

## The Effect of Empowerment, Work Environment and Work Motivation on Satisfaction of Credit Union Employees

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### Abstract:

This research was conducted at one of credit union in Indonesia. Using the saturated sample method, 80 people participated in this investigation. Interviewing and distributing questionnaires were used to obtain the data, which was then analyzed using multiple linear regression techniques and data processing with SPSS 23. Multiple linear regression analysis was the technique employed for data analysis. The investigation carried out revealed that the variables of the work environment, work motivation, and human resource empowerment have a substantial impact on job satisfaction.

**Keywords:** work environment, work motivation, empowerment, satisfaction.

### Introduction

Cooperatives are an economic movement that grows from society with goals and objectives, namely activities in its implementation. The existence of cooperatives is a forum for realizing shared prosperity for the whole community. The objective of cooperatives is to increase the welfare of members in particular and society in general, as well as to be a crucial component of a democratic and just national economic system, according to Law No. 17 of 2012's Article 4 governing cooperatives. All economic activity are permissible for cooperatives, but this does not rule out the possibility that a cooperative may engage in activities that are independent of the interests of the members of the cooperative concerned. Cooperatives are an economic cog for the community around the environment, one of which currently exists,

namely the Semarak Dana Savings and Loans Cooperative (KSP). This cooperative is a cooperative engaged in existing fields, namely services and loan services to customers. KSP has an important role in the economic welfare of MSME members and actors so that they can help the economy with the aim of MSME actors and members avoiding high interest rates, moneylenders, online loans, and the like (Hasibuan, 2017).

Good or bad, high or low, employee job satisfaction at work is marked by several factors, one of which is the work environment. The term "work environment" refers to everything that exists in the physical and psychological context of employees, whether they are employed individually or in groups. Meanwhile, in the non-physical work environment related to the psyche itself, disputes often occur because there is no cooperation between employees, such as lies from employees who do not deposit funds from customers to the company, which can harm the organization or company. In addition to the work environment, work motivation also greatly influences employee job satisfaction, as low employee performance is thought to be caused by low employee motivation. Workplace motivation is a strategy for inspiring employees' desire to work by utilizing all of their talents and capabilities to achieve organizational goals (Hidayat et al., 2021).

Even so, in fact, not all employees who work have high motivation, and the work motivation given to employees is not satisfactory for them. It is evident from the absence of overtime compensation and the absence of severance pay, according to the findings of interviews with various employees. The length of overtime can affect employee motivation with work being done outside of working hours for quite a long period of time, as the original working hours were 8 hours, but overtime hours of around 2-3 hours were added, even though overtime hours are irregular. This can result in decreased motivation and work spirit among employees. HR empowerment is another factor that may be taken into account to improve employee work satisfaction. True employee involvement requires empowerment, which is the ability to make decisions in a particular operational area without seeking other people's consent. Thus, it will increase the ability and sense of belonging and be able to increase the sense of responsibility so that performance increases. Opportunities are given to show that they can come up with good ideas and have the skills to turn those ideas into reality (Imam & Rismawati, 2022).

Meanwhile, the HR empowerment that took place was based on information gleaned from conversations with a number of employees, namely that the problems related to empowerment were the lack of employee responsibilities given by superiors towards their work, causing work results to be very bad and impacting the level of job satisfaction. decreased employees due to dissatisfaction with the work results obtained and the absence of employee involvement in work programs such as the "business partnership improvement program for micro and medium enterprises". Employees are not given authority by superiors; there is a lack of giving opportunities to employees in the form of expressing opinions, creating conditions of mutual trust between managers and employees, and employees are also not given the opportunity to formulate problems that are happening while employees are given very large work targets and are under continuous pressure from superiors, resulting in employees who have low motivation towards the company and are easy to give up on and easy to deviate from existing rules. For example, employees in the marketing department (billing) who commit fraud and embezzlement of funds are discharged dishonorably (Kumendong & Rumagit, 2022).

## **Literature Review**

The atmosphere or conditions at work, including furniture, office designs, infrastructure, and interpersonal relationships, can be referred to as the work environment. Physical and non-physical work environments, which are any circumstances that exist near the workplace and may have an impact on employees directly or indirectly, are the two categories into which the type of work environment is typically classified. In addition to the workplace, motivation at work has a significant impact. A state that motivates or induces someone to carry out a conscious act or action can be referred to as motivation (Wongkar et al., 2018). A person's soul, which is ephemeral and intangible yet whose influence can be felt, is where motivation comes from. The most crucial factor in managing someone is motivation. HR empowerment is another element (Munizu, 2010). One of the efforts that must be made is the empowerment of human resources in order to produce high-quality human resources with the aptitude to use, advance, and master science and technology as well as management skills (Pandiangan et al., 2022). Moving employees from jobs where they typically merely follow orders into roles that offer opportunities to be more responsible is one way to empower them (Sugiyono, 2018). Building trust with employees can happen through interpersonal relationships like empowerment. Job happiness

is the final factor. Because it has been demonstrated to have significant benefits for the interests of individuals, industry, and society, job satisfaction is a very intriguing and crucial topic. Research on the factors that contribute to job satisfaction enables people to make efforts to live happier lives (Timbowo et al., 2017). Employees undoubtedly seek satisfaction in their employment, both material and non-material. The most crucial factor for employees to consider is comfort because it will motivate them to be happy while performing their duties (Munizu, 2013).

## Methodology

The population is all employees, totaling 80 permanent employees. In this study, interviews and questionnaires were used as research instruments. The authors used the Likert scale approach as their measurement scale for their study. To measure a person's or a group's attitudes, opinions, and perceptions regarding social issues, the Likert scale is utilized. The answers to each query run the gamut from extremely negative to extremely positive. Each can be measured and characterized using a Likert scale as a variable indicator. Then, a point can be drawn from each of these indicators to create instruments for the creation of questions or assertions. Data analysis techniques include descriptive statistical analysis, testing the accuracy of the data, challenging conventional wisdom, evaluating hypotheses, doing multiple linear regression, and coefficient of determination analysis.

## Case studies

The following describes the identity of respondents based on gender, age, last education, and years of service. 43, or 74.1%, of the respondents were male. And then the remaining 15 or 25.9% are female. Employees between the ages of 20 and 30 represented 23 respondents, or 40%; those between the ages of 31 and 40 represented 26 respondents, or 45%; those between the ages of 41 and 50 represented 7 respondents, or 12%; and those older than 50 represented as few as 2 respondents, or 3%. From the data above, it can be concluded that most respondents are aged 31–40. Employees with the most recent education, namely a bachelor's degree, are as many as 23 respondents, or 47%. As for SMA/SMK equivalent education, there were 18 respondents, or 31%, as well as 17 respondents, or 22%. The majority of respondents in this study had worked for 1-3 years, namely 30 respondents, or 51.7%. As for length of work within < 1 year, there were 4 respondents, or 6.9%. Then, with a length of time of 3-5 years, as many as 19 respondents, or 32.8%, and with a length of time > 5 years, as many as 5 respondents, or 8.6%.

With an average total answer of 30.53 and a standard deviation of 1.931, the work environment variable has a minimum answer of respondents who received questionnaires that is equal to 22 and a maximum answer that might be equivalent to 34. The least response obtained from distributing questionnaires for the work motivation variable is equal to 22, the maximum response is equal to 35, and the average total response is 30.95 with a standard deviation of 2.139. The HR Empowerment variable has an average total answer of 31.09 and a standard deviation of 1.885, with a minimum answer of respondents obtained from distributing questionnaires equal to 20 and a maximum answer obtained from the results of distributing questionnaires of 33. The job satisfaction variable has an average total answer of 31.29 and a standard deviation of 2.136, with a minimum answer of respondents obtained from the results of distributing the questionnaires equal to 19, and a maximum answer obtained from the results of distributing the questionnaires equal to 35. a significance threshold of 0.05 yielded a significance value of 0.000, and an f-count value of 65.141 using an f-table equals 2.77. Consequently, f-count exceeds f-table. Consequently, it can be said that  $H_0$  is rejected and  $H_a$  may be accepted. Additionally, it is possible to investigate if the variables work environment ( $X_1$ ), work motivation ( $X_2$ ), and HR empowerment ( $X_3$ ) have an impact on the employee job satisfaction variable ( $Y$ ) at the same time.

The results of the t test indicate that the link between the work environment variable ( $X_1$ ) and job satisfaction ( $Y$ ) is significantly correlated at a significant value of  $0.403 > 0.05$  and a t-count value of  $0.843 < t\text{-table } 2.005$ . It can be inferred that the work environment variable has no effect on job satisfaction given that  $H_0$  is accepted and  $H_a$  is rejected. The results of this study contradict prior research by Merry Rumagit and Jovan Jerry Kumendong (2022), which discovered that the workplace has a substantial impact on employee job satisfaction. However, prior research that revealed no significant connection between the work environment variable and employee job satisfaction supports the conclusions of this study. The sig level of 0.434, which is equal to a level ( $\text{sig} > 0.05$ ), as indicated, makes this clear.

The results of the t test show that while the t-count value is  $8.712 > 2.005$ , the work incentive variable ( $X_2$ )'s

significant value on job satisfaction (Y) is  $0.000 < 0.05$ . So, it might be claimed that while  $H_0$  is rejected,  $H_a$  is accepted. The fluctuating work motivation has a considerable negative impact on the employee's job happiness. This study's findings are in line with other studies that discovered that the variable work motivation has a positive and significant impact. This is evident from the sig level of  $0.000 < 0.05$ . This level of significance makes it clear that the work incentive variable considerably and favorably influences job satisfaction. According to the results of a previous study, one of the variables that affect employee job satisfaction is the variable work motivation, which has a significant value of  $0.003 < 0.05$ . This suggests that work motivation has a favorable and considerable impact on employee job satisfaction.

The results of the t test show that the significant value of the HR empowerment variable (X3) on job satisfaction (Y) is  $0.017 < 0.05$ , while the t-count value is  $2.456 > 2.005$ . So it might be claimed that while  $H_0$  is rejected,  $H_a$  is accepted. As a result, the HR empowerment component has a substantial impact on employee job satisfaction. The results of this study are in line with earlier research by a different researcher, which found that the HR Empowerment variable strongly influences employee job satisfaction with a significance level of  $0.000 < 0.05$ . The results of past studies also show that the HR Empowerment variable significantly affects work satisfaction, with a sig value of  $0.000 < 0.05$  and a t-count value of  $5.572 > t\text{-table} = 2.000$  showing that  $H_a$  is accepted and  $H_0$  is rejected. This demonstrates how empowerment has a big and positive impact on job happiness.

Work motivation and human resource empowerment are two independent factors in multivariate linear regression that significantly affect job satisfaction. In the interim, the work environment aspect has a negligible impact on job satisfaction. The adjusted R Square value of 0.771% suggests that the independent variables work environment, work motivation, and HR empowerment have the ability to influence 77.1% of the dependent variable job satisfaction. The remaining 22.9% of the population is impacted by characteristics including work ethics, workload, and others that were either not considered in this study or were not known to exist.

## Conclusion

Partially, the Y variable, which is employee job happiness, is unaffected by the X1 variable, which is the work environment. It is possible to say that the variable Y, or employee job happiness, is partially influenced by the variable X2, or work motivation. The Y variable, which is employee work satisfaction, is partially impacted by the X3 variable, HR empowerment. Additionally, it may be stated that the factors Y, or employee job satisfaction, are positively impacted by the variables X1, X2, and X3, which are the work environment, work incentive, and HR empowerment. An r squared value of 0.771, or 77.1%, is determined by the study of the coefficient of determination's findings. The outcomes of the multiple linear regression analysis demonstrate that job satisfaction is influenced by two variables: workplace motivation and HR empowerment. It is evident from the values of the work motivation coefficient (0.668, significance  $0.000 < 0.05$ ), and the HR empowerment coefficient (0.266, significance  $0.017 < 0.05$ ). Regarding the work environment variable, job satisfaction is not significantly impacted by it. The coefficient value, which is 0.82 with a significant  $0.403 > 0.05$ , demonstrates this. The study's findings are evident from the partial t test results, which show that the work environment has no discernible impact on job satisfaction. Consequently, it is preferable to increase the work environment factor, both in the physical and non-physical work environments, by giving attention to employee comfort and safety, by building facilities, and by completing infrastructure, in order to raise employees' feelings of satisfaction. Employee job satisfaction is positively and significantly impacted by work motivating factors. This demonstrates that employees feel more job satisfaction the better their motivation is provided to them. Increasing work motivating elements will boost employee happiness, and offering overtime compensation will make workers more excited about their jobs and less likely to engage in irregular behavior like collecting customer deposit money and failing to deposit it in the office. The study's findings then showed that employee job satisfaction was positively and significantly impacted by the HR empowerment component. This demonstrates that the stronger the sense of job satisfaction that employees have, the better the activities that can develop employees, such as the building of mutual trust and the flexibility for employees to express viewpoints. It is better to further increase the HR empowerment factor so that employee job satisfaction increases by looking at employee abilities, which include knowledge and skills, and preferably training for employees in the form of skills training and skill development.

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