowerment inherent in job rotation significantly enhance the employee motivation, commitment and job involvement by making the work more interesting which would otherwise become bored and tired of always performing the similar tasks and showing a little loyalty to their employers (Zeira, 1974). This study was conducted to highlight the importance of the job rotation as a training method and to access its impact on the employee motivation, commitment and job involvement. From this journal, it can beconcluded that job rotation has a significant relationship with motivation, employee commitment and job involvement.

Ilhami (2012) in the journal entitled 'Examining the Relationships among Job Satisfaction, Organizational Commitment, and Turnover Intention: An Empirical Study' examined the relationship among job satisfaction, organizational commitment, and turnover intention of employees. A model of job satisfaction, organizational commitment, and turnover intention is developed and tested in one field study. In this study, used 250 employees of a Turkish manufacturing company were given questionnaires to complete during their regular working hours; 188 completed questionnaires were returned. The results indicated that job satisfaction is one of the most antecedents of organizational commitment and turnover intention and suggested that high levels of job satisfaction results in higher commitment and lower turnover intention. Thus, job satisfaction positively influences on affective commitment, continuance

commitment, and normative commitment while it is negatively impact on turnover intention. The results emphasized the need to consider the factors affecting the relationship by highlighting to studies conducted on job satisfaction, organizational commitment, and turnover intention. It means that job satisfaction has a positive effect on affective commitment, continuance commitment, and normative commitment. In other words, job satisfaction has an influence on the affective commitment, continuance commitment, and normative commitment at the significance level. From that conclusion, the organization should try to increase job satisfaction of employees.

Ebru (2009) in the journal of 'Job satisfaction and organizational commitment of hotel managers in Turkey' identified the effects of job satisfaction on organizational commitment for managers in large-scale hotels in the Aegean region of Turkey and, in addition, to examine whether there is a significant relationship between the characteristics of the sample, organizational commitment, and job satisfaction. Two structured questionnaires were administered to large-scale hotel managers in the tourism industry. The survey instruments were adopted from the validated Minnesota Job Satisfaction and Organizational Commitment Questionnaire of Meyer-Allen. The data were analyzed by using Statistical Package for Social Sciences version 13.0. From this journal, it was found that extrinsic, intrinsic, and general job satisfaction have a significant effect on normative commitment and affective commitment. In addition, the findings suggested that the dimensions of job satisfaction do not have a significant effect on the continuance commitment among the managers of

large-scale hotels. The characteristics of the sample used are such as age, income level, and education having a significant relationship with extrinsic job satisfaction, whereas income level indirectly affect affective commitment.

Ching (2009) in the journal entitled 'Effects of job rotation and role stress among nurses on job satisfaction and organizational commitment' investigated how role stress among nurses could affect their job satisfaction and organizational commitment, and whether the job rotation system might encourage nurses to understand the vision of the organization, that is consequently increasing their job satisfaction and stimulating them to willingly remain in their jobs and commit themselves to the organization. With the top of managerial hospital administration's approval, questionnaires were only distributed to nurses who had had job rotation experiences. 650 copies of questionnaires in two large and influential hospitals in southern Taiwan were distributed, among which 532 valid copies were retrieved with a response rate of 81.8%. From this journal, the results can be concluded that job rotation among nurses could have an effect and had a positive influence on their job satisfaction, and job rotation could have an effect and had a positive influence on organizational commitment, and job satisfaction could have a positive effect on organizational commitment.

Andi (2012) in the research of 'Analysis of Effect Of Organizational Commitment Career Development Employees at Head Office PT. Bank Sulselbar City Makassar' provided an opportunity for all employees to be able to follow the education and training programs for the development of knowledge and expertise. This research used a method of multiple linear regression analysis as a preference

analysis to determine the effect of career development organization on the commitment of the employees of PT. Bank Sulselbar Office Makassar. It was found that promotion post promotion applied is promotion that gives an effect on its commitment. Employees are required to be able to make the job planning after being promoted, to evaluate their job performance after having promoted, to do a briefing on policies in accordance with the promotion occupied, to control and analyze problems after the promotion to increase its commitment. From that research, it can be concluded that the development of a career based on education and training, as well as a transfer and promotion have a positive leverage on commitment of employees at headquarters of PT. Bank Sulselbar Kota Makassar.

Prawita (2012) in his research on 'Pengaruh Kepuasan Kerja, Komitmen Organisasi, Promosi Jabatan Pada Komitmen Karir' concluded that job satisfaction has a significant positive effect on carrier commitment. This finding indicated that an employee who already has a job satisfaction can increase their work and carrier commitment. Another finding is that job promotion has a positive influence on carrier commitment because employees believe that job promotion can increase carrier commitment.

Shahin (2013) in the journal entitled 'Investigating the Influence of Job Rotation on Performance by Considering Skill Variation and Job Satisfaction of Bank Employees' found that job rotation is the most important approach of job design as well as human capital development policies which has the potential to improve job satisfaction and increase capabilities in employees. Thus, a present study attempts to study the effects of job rotation patterns on the performance of

employees in Keshavarzi Banks of Gilan considering the skill diversity and job satisfaction and providing effective guidelines to enable managers to lead the organization toward a better future by desired policies. Statistical population consists of 218 employees from 30 branches of Keshavarzi Bank in three south, centre, east and west districts. The sample size was 137 estimated by Cochran formula. Hence, LISREL software was used to test the relationship between job rotation and performance by mediating the role of skill variation and job satisfaction by modelling structure equations.

The results showed that job performance is not directly influenced by job rotation. Job rotation positively influences job performance mediated by job satisfaction and skill variation. From this journal, it was found a positive significant relationship between job rotation and job satisfaction. Job rotation is a very effective policy to develop employee horizons and empower them, which is considered as the most important effect factor mediated by job satisfaction and skill diversity on performance and effectiveness of organizations.

Faisal (2014) in the journal of 'Job Rotation, Job Performance, Organizational Commitment: An Empirical Study On Bank Employees' investigated the relationship and effect of job rotation, job performance and organizational commitment variables among the employees working in the banking sector in Pakistan. A self-administrated questionnaire was distributed by selecting a convenient sampling method. The data collected were 435 from the employees in the banks. The data were analyzed by using Statistical Package of Social Sciences (SPSS). Job Rotation has been used to increase the

employee working performance and to actively take parts in performing their jobs within the organization, which are incredibly vital for valuable performance as stated by Zeira (1974). Organizational commitment is one of the most important factors in the organizational performance. Organizational commitment is defined as the sense of an individual which depends on the organization. According to Modways et al., (1984), organizational commitment is an effective matter, whereas it defines that the employees have a strong interest and attachment to the organization. From this journal, it was found that job rotation has a positive significance with an employees' commitment to the organization and also can increase the motivation level and employee performance.

Ardesir (2012) in his journal entitled 'A Study of Relation between Job Rotation and Staff's Organizational Commitment (A case Study at Ilam University)' has been done with the aim of examining the relation between job rotation and organizational commitment among Ilam university staff. Statistical population in this study included staff of Ilam University and statistical sample consists of 72 individuals including 51 men and 21 women. Data collecting tools for measuring job rotation is a standard questionnaire consisting of 24 items and also for measuring organizational commitment, Allen and Mayer's questionnaire has been applied. It was found that there is a significant relation between job rotation and staff commitment to the organization. Job rotation is accomplished by a complete planning to realize organizational goals and by referring to appoint that job rotation is conducted because repetitive tasks make staff exhausted so that they cannot perform their tasks along with the organization's goals.



















2.2 Theoretical Review

2.2.1. Human Resource Management

2.2.1.1. Definition of Management

Management is formally defined as planning, organizing, leading and controlling the use of resources to accomplish the performance of goals (Schermerhorn,1996). Management is the process of planning, organizing, directing and monitoring the efforts of the members of the organization and the use of other organizational resources in order to achieve organizational goals that have been set (Stoner, 1992).

Management is a process for coordinating activities of the work efficiently and effectively (Robbins & Coulter, 2003).

2.2.1.2. Definition of Human Resource Management

According to Flippo (1980), human resource management is the planning, organizing, directing and controlling of the procurement, development, resources to the end that individual and societal objectives are accomplished.

Scott, Clothier and Spriegel (2007) defined Human Resource Management as a branch of management which is responsible on a staff basis for concentrating on those aspects of operations which are primarily concerned with the relationship of management to employees and employees to employees and with the development of the individual and the group.

French (1994) defined Human Resource management as the recruitment, selection, development, utilization, compensation and motivation of human resource by the organization.

2.2.1.3. Objective of Human Resource Management

Ivancevich (2011) said that the main objective of human resource management is to ensure the availability of committed and competent workforce in the organization. The other key objectives of HRM are:

1. Societal objectives

To be ethically and socially responsible to the needs and challenges of the society while minimizing the negative impact of such demands on the organization.

2. Organizational objectives

To assist the organization achieve its primary objectives.

3. Functional objectives

To maintain the department's contribution at a level appropriate to the organization's needs.

4. Personal objectives

Assists employees in achieving their personal goals, that enhance the individual's contribution to the organization.

2.2.1.4. Function of Human Resource Management

According to Ivancevich (2011), the function performed by HRM can be classified into two broad categories:

a. Managerial functions

1. Planning

It is the primary function of management. It is a process of determining the organizational goals and formulation of policies and programs for achieving them. Forecasting is one of the important elements in the planning process.

2. Organizing

It is a process by which the structure and allocation of jobs are determined. Thus, organizing involves giving each subordinate a specific task, establishing departments, delegating authority to subordinates, establishing channels of authority and communication and coordinating the work of subordinates.

3. Staffing

It is a process concerned with filling all the positions in the organization with adequate and qualified personnel. Managers are required to recruit, select, train, place, compensate, maintain, promote and retire the employees of the organization at the appropriate time.

4. Directing

It is a process to guide, motivate, supervise and lead people towards the attainment of planned targets of performance. It includes issuing orders and instructions, supervising people, motivating them, communicating and influencing employees' behavior.

5. Controlling

It is a process of ensuring that everything is moving in the desired direction. Controlling means measurement of actual performance, by comparing it with the standards, finding deviations and taking corrective actions.

b. Operative functions

1. Procurement

It involves procuring the right kind of people in appropriate number to be placed in the organization. It consists of activities such as manpower planning, recruitment, selection placement and induction or orientation of new employees.

2. Development

It involves activities meant to improve the knowledge, skills aptitudes and values of employees so as to enable them to perform their jobs in the better manner in the future. This function deals with training to employees, executive training to develop managers, organization development to strike a better fit between organizational climate/culture and employees.

3. Compensation

It involves determination of wages and salaries in accordance with the contribution made by employees to organizational goals. This function ensures equitable and fair remuneration for employees in

the organization, consists of activities such as job evaluation, wage and salary administration, bonus and incentives.

4. Integrations

It deals with the integration of individual, societal and organizational goals. This function mainly focuses on good labor-management relations, grievance handling, maintenance of discipline and free flow of communication at all levels.

5. Maintenance

It refers to sustaining and improving the already established condition, concerned with proper health, medical and safety measures. Arrangement and proper maintenance of health and safety standards are essential for providing conducive working environment in the organization.

6. Separation

It returns of the person back to the society. Organizations are responsible for meeting certain requirements in the process of separation. This function is concerned with retirement, lay-off, outplacement and discharge.

2.2.2 Job Rotation

2.2.2.1 Definitions of Job Rotation

According to Robins (2006), if employees perform excessive routines it is necessary to organize their works. One alternative is the use of job rotation. Job rotation is used if a particular activity is no longer challenged, the employee was transferred to another job at the same level that have a similar skill requirements.

According to Kaymaz (2010), job rotation is a design of work with an approach widely used by many companies with tiers different hierarchical level.

According to Yuyuk (2002), job rotation or rotation of the post of a mutated form of the personal is done horizontally, in which the transfer of labor from one position / job to another job, but it is still in the level of the same management, often termed as well as the transfer, with the aim to add the knowledge of a workforce and avoid the saturation. Job rotation is an important element that must be considered by companies or organizations, due to the rotation of positions / job. It can improve the efficiency and effectiveness of employees in the organization. The job rotation can be defined as periodic changes in workers from one task to another.

Employees are trained and given the opportunity to do two or more jobs in a rotation system. With this job rotation, the manager believes can stimulate the willingness and motivation of employees when providing a

broad perspective of employees in the organization. Another advantage in this job rotation is to increase flexibility and to simplify scheduling employees because the employees have been trained to do different jobs. (Tolkah, 2009).

2.2.2.2 Components of Job Rotation

According to Kaymaz (2010), there are some components:

1. The level of saturation of employees

The first and foremost objective of job rotation is to reduce the monotony and repetitiveness involved in a job. It allows employees to experience different types of jobs and motivate them to perform well at each stage of job replacement.

2. Additional skills, knowledge and competencies

Testing and analyzing employees' skills and competencies and then assigning them the work that they excel at is one of the major functions of job rotation process. It is done by moving them to different jobs and assignments and determining their proficiency and aptitude. Placing them what they are best at increases their on-job productivity. Employees usually do not want to change their area of operations. Once they start to perform a specific task, they do not want to shift from their comfort zone. Through the job rotation, managers prepare them in advance to have a wider range of work experience and develop different skills and competencies. It is necessary for an overall development of an individual. Along

with this, they understand the problems of various departments and try to adjust or adapt accordingly.

3. Preparation of management

The concept of succession planning is 'Who will replace whom'. Its main function of job rotation is to develop a pool of employees who can be placed at a senior level when someone gets retired or leaves the organization. The idea is to create an immediate replacement of a high-worth employee from within the organization.

4. The choice of the appropriate working position and increasing productivity

The success of an organization depends on the on-job productivity of its employees. If they are rightly placed, they will be able to give the maximum output. In case, they are not assigned the job that they are good at, it creates a real big problem for both employee as well as organization. Therefore, fitting a right person in right vacancy is one of the main objectives of job rotation.

5. The development of social relationships

Job rotation will build good working relationships that give the employees several benefits: the work will become more enjoyable when the employees have good relationships with others around them. Also, people are more likely to go along with

changes that they want to implement, and we are more innovative and creative.

According to Robbins (2006), there are some components of job rotation:

a. Productivity

Productivity is one of the key components in job rotation because of inability of job rotation to improve the productivity performance of the employees.

b. Creating a balance between power and the composition of office

Job rotation is able to create a balance in increasing the employee performance.

c. Knowledge of employees

The level of employees' knowledge is sorely tested when they will implement job rotation, and the knowledge is one factor that is capable of being a determinant of job rotation.

d. Boredom of employees to work

To reduce boredom in the workplace becomes a major factor determining the employee performance. Job rotation can reduce the employee boredom by giving them different tasks and atmospheres to work in different environments.

e. Stimulants that employees want to improve their career higher

With the new atmosphere, they will be giving out a new performance too, and they have goals and become more focused on their careers in the working environment.

According to Syadam (2002), there are some components of job rotation:

1. To create a balance between labor in existing positions in the organization so as to guarantee a stable employment conditions (personal stability).
2. An opportunity for a career development. This objective is intended to encourage or stimulate labor in order to attempt to reach a higher career, which also means that they would try to devote his ability supported by high morale.
3. Expand and increase knowledge. Broaden their horizons and knowledge of the needs that require attention within the organization. Thus, the existing workforce, insight and knowledge is not limited or fixated only on one particular field. With the rotation, this means that it is a chance for employees to broaden their horizons and knowledge within the organization.
4. Eliminate the saturation of the job. If a labor continuously from year to year holds the same position, it will lead to boredom, and burnout are consequently very dangerous. Boredom will lead the employee to feel stuck in their routine works that may cause their motivation to work. It is necessary to continue the effort to refresh.

2.2.2.3 Theory of Job Rotation

According to Kaymaz (2010), job rotation is a process by which employees laterally mobilize and serve their tasks in different organizational levels; when an individual experiences different posts and responsibilities in an organization, their ability increases to evaluate his

capabilities in the organization. The job rotation's applications are significant not only for production workers but also for employees considered as manager candidates.

Job rotation is the surest way of keeping the employee away from complacency and boredom of routine. It is difficult for an employee to sustain his interest in a given job for any substantial length of time as humans have the tendency of outgrowing their jobs through the learning and experience that they gain over a period of time. Stimulating human mind through diversity of challenges is a sure way to bring to forefront its creative instincts and in taking the individual and organizational performance to a higher plane. This is where a job rotation can prove to be a handy tool (Pride et al., 2005).

Job rotation is a system which is capable of augmenting employees' motivation and commitment within an organization and make wider observations as well. It brings an enlargement in work rate of human resources, tries to get better firm execution, individual mortal levels of multi-experienced employees, well obtainable capabilities and as well as new perspectives for attitude, deliberation, potentialities and hidden talent of employees (Cascio & McEvoy, 1992).

2.2.3 Promotion

2.2.3.1 Definition of Promotion

Mathis and Jackson (2002) explained a definition of a career development as the ability to grow that occurs deep beyond

what is charged in a job and in the case of human resources playing an important role in forward the withdrawal of an organization .

Nicholas (2002) stated an organization in goal through promotion. The successful organization in the development of human resources is by providing employees with an opportunities of promotion Organizations achieve goals through the promotion of employment. The success of an organization in developing its human resources are determined by the extent to which the implementation of promotion for employees. This makes the sale has a link to an achievement of organizational goals. In fact, successful organizations to reach the goals is determined by human resources that have interests of the organization to move forward. The interest of an organization in deveoping its human resources reflects in its promotional activities that are often applied.

Career development is any effort made to improve the technical skills, theoretical, conceptual and moral in accordance with the needs of job or position through education and training. Career development is based on factors that an employee would require a series of knowledge, training and developing employment mutations that work well in a succession of positions encountered during his career. Long-term career preparation of an employee to set this position is commonly called development. The

development has a broad scope and is more focused on long-term needs of the organization, stated by Andi(2012).

Stockholm (1998) stated that the progress an organization relates to the interest of anyone in te organization to cooperate in achieving of the goal. The interest represents a core process to do cooperation in achieving of the goal. The progress of an organization cannot be separated from their various interests of everyone to work together to achieve the goals. Interest is at the core of a process of cooperation and achievement of objectives.

2.2.3.2 Components of Job Promotion

According to Mathis and Jakcson (2002,) there are objectives of job promotion:

1. Experience

The more experiences expectsthehigher capacity, the more ideas and so on.

2. Skills and Knowledge

There are also companies that require a minimumtraining to be promoted on a certain position. The reason is that thehigher education expectsthebetter ideas.

3. Loyalty

Thehigherloyalty expects the greater responsibility.

4. Leadership

Sometimes a company often needs a responsibility that is quite large so that the issue of responsibility is a key condition for promotion.

5. Communication

For example, the salesman office is very important to establish social skills as a condition for promotion. In terms of promotion to certain levels, initiative and creative are requirements that must be considered because the job requires initiative and creative people.

According to Stockholm (1998), there are objectives of job promotion:

1. Recognition, position, and the greater fees for services to employees achieving higher employment.
2. Satisfaction and personal pride, the higher the social status, and the more increased the income .
3. Stimulate the employees to be more passionate to work, discipline, and increase labor productivity.
4. Ensure the staff placement and realize promotions of employees at the right time with an honest assessment.
5. Promotional opportunities can be beneficial chain (multiplier effect) in the company for a chain vacancies arise.

6. Give employees an opportunity to develop their creativity and innovation that are better for the benefit of optimal company.
7. Increase / expand the knowledge and experience of employees and this is a driving force for other employees.

According to Nicholas (2002), the basic promotion is divided into three, namely:

1. Experience (seniority) in which the sale is based on the length of services and experiences possessed by employees. Usually, employees who have a working period of time will have more experiences.
2. Proficiency, in this case the employees who have the skills to get priority to be promoted to a higher office. Proficiency is the skill in terms of practical implementation of work procedures, special techniques and disciplines; proficiency in bringing together and aligning the elements involved in policy-making and management skills in motivating directly.
3. The combination of experience and skills. This promotion is based on the old official, formal diploma owned and class promotion test results.

2.2.3.3 Theory of Job Promotion

According to Mathis and Jackson (2002), promotion has a significant value as a proof of recognition of the results or employee performance. Promotion has an important meaning for the company because the promotion means the stability of the company, and employee morale will be more secure. An employee must expect an increase in his career.

Flippo (2002) stated that the promotion is a change from one job to another that has better in terms of position and responsibilities. One way that an employee can enhance his career is through the promotion in the company where the employee works. The study about promotion can add to the excitement and passion of employees in the work so that employees will work with full motivation to get a promotion in his career. If an employee gets a promotion, then the position and compensation will be received automatically will also increase, this could lead to greater job satisfaction than the previous one.

According to Werther and Davis (1996), a promotion occurs when an employee is moved from one job to another job that is higher in pay, responsibility, organization level. Promotion is an opportunity where one can improve his position. Promotion means the displacement of a position to another position, which has the higher status and responsibilities of. It has a value because it is an

acknowledgment of someone's performance that is successfully achieved.

2.2.4 Job Satisfaction

2.2.4.1 Definition of Job Satisfaction

Robbins & Judge (2011) defined a satisfaction labor as a positive feeling of on a job, who is the impact or the evaluation results from various aspects of the job. Satisfaction employment is an assessment and attitude of someone or employees with their projections and is associated with work environment, kinds of work, the relationship between friends from work, and social relations at work. Simply work satisfaction or job satisfaction can be concluded as what that makes a person better to work because they feel delighted in doing the job.

The sense of job satisfaction, according to Robbins (2003) is "Job Satisfaction refers to an individual's general attitude toward his work". The very broad definition, that one's work is more than just a flashy organize activities of paper, write the programming code, waiting for customers, etc. The job requires interaction with colleagues and superiors; comply with the rules and organization policy, meet the standard of performance, living with a working atmosphere that is often less than ideal, and like. Mathis dan Jackson (2011) stated that job satisfaction is a positive emotional state that is the result of the evaluation of a person's work

experience so that employees can feel job satisfaction when they can meet expectations. And vice versa, when employees cannot meet expectations, there will be dissatisfaction in work.

Among the theory of job satisfaction is the two-factor theory and value theory. Two-factor theory is a theory which suggests that job satisfaction and dissatisfaction is parts of a group of different variables, namely motivators and hygiene factors. In this theory, satisfaction and dissatisfaction have different factors. Satisfaction factors are related to the work itself or the direct result thereof, such as the nature of work, achievements in employment, promotion opportunities, and the opportunity for self-development and recognition. And these factors are associated with high levels of job satisfaction, namely motivators. While dissatisfaction relates to conditions surrounding employment such as working conditions, wages, safety, quality control, and relationships with others. These factors prevent negative reactions in maintaining the factors.

Value theory is a concept of job satisfaction theory that happens to the degree to which the job results of an individual can be accepted as expected. This theory focuses on the outcome of any people regardless of who they are. As more and more employees are receiving the results, they will be more satisfied. Conversely the less the employee receives the results, they will be

more dissatisfied. The key to the approach to this factor is the difference of the job aspect of by a person. The greater the the difference of the reality and desire, the lower the job satisfaction.

2.2.4.2 Components of Job Satisfaction

According to Robbins (2002), employee satisfaction is influenced by many factors, among others: the challenging work, recognition, work environment and interpersonal relationships.

1. Work the mental challenge. In general, people prefer a job that provides an opportunity to use their skills and abilities as well as provides a variety of tasks, freedom and feedback about how well is his job. This will make the job more challenging mentally. Less demanding jobs will create boredom, but if it is too challenging can also create frustration and a feeling of failure.
2. The award is appropriate. Employees want a pay system that is fair, unambiguous, and in tune with the expectations of employees. When the salary is considered as fair, in the sense that it is in accordance with the demands of work, the skill level of the individual, society and the standard fee, it is likely to create satisfaction.
3. Working conditions are supportive. Employees associate the work environment based on their personal comfort and ease of doing a good job including layout, cleanliness of

working space, facilities and tools, temperature and noise level.

4. Supportive colleague. Individuals get something more than money or real accomplishment of the work, but the employees also meet the needs of social interaction. Behavior of the boss is also a major determining a factor of satisfaction. Therefore, it is necessary to apply mutual respect, loyal and tolerant with each other, openness and familiarity among employees.

Nelson and Quick (2006) revealed that job satisfaction is affected five specific dimensions of work, namely the salary, the job itself, promotion, supervision and co-workers.

1. Salary: amount of wages received and the degree to which this can be considered as the proper thing compared with others in the organization. Employees view salary as a reflection of how the management view of their contribution to the company.
2. Promotion is a factor related to the presence or absence of the opportunity to gain career advancement during the work. This is an opportunity that has a different effect on job satisfaction.

3. Supervision is the ability of an employer to provide technical assistance and supportive behavior to subordinates who experience problems at work.
4. Partners are reminder where co-workers who are good, and its social support is a factor related to the relationship between employees and other employees either their leader or colleagues with the same or different job responsibilities.

According to Robbins and Judges (2011), employee satisfaction is influenced by many factors, among others

1. Wages

The amount and sense of justice

2. Promotion

Opportunities and a sense of justice to get a promotion

3. Supervision

Fairness and competence assignment menajerial by supervisor

4. Benefit

Insurance, vacation and other forms of facilities

5. Contingent rewards

Respect, recognized and awarded appreciation

6. Operating procedures

Policies, procedures and rules

7. Coworkers

Co-workers are pleasant and competent

8. Nature of work

The task itself can be enjoyed or not

9. Communication

A variety of information within the organization (verbal and nonverbal)

2.2.4.3 Theory of Job satisfaction

According to (Davis, 2002, p. 105) stated that "job satisfaction is a set of employees' feeling pleasant or unpleasant about their work". The job satisfaction implies a very important, both in terms of workers and companies as well as for the society in general. Therefore, it creates a situation which is positive in the work environment of a company which is absolutely concerned with the duty of each senior leader of the company.

According to Herzberg (2000), he developed a theory called the theory of satisfaction consisting of two factors which are dissatisfied factors and satisfied factors. This means that dissatisfaction and satisfaction are not continuous variables.

1. Discrepancy Theory

Mismatch Theory measures the satisfaction of one's work by calculating the difference between something that should have been and the perceived reality, that if the satisfaction obtained is more than the desired one so that people will be more satisfied. There is a discrepancy, but the discrepancy is positive.

2. Equity Theory

People will feel satisfied or dissatisfied depending on the presence or absence of justice in a situation, particularly the employment situation. The main component of the theory of justice is input, results, justice and injustice. Input is a valuable factor for employees who are considered to support its work, such as education, experience, skills, the number of tasks, and the equipment or equipment used to carry out his work. The result is something that is considered valuable by an employee obtained from his job, such as salaries / wages, fringe benefits, symbol, status, awards and the opportunity to succeed or self-actualization.

3. Two Factor Theories

Job characteristics can be grouped into two categories: it is called dissatisfier or hygiene factors, and the other is called the satisfiers or motivators. Satisfiers or motivators are factors or circumstances demonstrated as a source of job satisfaction which consists of an interesting job with full of challenges, opportunities for achievement, the opportunity to earn rewards and promotions.

Benchmark levels of satisfaction are absolutely no different for every employee's satisfaction standards. Indicators of job satisfaction is measured only with discipline, morale, employee turnover which are greater than the job satisfaction of employees in the company is reduced.

2.2.5 Commitment

2.2.5.1 Definiton of Commitment

Becker (2008) stated commitment to a social enterprise that one does regularly for fear of losing what has been at stake for working in the company. These bets can be time, effort, money, status, skills and facilities obtained from the company. The concept of commitment to this organization (named after the commitment), which got the attention of managers and organizational behavior expert, evolved from the preliminary study of the work of loyalty expected of every employee.

Commitment is a condition that is felt by employees that can lead to a strong positive behavior towards the organization of its work. Commitment is the desire of a person to give ability, devotion, identify and feel themselves to be a part of an organization that is shown by a desire to work and do the best and to maintain the membership in the organization and help realize the goals of the organization.

Commitment as a behavior that is a loyal action for attachment to the levels in the past, or because it has been staked sacrifice in the organization may not be able to return (Andrew, 2012).

According to Gimbart (2008), commitment is a form of commitment arises not merely passive loyalty, but also involves active relationships with labor organizations that have the goal of providing all efforts for the successful organization. Commitment is an attitude that reflects the employee loyalty to the organization and an ongoing process in which members of the organization express their attention to the success of the organization and maintain its sustainable progress (Prawita, 2012).

2.2.5.2 Component of Commitment

Allen and Meyer (1991) distinguished commitment to the organization's top three components: Affective Commitment, Normative Commitment, and Continuance Commitment.

- a. Affective commitment is commitment related to emotional, identification and involvement of employees in the organization. Affective commitment refers to the employee's positive emotional attachment to the organisation. Such an individual also strongly identifies with the goals of the organisation and desires to maintain his membership. Individuals are committed to an organisation because they "want to". Employees with high affective components do not break away from the organization because they want to remain bound to the

organization. This commitment is the key to employees stay because they want to.

b. Normative commitment refers to an individual's commitment to an organisation because of feelings of obligation. Such feelings might derive from the fact, for example, that the organisation invested a certain amount of resources when employing the person (trainings, courses, etc.), which makes the employee is feeling obliged to put considerable efforts into the job and stay with the organisation until "repaying the debt". Furthermore, such feelings can also stem from personal reasons, triggered by some socialisation processes, or one wishes to remain loyal to his family or any other person. Therefore, the employee stays with the organisation because he "ought to" do so. These feelings arise out of a sense of duty or obligation. This particular component is affected largely by one's personal experience, cultural background, and socialisation. Having a commitment to the organization where the employee have to stay, this make them believe in the obligation to contribute to the organization. Employees must carry out its work to achieve the goals set by the company.

c. Continuance commitment is a commitment to rational

It is formed on the basis of cost-benefit considerations faced by employees when facing the decision to come on board in the organization or about to come out of the organization, referring to an employee's commitment to an organisation due to the fact that he calculates how high the costs of losing one's organisational membership are. Such considerations might include economic costs (for instance, pension accruals) and social costs (relationships/friendships with colleagues might cease to exist) too. Individuals feel that they "have to" commit to the organisation.

According to Dessler (2003), commitment can be defined as the relative strength of individual identification of the organization, which can be seen at least by three factors, namely:

- a. Trust and acceptance of the strong over the goals and values of the organization.
- b. Ability to commercialize the organization.
- c. A strong desire to retain a member organization

2.2.5.3 Theory of Commitment

Meyer and Allen (1991) formulated a definition of the commitment in the organization as a psychological construct which is a characteristic member organization relationship with the organization and has implications for an individual's decision to continue its membership in the organization. Based on these definitions, members who are committed to the organization would be able

to survive as a part of the organization compared to members who have no commitment to the organization.

Steers (1988) stated the organization's commitment to explain the relative strength of an individual's identification with involvement in an organization. The commitment to bring something beyond mere loyalty to an organization. In addition, it includes an active relationship with the organizations in which individuals are willing to give something of themselves to help the organization's success and prosperity.

Luthans (2006) said that as the attitude, commitment to the organization is often defined as follows:

1. A strong desire to remain as a member of a particular organization
2. The desire to strive as a desired organization
3. The particular belief, and acceptance of the values and goals of the organization.

In other words, it is an attitude that reflects the employees' loyalty to the organization and ongoing process in which members of the organization express their concern to the success of the organization and its sustainable progress.

2.3 Correlation between Variables

2.3.1 Relationship between Job Rotation to Job Satisfaction

Job rotation increases the motivation level of the employee. To increase their satisfaction (Faisal, 2014). Job rotation system causes enhancing productivity of human resources and improves organizational performance in both organization and individual level by training multi-skilled employees, creating a

logical efficient interaction between skill and motivation and providing practical participation for employees which is the greatest advantage for the employee is job satisfaction (Shahin, 2013). According to Ching Seng in their research, job rotation among nurses could have an effect on their job satisfaction. Job rotation is a very effective policy to develop employee horizons and empower them which is considered as the most important effective factor mediated by job satisfaction and skill diversity on performance and effectiveness of organizations (Shahin, 2013). From the explanation above, then the hypothesis proposed is as follows:

H1: Job Rotation's effect is positive towards job satisfaction

2.3.2 Relationship between Promotion and Job Satisfaction

Promotions have a positive influence on job satisfaction because job promotion makes a more healthy competition for the employees and always try to be good. Promotion makes a person has the spirit of the work (Maria, 2014). Simultaneously variables of financial compensation, promotion, and physical work environment significantly influence employee satisfaction (Wayan, 2014). The remuneration package and promotion opportunities have a positive correlation with job satisfaction among lecturers (Mustapha, 2013).

Organization can be improved by making good promotions and advancement policies. Employees' opinion should be considered as equal opportunities, and they should be given rewards for their hard work and good performance, such as to give fair salary and advanced training services for the job

and skill improvement and development (Zahid,2015). From the explanation above, then the hypothesis proposed is as follows:

H2: Promotion has a good influence on job satisfaction

2.3.3 Relationship between Job Rotation and Job Promotion to Job Satisfaction

Job rotation system causes the enhancement of productivity of human resources and improves organizational performance in both organization and individual levels by conducting a multi-skilled training for employees, creating a logical efficient interaction between skill and motivation and providing an advanced practical participation for employees that the greatest advantage is the increase of job satisfaction of employees (Shahin, 2013). An organization can be improved by making a good promotion and advancement policies, employees' opinion should be considered as equal opportunities that should be given, giving rewards for their hard work and good performance, giving fair salary and advance training services for the job and skill improvement and development (Zahid,2015). From the explanation above, the hypothesis proposed is as follows:

H3: Job rotation and job promotion have a good influence on job satisfaction

2.3.4 Relationship between Job Rotation and Commitment

The rotation within the working environment is increasing, the employees' commitment to the organization is also increasing, which in turn increases the loyalty of the employees within the organization (Faisal, 2014). Employee commitment to the organization is also to find out about the relationship of closeness of the employees of the organizations in which they work, so as to

reflect the involvement and employee loyalty towards the organization, where it will affect the work charged to the employee concerned with the a higher quality expected results. Employee commitment and job involvement could be slightly increased by boosting up job rotational activities (Faizan, 2012). Job rotation is accomplished by structured planning for realizing organizational goals and by referring to the point that job rotation is necessary as the staff are exhausted of repetitive tasks, in such a way that they cannot perform their tasks along with the organization's goals (Ardeshir, 2012). From the explanation above, then the hypothesis proposed is as follows:

H4: Job rotation has a good influence on commitment

2.3.5 Relationship between Promotion and Commitment

Promotion decision has significant affects to organizational commitment in employees (Mary, 2001). Career development based on education and training, as well as the transfer and promotion have a positive effect on employee commitment (Andi, 2012). Promotions have positive and significant impact on employee commitment (Prawita, 2012). Visible career development based on education and training has a positive and the most dominant influence on the commitment of employees (Andrew, 2012). From the explanation above, then the hypothesis proposed is as follows:

H5: Promotion has a good influence on commitment

2.3.6 Relationship between Job Rotation and Job Promotion, and Commitment

Employee commitment to the organization is also to find out about the relationship of closeness of the employees of the organizations in which they work, so as to reflect the involvement and employee loyalty towards the organization, where it will affect the work charged to the employee concerned that the expected result is a higher quality again. Employee commitment and job involvement could be slightly increased by boosting up job rotational activities (Faizan, 2012). Visible career development based on education and training has a positive and the most dominant influence on the commitment of employees (Andrew, 2012). From the explanation above, then the hypothesis proposed is as follows:

H6 : Job rotation and job promotion have a good influence on commitment

2.3.7 Relationship between Job Satisfaction and Commitment

There is a positive significant relationship between extrinsic job satisfaction and affective and normative organizational commitment and also there is a positive significant relationship between affective and normative commitment (Ebru, 2009). Job satisfaction positively impacts on affective commitment, continuance commitment, and normative commitment (İlhami, 2012). Job satisfaction is thought to influence their work outcomes such as organizational commitment and turnover intentions (İlhami, 2012). An employee who has a good job satisfaction will be more motivated to work and perform better in doing all works so that they are more committed to the company. Employees who work

with high motivation and job satisfaction will perform maximum and satisfactory works for the company (Tania, 2013). By considering the description above, the hypothesis proposed is as follows:

H7: Job satisfaction has a positive significant effect to the organizational commitment

2.3.8 Relationship between Job Rotation to Commitment through Job Satisfaction

According to Yuyuk (2014), there is a significant relationship between job rotation and job satisfaction. Job rotation can increase job satisfaction in organization. Job satisfaction positively impacts on affective commitment, continuance commitment, and normative commitment. By considering the description above, the hypothesis proposed is:

H8 = Job rotation has a positive influence on commitment through job satisfaction

2.3.9 Relationship between Job Promotion and Commitment through Job Satisfaction

According to Zahid (2015), job promotion has a positive effect on job satisfaction, and job advancement has also a significant relationship on job satisfaction. From the above explanation, satisfaction also has a significant relationship to commitment. Then, the hypothesis formulated is:

H9 = Job promotion has a positive influence on commitment through job satisfaction

2.4 Conceptual Framework

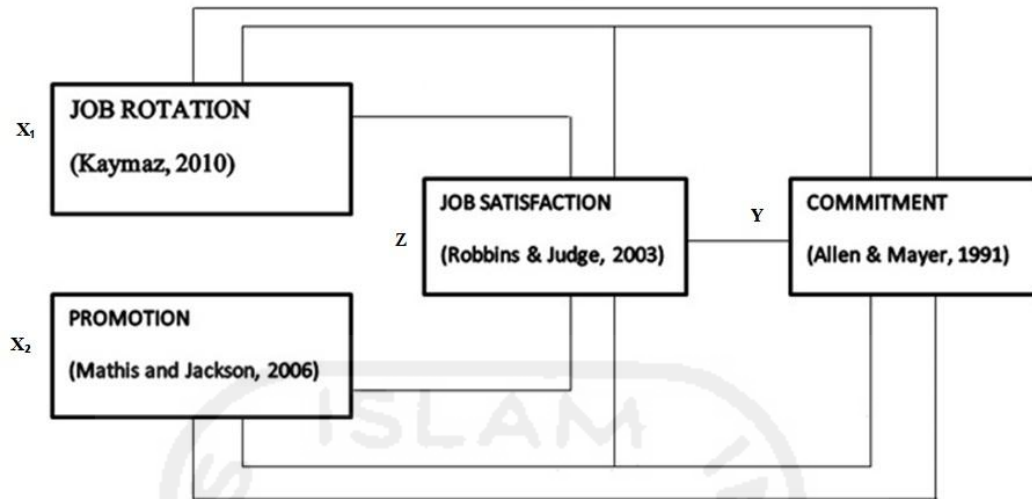


Figure 2.1 Theoretical Framework

a. Job Rotation to Satisfaction

Ching Seng(2009) :Nurses' job rotation had a positive influence on job satisfaction

Yuyuk(2014) :There is a significant relationship between job rotation and job satisfaction, job rotation can increase job satisfaction in an organization.

Shahin(2013) : Job rotation is a very effective policy to develop employee horizons and empower them which is considered as the most important effective factor mediated by job satisfaction and skill diversity on performance and effectiveness of organizations. There is a positive significant relationship between job rotation and job satisfaction, indicating a direct relationship between job rotation and satisfaction.

b. Promotion to Satisfaction

Maria(2014) :Promotions positively influence job satisfaction, job promotion provide a more healthy competition so that the employee will always try to be good. Promotion makes a person has the spirit of the work.

Wayan (2014) :Simultaneously variables of financial compensation, promotion, and physical work environment significantly influence the variation of employee satisfaction

Zahid(2015) :Job promotion has a positive effect on job satisfaction and job advancement has also a significant relationship on job satisfaction.

c. Job Rotation to Commitment

Faisal(2014) :The rotation within the working environment is increasing, the employees' commitment to the organization is also increasing, which in turn increases the loyalty of the employees within the organization.

Faizan(2012) :Employee commitment and job involvement could be slightly increased by boosting up job rotation activities.

Ardeshir(2012) :There is a significant relation between job rotation and staff organizational commitment.

d. Promotion to Commitment

Mary (2001) :Promotion decision has significant affects to organizational commitment in employees

Andi(2012) :Career development based on education and training, as well as the transfer and promotion have a positive effect on employee commitment.

Prawita(2012) :Promotions have a positive and significant impact on employee commitment

Andrew (2012) :Visible career development based on education and training has a positive and the most dominant influence onthe commitment of employees.

e. Job Satisfaction to Commitment

Ebru (2009) :There is a positive significant relationship between extrinsic job satisfaction and affective and normative organizational commitment and also there is a positive significant relationship between affective and normative commitment

Ilhami (2012) :Job satisfaction positively impacts on affective commitment, continuance commitment, and normative commitment

Tania(2013) :Employees working with high motivation and job satisfaction will performmaximum and satisfactory works for the company.