Impact of Learning Culture, Transformational Leadership and Motivation Language on Gen Y’s Employee Job Satisfaction: Case Study on a Islamic Banking

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Abstract  
One of the internal factors in the organization of Islamic Banks, or hereby BUS, considered important by regulators to be increased is their Human Resources, including in Bank X. Current human resources in the organization, including bank X, consisting of three generations, Generation Y, Generation X and Baby Boomer Generation. Each generation has different cognitive conditions, emotional states, and social conditions. This generation difference also affects the management of human resources in one company. This condition is the basis for doing human resources research on one generation only, namely Generation Y. Generation Y selection is because this generation will be the next generation in the company. One of the important factors related to human resources is its job satisfaction, which can determine the success of the organization, increase the productivity of employees and companies. Job satisfaction is caused by several factors, including those used in this study are Learning Culture, Transformational Leadership, and Motivating Language. The research was conducted at Bank X and attended by 216 employees who entered in Generation Y category. The test was conducted with SPSS 23, with Multiple Regression statistic method. All measuring tools show good validity and reliability. The test results revealed that together the three factors above affect job satisfaction, with the proportion of influence of 47%. Transformational and Motivating Language Leadership variables significantly affect job satisfaction, while Learning Culture is not.

Keywords: job satisfaction, transformational leadership, motivating language, learning culture

Abstrak  

Kata Kunci: kepuasan kerja, kepemimpinan transformasional, motivating language, budaya pembelajaran

1. Introduction

Changes in the company’s external environment, especially the digital and internet technology factors have led to changes in various fields. One of its impacts is related to the areas that are important and interesting for the company namely the field of Human Resources (HR). HR itself is very important because people who run the process within the organization. If human resources are productive, then the company will also be productive. HR in the organization is part of the population in a society, which in its development is influenced by technological progress. Generation in society changed from silent generation (born 1925-1945), baby boomer generation (born 1946-1960), Generation X (born 1961-1981) and Y generation (born after 1981) (Brosdahl and Carpenter, 2011). It means that at present, in one company there are at least two generations of generation X (aged 36-56 years) and generation Y (aged 35 years and under).
Some companies that have a retirement policy age 58 will have baby boomer generations as well.

This technological change is not only impact their behavior associated with the use of technology alone, but it affects the cognitive, emotional factors and social factors they display (Immordino-Yang et al., 2012). For example, in terms of narcissistic behavior, which defined as behavior that likes to display her figure as a good and interesting figure. The results of Twenge et al., (2008), revealed that Gen Y students are more narcissistic than previous students.

One of the problems that arise is how the impact of the above generation differences for the organization, especially its human resource management. Bolton et al. (2013) reveal that the difference of this generation has an effect on the management of human resources in one company. It means something important for the X generation, may be less important for the Y generation, and vice versa. Likewise, in terms of behaving in work and other matters related to company’s human resources. For example, in terms of employee engagement of his company. That is how employees perceive themselves part of the organization. The question that arises, for example, is how to manage the Y generation. Is it the same as managing the X generation or with baby boomer generation? (Park and Gursoy, 2012; Solnet et al., 2012).

One of the important factors related to HR is the satisfaction of its work. Employee job satisfaction itself has often been proven as a very important factor for the company. One of them is research from Saari and Judge (2004). This research suggests that employee job satisfaction is the determinant of organizational success. Satisfied employees will be more productive and will ultimately increase the productivity of the company.

Employee job satisfaction can be caused by various factors. These factors can be categorized into two groups, ie factors directly related to money and factors that are not directly related to money. Employee job satisfaction is determined by the type of work done, the leadership in the workplace, their colleagues, the career opportunities the company provides and the fees they receive. The four factors mentioned earlier are nonfinancial factors, while the last factor is the financial factor (Robbins and Judge, 2013).

Other researchers revealed other factors that cause job satisfaction, especially those not directly related to financial factors. For example, a company that provides training to its employees, the variety and diversity of work (not boring work), the freedom that employees feel (not too much restricted and governed) (Barling et al., 2003; Bond & Bunce, 2003). Other researchers such as Humphrey et al., (2007) and Chiaburu and Harrison (2008), revealed the determinants of job satisfaction, namely interrelationships, feedback on work results, social support and work environment, interaction with workers from other companies.

The results of the mentioned research become the basis of this study to study the factors that affect job satisfaction of employees who entered the category non-financial. Indeed, there is criticism that states that the factors causing non-financial job satisfaction are important in a country that has prospered. While for a country that has not prosper, financial factors become important (Diener et al., 1993). This is precisely the reason why this research is conducted in developing countries like Indonesia. With GDP per capita below 4000 USD, then Indonesia is clearly not a prosperous country.

This research will be conducted at one of Islamic Commercial Bank, which is Bank X as part of the banking industry. The selection of Islamic Bank is because the BUS is not as fast as the regulator and the industry players in this BUS industry. The development of BUS in Indonesia has reached the age of 20 years, and in its development experienced good growth. However, the growth of this BUS lately can be said to be slowing down. For the period of 2008 (after the crisis) up to 2012, BUS is able to grow by 494%, while for the period of 2012 - 2014 BUS only grows by 30% only (OJK, 2016). This is the basis for the selection of this industry for further investigation. Further selected one of the industry players in this BUS is considered able to represent this industry. BUS X is chosen because it has large assets and market capitalization and is considered to represent the BUS industry.

Factors that cause employee job satisfaction BUS X will be studied, especially from aspects of non-financial factors. The first factor to be studied is the culture of learning as a cause of employee work satisfaction BUS. The choice of this factor is because BUS is a bank that runs on the basis of Islamic Islamic. In Islam, learn, science, and learning is an obligation for his people. This factor is considered important for BUS employees to improve their job satisfaction.

Second factor to be studied in this research is transformational leadership. As stated above, leadership factors are important in shaping employee job satisfaction. The results of research in various contexts mention the important role of leadership in shaping employee job satisfaction (Robbins and Judge, 2013).

Third factor to be studied is the Motivating Language, which means support from the leadership by delivering the language that motivates rather than dropping the spirit and motivation of the subordinates. This factor is one form of social support that is said Humphrey et al., (2007) and Chiaburu & Harrison, (2008) as one important factor in shaping employee job satisfaction.

2. Literature Review

Job Satisfaction

According to Hoppock in his book Robbins and Judge (2013), job satisfaction is a combination of psychological factors and the work environment that affects the feeling of satisfaction or lack of employment of employees in the company. Job satisfaction is a common attitude resulting from employee perceptions of the work that has been given and the work environment in the company (Robbins, and Judge, 2013, Spector 1997). At the level of job satisfaction alone will be different from one individual to
Transactional leadership is leadership that uses clear direction to subordinates about the expected role of itself and about what is required for a task to be accomplished. While transformational leadership is a leadership that inspires subordinates to achieve real goals for the subordinate’s own needs, but ultimately will have a positive impact on the company (Robbins and Judge, 2013).

The transformational leader will present four characteristics: Idealized Influence (Charisma), Inspiration Motivation, Intellectual Stimulation, Individualized Consideration. Idealized Influence is a leader behavior that generates the respect and trust of the people he leads. Leaders are willing to share risk, through consideration of needs that are led above personal needs, and moral and ethical behavior. Inspirational Motivation is the behavior of leaders who always provide the challenges and meaning of the work done by subordinates. An example of this behavior is the behavior of leaders who are able to demonstrate the commitment to organizational goals. This spirit is awakened by enthusiasm and optimism.

Intellectual Simulation is the behavior of leaders who always multiply new ideas and creative solutions from the people he leads. He also always encourages a new approach to doing the job. The subordinate will feel his intellectualism appreciated and meaningful.

Individualized Consideration is the behavior of leaders who always listen to subordinates with attention, and give special attention to the needs of achievement and needs of the people he leads. Subordinates will feel valued and meaningful.

Motivating Language

Motivating Language Theory is a thought that explains that the proper use of communication can be used by superiors to motivate subordinates (Mayfield et al., 1998). Motivating Language Theory also explains the effectiveness of the boss in communicating with his subordinates. It can also play an important role in achieving organizational goals (Simmons & Sharbrough III). In the Motivating Language Model (Mayfield et al., 1998) there are three types of communication:

1. Perlocutionary (Direction Giving) is a direction from superiors to subordinates, where this can also lower the level of confusion about the work to be done by the subordinates.

2. Illocutionary (Empathetic Language) is defined as a feeling of empathy to superiors in response to work done by subordinates. Can be exemplified as a compliment by superiors when the work of his subordinates has finished well.

3. Locutionary (Meaning-Making Language) that will arise when superiors explain the culture or organizational culture, rules, structures and norms applicable to subordinates.

Transformational Leadership

Transformational leadership is often coupled with transactional leadership and examined simultaneously. Transactional leadership is leadership that uses clear direction to subordinates about the expected role of itself and about what is required for a task to be accomplished. While transformational leadership is a leadership that inspires subordinates to achieve real goals for the subordinate’s own needs, but ultimately will have a positive impact on the company (Robbins and Judge, 2013).

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used in the relationship of superiors and subordinates. Second assumption is the behavior of superiors in terms of communicating with subordinates, greatly affect subordinates. Third assumption is that if the communication superior and behavior is balanced then the behavior of the superiors that will be more dominant. Fourth assumption is that the boss must use a combination of the three types of communication to achieve maximum results (Simmons & Sharbrough III, 2013).

3. Research Methods

Development Hypothesis

This research is a development of research that has been done before. However, this study has a unique research context that is done in the context of Islamic Commercial Bank employees who belong to the Y generation category. In general, the hypothesis is developed based on Park and Gursoy (2012) and Solnet et al. (2012) that generation differences (Generation Y, Generation X or Baby boomers) can affect corporate HR management, including in terms of job satisfaction.

This research is also based on studies that reveal that non-financial job satisfaction factors are important, but for developing countries may not be too important (Robbins and Judge, 2013; Barling et al., 2003; Bond & Bunce, 2003; Humphrey et al., 2007; Chiaburu & Harrison, 2008; Diener et al., 1993). Therefore, the three factors that can affect employee job satisfaction in this study are non-financial factors.

First factor is the learning culture. The results of previous research mentioned that the learning culture can improve the work satisfaction of subordinates (Yeo, 2005). Research Egan et al. (2004) states that the organizational culture of learning has a significant effect on job satisfaction and motivation to transfer learning. Then the research results Pantouvakis et al. (2013) in his research stated that the learning of cultural organizations directly and positively related to job satisfaction. The results of the above studies form the basis for hypothesis 1 formation below.

H1: Learning Culture will affect employee job satisfaction

Second factor is transformational leadership. The results of the study prove the effect. For example, research is Bursa et al. (2011), which states that there is a positive relationship between transformational leadership and employee job satisfaction. The results of Ghanbari et al. (2014) also showed results in line with Bursa et al. (2011). Ghanbari et al. (2011) conveyed that there is a significant positive relationship between transformational leadership and job satisfaction

H2: Transformational leadership will affect employee job satisfaction

Third factor is the Motivational language which is the communication pattern of the leader to his subordinates. The motivating language will increase job satisfaction from its subordinates. Mayfield et al. (1998) in his research stated that motivating is important in shaping employee performance and job satisfaction. In another study stated that motivating language has a significant positive relationship with job satisfaction for employees who are not in a position as supervisor, while employees with supervisor position did not experience it (Simmons and Sharbrough III, 2013).

H3: Motivating language will affect employee job satisfaction

The conceptual model of research can be seen in Figure 1.

Samples and Methods of Research Data Processing

The sample of this research is employees who work in one of the BUS, namely Bank X. Bank X is selected because it is one of the banks that have assets and the largest market share in Indonesia. The employee must be a permanent employee and has a working period of one year, so it is considered able to assess the condition of the company. The sample size is at least 100 samples, so it meets the criteria processed as parametric data.

Figure 1. Conceptual Model

![Diagram](image-url)
Data processing will be done by multiple regression testing methods. This method is chosen in accordance with the research method is quite simple, which has 3 independent variables and 1 dependent variable. All variables do not have measurement dimensions. Processing will be done using SPSS 23 application.

The data will be taken by distributing questionnaires to the research respondents. The retrieval of such data is categorized as primary data. Before further processing, the collected data will be tested for validity and reliability. Testing validity using convergent validity, with item correlation data with the total score, with a minimum measurement of 0.5. Testing Reliability using Cronbach alpha data with a minimum score of 0.7 (Hair et al, 2011). Testing significance using level of trust (α) equal to 5%.

The research gauge was developed from previous research publications, Allen and Meyer (1990), Heng et al (2014) and Breevaart et al, (2013). The measuring instrument will be translated and adjusted to the condition of the research object.

1. Job Satisfaction Measures (Hunt and Chonko, 1984). Hunt and Chonko use satisfaction of information as one dimension of job satisfaction measurement. This work satisfaction measurement tool is a job satisfaction assessed in accordance with the research context of the Y generation living in the fast-growing era of information technology. The measuring instrument consists of:
   - I am satisfied with the information I receive from my employer about my work performance
   - I received enough information from my boss about my work
   - I receive enough feedback from my boss about how well I do
   - There is enough opportunity in my job to know how well I am doing.

2. Transformational leadership tools (Breevaart et al, 2013)
   - My boss is enthusiastic about what we should accomplish.
   - My boss asked me to look at the problem from a different perspective.
   - My boss helps me build self-superiority
   - My boss stressed the importance of having the same feelings about the company’s mission.
   - My boss expresses the belief that goals will be achieved.

   - The company trains employees on expertise and prepares them for future work and career development.
   - The company allows employees to take time to learn new skills so they are ready for future work.
   - Companies are willing to accept employee requests to move laterally (Move to another department or even to a branch)
   - The company encourages and supports employee knowledge and development, and uses a combination of classroom, e-learning, coaching mentoring and mini training in the company.
   - The company provides financial assistance to continue the study for all employees.
   - The company has a Learning Center for employee development.

4. Motivating Language Measures (Mayfield et al, 1998). Measuring tool from Mayfield et al, 1998 uses one dimension that is considered most relevant to the research context. Generation Y is considered as a generation that requires recognition of the presence and role of himself, so this research using motivating language in terms of Meaning Making. The measuring instrument consists of:
   - My boss told me the important events that have happened to the company
   - My boss provides important information that cannot be obtained generally
   - My boss tells the story of someone who is a role model in the company
   - My boss gives advice on how to behave in the company’s activities

4. Discussion

Descriptive Data of Respondents

This research was conducted on the research object of the employees of Bank Islamic X. The demographic data presented consisted of education level, sex and working period in bank X. The level of education is generally S1 (163 respondents, 75%), followed by S2 (21 respondents, 10%) and D3 (3 respondents, 1%). The rest of 29 respondents, or 13%, did not respond.

Viewed from the sexes, dominated by male respondents. As many as 113 respondents (52%) were men, 69 respondents (32%) were women, while the rest did not answer. Judging from the period of work, generally, respondents have a fairly equal working period. A total of 73 respondents (34%) have a working period of 4-6 years. A total of 58 respondents (27%) have a working period of 7-10 years. A total of 55 respondents (25%) have a working period of 1-3 years. The rest does not include his working life.

Validity and Reliability Test Results

Validity and reliability test is done by using SPSS application. The validity test is done at the item level measurement. Test the validity using the correlation of measurement items with their total items. By using a minimum limit of 0.5. While the reliability test carried out at the variable level, by measuring the Cronbach Alpha. The minimum limit used is 0.7.

Test results show that all items and variables used are valid and reliable. Measuring Tools Job Satisfaction has the reliability of 0.936 with validity between 0.798 - 0.894. The Transformational Leadership has a reliability
of 0.902 with validity between 0.737 - 0.810. Measuring tool Culture Learning has the reliability of 0.878 with the validity between 0.525 - 0.770. Motivating Language measuring tool has a reliability of 0.851 with the validity between 0.671 - 0.715.

Descriptive Data of Research Variables

Four research variables used the highest average score is the Lead Transformational score of 3.76 (range score 1-5). Followed by Motivating Language, which is 3.57; Job Satisfaction with score 3.55; and a learning culture with a score of 3.39.

If the above scoring is divided into three criteria on average, ie low (1.00-2.33), medium (2.34-3.66) and high (3.67-5.00). Based on four variables above, only Transformational leadership variables fall into the category high, the rest included in the category is. This means that leadership in Bank X is quite dominant to display transformational leadership.

When viewed from the variation of data, using standard deviation data, the most uniform data is motivating language, followed by transformational leadership (0.77), learning culture (0.790) and job satisfaction (0.84). This data shows that leaders in Bank X have uniformity in displaying motivating language. This data also shows that the level of job satisfaction of Y generation employees at Bank X is quite diverse.

Hypothesis Testing Results

After the measuring instrument is valid and reliable research, then testing the research model. Tests conducted on three hypotheses that exist in this study. Two data that will be obtained is beta coefficient data and F test score data. The test results using SPSS 23 can be seen in the table 1.

From the table 1 shows that only two hypotheses show significant results, one other hypothesis is not significant. The two significant hypotheses are the influence of Transformational leadership on job satisfaction (Hypothesis 2) and the influence of Motivating Language on job satisfaction (Hypothesis 3). While the learning culture does not affect job satisfaction significantly (Hypothesis 1).

From the above test, it can be seen that the influence of Transformational leadership on job satisfaction is slightly greater than the influence of motivating language on job satisfaction. This can be seen from the H1 beta score of 0.387 which is greater than the beta score of H3 which is 0.313.

In addition to testing the three hypotheses above, also tested the influence of the three variables simultaneously on job satisfaction. From the test results obtained F test score of 65.14 which has a significance of 0.000. This means that all three variables together can affect job satisfaction significantly. From the adjusted R2 score, we get the influence of the three variables above on job satisfaction, that is equal to 47.2%.

Discussion of Research Results

Both research variables show results that are in accordance with the initial hypothesis of this study. The results of this study indicate that transformational leadership is an important factor in forming job satisfaction of subordinates, especially for subordinates who are Generation Y. The results of this study in line with Busra et al (2011) and Ghanbari et al (2014).

Furthermore, it will be analyzed more deeply that is the level of measurement items. The most representative measuring items of measurement are measurement items that have the highest mean. The transformational leadership measurement item that has the greatest average is the enthusiastic leader behavior in discussing what employees should accomplish. This behavior was able to increase employee job satisfaction. Especially because employees feel they have enough opportunity to know how well their work is.

Variables that also significantly affect job satisfaction are motivating language behavior. The results of this study are in line with findings Mayfield et al (1998). If a viewed more in-depth item of measurement of motivating language which represents most is boss who wants to tell the important event that happened to the company. Stories from superiors can improve job satisfaction of his subordinates.

Variables that do not significantly affect job satisfaction is a learning culture. The results of this study differ from previous studies of Yeo, (2005); Egan et al (2004); and Pantouvakis et al (2013). The results of this study show that most items can represent a learning culture is a company that has a Learning Center in order to develop employees. Learning center was not able to increase employee job satisfaction significantly. Particularly because

<table>
<thead>
<tr>
<th>No</th>
<th>Variable</th>
<th>Structural Coefficients</th>
<th>Significance</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Learning Culture → Job Satisfaction</td>
<td>0.094</td>
<td>0.100</td>
<td>Rejected</td>
</tr>
<tr>
<td>H2</td>
<td>Transformational Leadership → Job Satisfaction</td>
<td>0.387</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3</td>
<td>Motivating Language → Job Satisfaction</td>
<td>0.313</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
</tbody>
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* By using α = 5%; The hypothesis is significant if the test score t < 0.05
employees do not feel that the learning center increases their chances of knowing how well they work. This is enough to answer why in this study the learning culture cannot increase job satisfaction significantly.

5. Conclusions, Limitations and Research Suggestions

Conclusions

The most important conclusion of this research is in the context of employees of Bank X which is one of the largest banks in the industry of Islamic Commercial Bank in Indonesia, transformational leadership variables and motivating language is an important factor in shaping employee job satisfaction. As a note, job satisfaction used in this study is not a job satisfaction with material things, but satisfaction with information. Measurements of job satisfaction such as these are used by Hunt and Chonko (1984).

The next conclusion is apparently in the context of employees of Bank X which is one of the largest banks in the industry of Islamic Commercial Bank in Indonesia, learning culture variables do not affect job satisfaction. When viewed at the item level that best represents the two variables, there is a logical explanation. The existence of Learning Center in the framework of employee development was not able to increase employee job satisfaction significantly. Particularly because employees do not feel that the learning center increases their chances of knowing how well they work.

Limitations

The main limitation of this study is the representation of the research sample, in the interest of generalization. This research is only for one bank in BUS which is considered the biggest and followed by respondents who work in Jabodetabek environment only. Care should be taken to generalize the data as a representation of Bank X, especially for the Islamic Commercial Bank industry. The character of the sample dominated by male employees versus female may influence the influence of the three variables on job satisfaction.

Suggestions

General suggestions can be categorized into two groups: managerial advice to management of Bank X and academic advice for subsequent research.

In managerial aspect, Bank X management is encouraged to encourage its leaders to display transformational leadership behaviors such as an enthusiastic boss discussing what his subordinates should accomplish, asking employees to look at issues from different perspectives, asking subordinates to see problems from different perspectives, helping employees to build self-superiority, building the same feelings about corporate mission, and often expressing the belief that organizational goals will be achieved.

Management of Bank X is also advised to encourage its leaders to tell the important events that have happened to the company, provide important information that cannot be obtained in general, tell the story of someone who became a role model in the company, and provide advice on how to behave in the company’s activities.

Further research suggestion can continue this research for example in terms of exploring other causes in shaping subordinate job satisfaction. Subsequent studies can also use other variables, to further enrich the results of the study.

Future research can also compare between generations of Y, X or baby boomers. Namely by making the generation variable as a moderation variable. Research can also use other demographic factors as moderate variables such as gender, educational level, and others.

References


