

CHAPTER III

RESEARCH METHODE

3.1 Introduction

This research covers a series of activities for the purpose of identifying independent and dependent variables. This activity consists of collecting data by spreading questionnaires to targeted respondents, testing the hypothesis and describing the phenomenon in the company for understanding of relationship between the independent variables that influence dependent variables.

3.2 Research Object

3.2.1 Research Site

This research was conducted at the BRI Branch Office of Wonosobo, located at Jalan jend. A. Yani No. 1A, Wonosobo, Central Java telephone: (0286) 321702/3221025

3.2.2 Background of the Company

PT Bank Rakyat Indonesia is one of the largest government-owned bank in Indonesia. Up to now the Bank rakyat Indonesia remains consistent to focus on services on small communities, including providing credit facilities to the small entrepreneurs. Bank Rakyat Indonesia also has programs focused on wider communitiessuch as the management of pension funds, funds, etc.

3.3 Employee Demographics

The demographic factors in this research are:

1. Gender

Gender is a sign of one's gender, namely men and women measured nominally.

2. Age

Age is the age of the respondents which followed the study grouped into < 20 years, 20-25, 26-30 years, 31-35, 36-40 years old, and > 40 years. The scale of the age of the respondents was measured in ordinal.

3. Education

Education level was taken from the last educational level of respondents and was measured nominally.

4. Periods of Work

Working period is the length of a person's work in an organization grouped into < 1 year, 1-2 years, > 2 years. Time scale of work respondents were measured in ordinal.

3.3.1 Population

The sampling technique used for the entire population became the main goal of the research was 110 employees working at Bank Rakyat Indonesia branch office in Wonosobo because they have direct obligations towards the company.

This study did not include the outsourcing employees because they are the third parties who has been the labors on behalf of the bank.

3.4 Research Variables

Based on the literature review and the preparation of the hypothesis, the research variables are:

1. A bound Variable (the Dependent Variable)

"Variable is a variable that is becoming a major concern of the researchers or the main variable that becomes a factor in the investigation" (Sekaran, 2011). In this research the bound variable is a commitment (Y).

2. The Free Variable (the Independent Variable)

"The free variables are the variables that affect the bound variable, either positively or negatively" (Sekaran, 2011). In this research, job rotation (X_1) and Job Promotion (X_2) were the free variables .

3. Intervening Variable

According to Sekaran (2011), it is "the remaining variables between the free variable that affect the bound variables, and the influence of the free variables in other variable ". In this research that job satisfaction (Z) is the intervening variable.

3.5 Operational Definition

Operational definitions are instructions of how to measure a concept in order to know the good or the bad of the measurements. As for operational definitions in this research are:

3.5.1. Job Rotation

Job rotation is the process of transferring a person from one job to another job. This is a simple technique that can stop the boredom of work. This variable shows the perception of an employee from one job to another job. As for the job rotation indicators developed by Kaymaz (2010) are:

1. The level of saturation of employment
 - a. Monotony activities in workplace
 - b. Dissatisfaction of work
 - c. Speciality on specific job
2. The additional knowledge, skills, and competencies
 - a. Productivity of work
 - b. Willingness to learn
 - c. Level of Motivation
3. Preparation of management
 - a. Management skills towards career goals
 - b. Ability to solve the problem
 - c. Ability to make decisions

4. The choice of the appropriate working position
 - a. Performance in job position
 - b. Feeling enjoy in job position
5. The development of social relationships
 - a. Harmonizing relationship between employee
 - b. Employees social and living condiitons
 - c. Behavioural characteristics

3.5.2. Promotion

Promotional programs are supposed to be informed, on what are the basis for consideration to promote an employee in company.

According to Mathis and Jackson (2006), the basis are:

- 1 . Experience
 - a. Internal Communication
 - b. Employee Engagement
- 2 .Skill
 - a.Multitasking
 - b.Communication
 - c.Negotiation
- 3 . Loyalty
 - a.Participation in goal setting
 - b.Performance feedback
 - c.Quality of supervision

4. Leadership

- a. Execute strategy
- b. Making decisions
- c. Encourage to work as a team

5. Communication

- a. Improving relationships and teamwork
- b. Foster an open, creative environment

3.5.3. Job Satisfaction

The level of employees satisfaction cannot be compared with an absolute comparison because each individual of employees has different standards of satisfaction. According to Robbins and Judges (2003), employment satisfaction factors are:

1. Freedom

- a. Responsibility
- b. Environment
- c. Priority

2. Career benefit

- a. Competencies
- b. Skill
- c. Knowledge

3. Opportunity to develop

- a. Employees have more potential than their current level of functionality.

- b. Encouraging employees to fulfill that potential will increase engagement and satisfaction.
- 4. Opportunity to develop a career
 - a. The opportunity to learn new skills
 - b. Develop new capabilities, through a formal training.
- 5. Compensation
 - a. Salary
 - b. Wage
 - c. Insurance
 - d. Workplace Facility
- 6. Communication between employee and manager
 - a. Relationship between employee and manager
 - b. Encourage to work as a team
- 7. Contribution to organization
 - a. Performance
 - b. Achievement
- 8. Feeling safety in workplace
 - a. Workplace Environment
 - b. Occupational health and safety
- 9. Flexibility in harmonizing life and job's problem
 - a. Communication in a workplace
 - b. Build a relationship with others in a workplace

10. Responsibility

- a. Quality of performance
- b. Result of task
- c. Initiative

3.5.4. Commitment

According to Allen and Mayer (1991), commitment to be defined as the identification of relatively individual organization, that can be seen at least with 3 factors ,namely:

1. Affective Commitment

- a. Emotional relationship between employee and organization
- b. Identification with organization
- c. Involvement of employee to organization's activity

2. Continuance Commitment

- a. Employee realizes the problem that they will face if they quit from the job
- b. Employee will stay in an organization because they need

3. Normative Commitment

- a. Obligation to keep working in an organization
- b. Workers with high normative components will feel that they must remain in the organization.

3.6 Type of Study

A research design is a blueprint of what will be done in the study, which will help the researcher in allocating limited resources to put the important choices in methodology. In the type of study will be using an exploratory study and a descriptive study. Exploratory study was conducted at the beginning of the study with the aim of understanding and researcher's deeper knowledge in conducting the research. In the exploratory study, the researcher will conduct a research based on the literatures by analyzing documents, journals, books, magazines and internet data gathering. While the descriptive analysis aims to describe something important in the research. With a descriptive study, the researcher can see a clear statement of the problem, specific hypotheses and data that is obviously related to the requirement. The approach taken to obtain primary data was by conducting surveys and questionnaires.

3.7 Data Collection Method

In order to obtain the required data, the researcher performed data collection activities in two ways:

1. Field Research

In this study, the researcher used a quantitative method as a type of research. The researcher made a list of questions and statements to measure the values of each variable. In addition, to measure the value of each statement and question, the researcher used Likert Scale as a reference. The questionnaire used Likert scale, which is based on Sugiyono (2004). It is related to calculating the respondents'

answers on the indicators of variables measured by the level of agreement or disagreement:

| Answer | Score |
|-------------------|-------|
| Strongly Agree | 5 |
| Agree | 4 |
| Less Agree | 3 |
| Disagree | 2 |
| Strongly Disagree | 1 |

2. Literature Research

The methods that will be used, as a secondary data of the research is previous research theories. Sources used is in this study were taken from the articles, journals and books that provided information and correlation to the theme or object of the research.

3.8 Data Measurement Instrument

In order to get good qualities of the research results, the series of research activities should be conducted carefully. Careful planning and fixed procedures, then the tools used must also be in good condition. Thus, the test was performed using the research tools used in the study to know whether the data obtained are valid and reliable or not.

3.8.1 Validity Test

Validity test is used to find out the extent to which the measuring instrument's precision and accuracy in performing the functions. An instrument is said to be valid, when the instrument was able to measure

what is measurable and should be able to uncover what is revealed (Hadi, 1993). To measure the validity can be done with the analysis of the factors of confirmation. This analysis was used to test whether the indicators used may confirm an invalid constructs of variables. If each measured indicator indicates invalid constructs, it will have a high loading values.

$$r_{xy} = \frac{N(\sum XY) - (\sum X)(\sum Y)}{\sqrt{(N(\sum X^2) - (\sum X)^2)(N(\sum Y^2) - (\sum Y)^2)}}$$

Description:

rx_y : The coefficient correlation

X : Score pieces

Y : Total score obtained

N : Sums of respondents

3.8.2 Reliability Test

Reliability is the degree of precision or accuracy demonstrated by the research instrument. The results were indicated by an index about how far is a reliable gauge. The measuring instrument can be said to be reliable (trustworthy), when the results of the measurement values obtained fixed or consistent, despite the repeated measurements carried out on the same subject (Hadi, 1993). Reliability of measuring gauges used Cronbach Alpha (α) techniques where a variable is said to be reliable if it provides the value of Cronbach Alpha > 0.70 .

$$r_{11} = \left[\frac{k}{(k-1)} \right] \left[1 - \frac{\sum \sigma_b^2}{\sigma_t^2} \right]$$

3.9. Data Analysis Technique

Data analysis technique used was by using SPSS (Statistics Package for Social Science) to analyze the data collected, using descriptive and inferential statistics. Descriptive statistics discern basic patterns in the data (Neuman, 2007).

Mean, frequency, standard deviation and range of inferential statistics were used to make influences related to the research proposition applicability to the study population.

3.9.1. Quantitative Method

Quantitative method is an analysis that is giving a description and explanation of using the figures and calculations with statistical methods. According to Mustafa (1995), the data analysis was done by manual calculation then the formula used is:

1. Multiple Linear Regressions

Multiple linear regressions were used to find out the direction that affects the independent variable (X) against the dependent variable (Y).

$$Y^{\wedge} = B_0 + B_1 X_1 \dots\dots\dots B_k X_k$$

Description

Y^{\wedge} = Y value estimates, if the value of X_1, \dots, X_k known

$B_0 \dots B_k$ = Statistical value as estimation

X = Independent variable

2. Regression Coefficient Hypothesis Test

$$T_h = \frac{b}{s_{b1}}$$

Description:

T_h = t statistical value

B = Regression coefficient

S_b = Standard deviation estimating regression coefficient

Test criteria:

H_0 is rejected when $F\text{-count} > F\text{-table}$

H_0 is accepted when $F\text{-count} < F\text{-table}$

3. Testing the regression coefficient simultaneously

Testing for the purpose of knowing where all variables are X together the same affect the variable Y .

$$F_h = \frac{(n - k - 1)(R^2_{xx(x_1, x_2, \dots, x_k)})}{n - k - 1}$$

$$F_t = \frac{k}{n - k - 1}$$

Description:

F_h = F statistical value

F_t = t-table value

Thus, it can be explained that the value received when $F_h > F_t$ and was rejected when $F_h < F_t$ or when applying the zero hypothesis formulation H_0 , then

it can be explained that H_0 is rejected when $F_h > F_t$ and H_0 are accepted when the value of $F_h < F_t$

4. Path Analysis

Basically Path Analysis method is a structured linear regression analysis regarding to standardize variables, in a closed system, which formally is complete. Thus, the analysis can be seen as a structural analysis, which addresses the casual relationships among variables in a closed system. As for path-analysis is very helpful to know the casual relationship between independent variables (X_1 and X_2) against a striction of dependant variable. Through the path analysis, it can measure directly the influence of independent results towards results response (dependent variable). It was calculated by the following equation:

$$r_{x_i x_j} = \frac{\sum_{i=1}^n x_i x_j - (\sum_{i=1}^n x_i)(\sum_{j=1}^n x_j)}{\sqrt{\{\sum_{i=1}^n x_i^2 - (\sum_{i=1}^n x_i)^2\} \{ \sum_{j=1}^n x_j^2 - (\sum_{j=1}^n x_j)^2 \}}}$$

Based on the formula of analysis correlation above, it can be analyse by the path with building simultaneous equation:

$$R_1 \quad r_{12} \quad r_{13} \quad \dots \quad r_{1p} \quad c_1 \quad 1 \quad p \quad r = R_{p1} \quad r_{p2} \quad r_{pp} \quad c \quad r_{py}$$

$$R \times C = R_y$$

Description:

R_x = Correlation matrix between independent variable in a multiple regression model that has the piece 'p' of independent variables in form matrix elements of $R_{x_{ij}}$ ($i, = 1, 2 \dots, p$).

C = Coefficient Vector path which shows a direct influence of any intervening (Z) variables, towards dependent variables (Y) (values of coefficients of path equal to the regression coefficient beta

R_{y_i} = Vector correlation coefficient between independent variables X
($i = 1, 2, \dots, p$) and dependent variable

In order to find out the direct influence of the intervening variable (Z) towards dependent variable (Y), measured by the coefficient of dependent variables. Error influence cannot be explained by a model, incorporated as the of the errors, measure by the equation:

$$C_{2s} \Sigma = 1 - C_{1iy}; C_s = \sqrt{C_{2s}}$$