

## THE RELATIONSHIP BETWEEN EMPOWERMENT TO QUALITY OF WORK LIFE, TRUST, SATISFATION, COMMITMENT AND PERFORMANCE (CASE STUDY IN SHARIA BANK IN EAST JAVA, INDONESIA)

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***Abstract:** This study aims to obtain empirical evidence, examine and explain the effects of the psychological empowerment, the quality of work life, the organizational trust, the job satisfaction on the employee performance, in Sharia Bank in East Java, Indonesia. The population in this study were all employees of Islamic Banks in the East Java, from 38 District/City. Since the population of the research was big, then, the sample was taken. The sampling technique was through the purposive sampling by taking some employees in Malang, Malang district, Batu, Pasuruan, Pasuruan district, Sidoarjo regency, as well as Surabaya. The data analysis method applied the Generalized Structural Component Analysis (GSCA). The result of this research show that Psychological empowerment directly influences the quality of work life, the organizational trust, and the job satisfaction. The higher the psychological empowerment, it will directly impact on the high quality of work life, the organizational trust, and the job satisfaction. Moreover, the psychological empowerment does not directly influence the organizational commitment and the performance of employees. The quality of work life directly influences the organizational trust, job satisfaction, and the organizational commitment. The higher quality of work life, it will directly impact on the high organizational trust, the job satisfaction and the organizational commitment. However, the quality of work life has no direct influence on the employees' performance. The organization trust directly affects the job satisfaction, the organizational commitment and the performance of employees. The higher the organizational trust, it will grow to the high job satisfaction, the organizational commitment and the performance of employees. The job satisfaction affects the organizational commitment and the employee performance, the higher the job satisfaction, it will foster the organizational commitment and performance of employees higher. On the other hand, there is the direct effect of organizational commitment on employee performance. The higher the commitment of the organization, it will result in higher performance of employees.*

***Keywords:** Empowerment, QWL, Trust, Satisfaction, Commitment, Performance*

### I. BACKGROUND

This study aims to obtain empirical evidence, examine and explain the effects of the psychological empowerment, the quality of work life, the organizational trust,

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the job satisfaction on the employee performance, in Sharia Bank in East Java, Indonesia. The concept of establishing the Islamic Bank in Indonesia has emerged since 1974. Unfortunately, it could not rapidly be applied, because the Islamic Banking operation that applies the sharing principle had not been set yet, and therefore, it was not in line with the applicable Banking Basic Law. The concept of the Islamic Banking connotes ideological in the political terms, or related to the concept of the Islamic state, and therefore it did not suit the government idea, and there was no investor yet because at that time, the establishment of new banks from the Middle East were still banned, including the restrictions on foreign banks that wanted to open their branch in Indonesia. In the context of the performance, the Islamic Banks and the Islamic financial institutions are categorized as good, while for the conventional banking institutions are argued having the *mafsadat* and *mudarat* since they are applying the usury system. Therefore, it is possible for Indonesian to make the Islamic economy as the Indonesia economic system in order to make the Islamic economy out of the crisis and more resistant in facing the turmoil. Usurious economic system together with the devices in the form of *maysir*, *gharar*, *vanity*, has been proven bringing the suffering heartbreaking for Indonesia. Accordingly, the efforts of Islamic economics grounding become an undeniable necessity. Based on Islamic Banking Statistics in 2013, there are 160 units of Islamic Banks; East Java is in the first rank with 31 units, followed by West Java with 27 units, and then Central Java with 24 units. In Table 1.1, the conditions of Islamic banking in Indonesia has increased significantly, it also marked by the "income" of 3,993 billion in 2007, increased to 22.046 billion in 2013, up five-times. Similarly, the "profit after tax" from 2007 to 2013 has increased proportionately. Under the conditions experienced Islamic banks in Indonesia, then it is the time for the Islamic Banks to identify the various problems encountered and revisiting and evaluating some of the strategies that have been implemented. After identifying the problems and evaluating the existing strategy, the Islamic Bank is required to immediately adjust some strategies in order to achieve the intended purpose.

Ashkanasy, *et al.* (2000) state that the resources of the Company have a significant relationship with the company's performance, especially for the human resources. Resources of the company have a positive correlation with the competitive advantage (Ng & Sorensen, 2008). More qualified the Resource Company, more competence the human resources, then they will improve the performance/productivity. The objective of this study is to examine and explain the influence of empowerment, QWL, trust, and commitment to the employee performance. The improvement of the performance is not an easy thing. It is difficult to identify the cause of the employee performance declining. This is due to the complexity of the causes of the employee performance decrease. In addition, sometimes the cause an employee's performance decline is different between one to another. The basic thing to do is to see to the needs of each employee. The main role of human resources is the first aspect. HR at the level of the new paradigm

experienced a very significant change, due to changes in an increasingly complex environment. The humanistic perspective management approach places the human resources as a central factor for the competitive advantage. Therefore, it becomes relevant in addressing the critical issue for managers of organizations to build employee commitment, in order to achieve the maximum performance.

## II. THEORETICAL BASIS

The research conducted by Abd. Ghani *et al.* (2009), Dalvand (2011), Liden *et al.* (2011), support the previous findings that psychological empowerment have strong positive results on the job satisfaction and there is a correlation between the psychological empowerment with the organizational commitment. The research conducted by DeCicco, *et al.* (2006), Mogholy & Hasanpour, (2009) found that employees with psychological empowerment can increase motivation and commitment in achieving its objectives. Huang *et al.* (2007), Connell & Hannif (2009), found that quality of work life have an important role to build employee commitment and employees' job satisfaction. Laschinger (2008) states that the psychological empowerment improve the working life thus increasing the job satisfaction. Ergeneli and Metin (2007), Butler (1991), state that there is a significant positive correlation between the psychological empowerment to the organization's trust. Celep & Yilmazturk (2012), state that in order to generate the employee satisfaction and the commitment of the organizations need to be increased the confidence of employees against the organization. Wong (2002) and Xiao (2010), state that there is a strong positive relationship between the commitment and managerial performance. Steffen and Pfaff (2009), McCabe and Garavan (2008), show the strong influence between the job satisfaction on the worker's performance. Sharma & Bajpai (2010), Riketta (2009), Husnawati (2006), provide that the organizational commitment and job satisfaction positively influences employee performance.

Organizational behavior theory is the grand theory (the main theory) which used in this study. Robbins (2006) and Luthans (2005) describe that human beings is one of the important factors in the organization. The success of the organization largely depends on individual performance in it. Therefore, an understanding of organizational behavior becomes very important in order to improve the performance. In order to achieve the organizational goals, it is necessary to do some specific efforts to manage the organization. Managing these organizations certainly cannot be separated from the managerial aspects that are closely related to the activities of the organization, which is associated with the psychological empowerment, the employee performance, quality of work life, organizational trust, job satisfaction, and the organizational commitment.

Psychological Empowerment: The basic theory of Thomas & Velthouse (1990), Spreitzer (1995), developed by Spreitzer (1997 & 2007), Dee *et al.*, (2003), it is stated

that in order to enhance the contribution of the employee to the organization, then the organization needs to implement a strategy of psychological empowerment. Psychological empowerment of employees means making employees mastered what they do. Quality of Work Life (QWL): The basic theory Nadler and Lawler (1983), Hackman and Oldhams (1976 & 1980), developed by Cole, *et al.*, (2005), Huang, *et al.*, (2007), the overall QWL within an organization, to improve the comfort and productivity of employees. Interactions that occur are the development of physical and the employees mental comfort and the employee productivity become the main establishment in the job. Organizations trust: the basic theory of the Zimmer (1972), Butler (1991), developed by Zhu *et al.*, (2004), Luthans (2005), it is stated that in the study of organizational behavior, belief is defined as a complex concept, where thoughts centered on interpersonal relationships a faith in other parts of the Job Satisfaction organization: The basic theory of Locke, (1976) was developed by Robbins (2006), job satisfaction is the general attitude of individuals towards work. Furthermore, the job satisfaction reflects the attitude of the behavior. It is believed that employees who feel satisfaction in working will be more productive than employees who do not get satisfaction in work. This becomes the basic principles for managers and the leader. The Organizational Commitment: The basic theory by Allen and Meyer (1991), developed by Mowday (1998), it is stated that commitment as relative strength of the individual in identifying integrating themselves into parts of the organization. The employee Performance: The basic theory Porter (1980); Lawler (1986) it was developed by Bernardin and Russel (2002), Gibson (2003), it is stated that the job performance as the quantity and quality of the task, whether it is committed by individuals, groups and organizations. The performance can be measured individuals, groups or organizations. The high or low level of the performance can be seen from the quantity and quality of its work achievement.

### III. RESEARCH METHODS

This study aims to obtain empirical evidence, examine and explain the effects of the psychological empowerment, the quality of work life, the organizational trust, the job satisfaction on the employee performance. The research design applied the sample-based survey techniques. The population in this study were all employees of Islamic Banks in the East Java, from 38 District/City. Since the population of the research was big, then, the sample was taken. The sampling technique was through the purposive sampling by taking some employees in Malang, Malang district, Batu, Pasuruan, Pasuruan district, Sidoarjo regency, as well as Surabaya. The size of the sample taken was based on the criteria analysis, ranging from 5-10 times the number of indicators in the analysis model (Solimun, 2013). The number of indicators in our model are as many as 24, so that the number of samples that can be used is  $10 \times 24 = 240$  respondent. The data analysis method applied the Generalized Structural Component Analysis (GSCA). GSCA was used for several

reasons, first: the model used is the structural model (involving some endogenous variables), second: the variables involved are unobservable variables that require measurement model (variable measurement of the indicators).

#### IV. RESULTS AND DISCUSSION

The result of the research in the first phase is to test the research instruments. The study included 72 items representing 24 indicator questions of 6 variables of the study. The validity test applied the Pearson correlation coefficient. If the correlation value  $> 0.3$  then the instrument is declared invalid. Reliability test used the Cronbach alpha coefficient. If the value of  $\alpha > 0.6$  then it is declared reliable instrument. The table of 1 presents the results of the validity and reliability testing of the instrument from the test samples ( $n = 30$ ).

**Table 1**  
**Validity and Reliability Testing Instruments**

No	Variable	Indicator	Correlation			Alpha Cronbach
			Item 1	Item 2	Item 3	
1	X1	X1.1	0.748	0.667	0.779	0.773
		X1.2	0.475	0.437	0.518	
		X1.3	0.586	0.795	0.458	
		X1.4	0.564	0.444	0.489	
2	Y1	Y1.1	0.684	0.547	0.604	0.683
		Y1.2	0.584	0.562	0.404	
		Y1.3	0.551	0.643	0.603	
		Y1.4	0.768	0.486	0.734	
3	Y2	Y2.1	0.416	0.739	0.414	0.744
		Y2.2	0.662	0.433	0.475	
		Y2.3	0.613	0.556	0.761	
		Y2.4	0.747	0.615	0.624	
		Y2.5	0.642	0.755	0.549	
4	Y3	Y3.1	0.608	0.760	0.491	0.667
		Y3.2	0.471	0.607	0.635	
		Y3.3	0.449	0.613	0.738	
		Y3.4	0.730	0.586	0.719	
		Y3.5	0.644	0.609	0.714	
5	Y4	Y4.1	0.621	0.626	0.586	0.756
		Y4.2	0.688	0.731	0.446	
		Y4.3	0.587	0.481	0.642	
6	Y5	Y5.1	0.667	0.669	0.696	0.713
		Y5.2	0.710	0.497	0.537	
		Y5.3	0.680	0.645	0.686	

The result of the validity and reliability testing above shows the correlation values  $> 0.3$  which states that all the items declared invalid. On the other hand, the

reliability testing results shows the Cronbach alpha values  $> 0.6$  which expresses that the variable is unreliable. Thus, the instrument is valid and reliable.

The second stage of the research presents the results of of study variables description measurements and their measurement of each variable. In this study, six variables were involved, namely Empowerment (X1), Quality of Work Life (Y1), Faith Organization (Y2), job satisfaction (Y3), Organizational Commitment (Y4), and Employee Performance (Y5) as the unobservable variable, where each variable is not measured directly, but through some indicators of measurement. The analysis presents a description of the mean (average) of each indicator and variable, on the other hand, the measurement model analysis results present GSCA loading factor or weight of each indicator as a measurement variable. The following table 2 presents the results of descriptive analysis and measurement model each variable.

**Table 2**  
**Descriptive Test and Measurement Model**

<i>Variable</i>	<i>Indicator</i>	<i>Mean</i>	<i>Loading</i>	<i>P-value</i>
Empowerment (X1)	Meaning	3.404	0.644	0.001
	Self Confidence	3.609	0.680	0.001
	Self Determination	4.568	0.572	0.008
	Impact	4.106	0.594	0.001
Quality of Work Life (Y1)	Participation	3.251	0.527	0.009
	Growth-Development	4.436	0.575	0.003
	Compensation- Rewards	3.264	0.512	0.010
	Work Environment	4.615	0.641	0.001
Faith Organization (Y2)	The Ability	3.296	0.720	0.001
	The Transparency	4.124	0.630	0.001
	The Caring	3.938	0.683	0.001
	The Reliability	3.309	0.699	0.001
	The Identification	3.328	0.525	0.009
Job Satisfaction (Y3)	Salaries	3.692	0.618	0.001
	Promotions	4.548	0.773	0.005
	Work	4.154	0.574	0.005
	Surveillance	4.111	0.642	0.001
	Co-Workers	4.175	0.735	0.001
Organizational Commitment (Y4)	The Affective Commitment	4.185	0.656	0.001
	The Continuous Commitment	4.162	0.530	0.009
	The Normative Commitment	4.146	0.630	0.001
Employee Performance (Y5)	The Work Result	4.032	0.720	0.001
	The Work Behavior	4.012	0.651	0.001
	The Private Characteristic	3.777	0.664	0.001

The empowerment variable (X1) was measured by four indicators, those are meaning, self-confidence, self-determination, and impact. Three indicators of meaning, self-confidence, and impact were perceived as good (mean or median between 3:41 to 4:20) by employees of Islamic Banks in East Java, while the indicator of self-determination is perceived very good (on average between 4:21 to 5) by employees of the Islamic Banks in East Java. This shows that the Islamic banks in East Java has implemented the concept of empowerment. Employees were able to have meaning, self-confidence, self-determination, as well as considering all the effects there. The results of the measurement model analysis, the empowerment (X1) in GSCA show that four indicators have P-value of  $<0.05$  (or alpha error rate of 5%). It indicates that the empowerment of the Islamic Bank's employee in East Java is determined by the meaning, the self-confidence, the self-determination, as well as impact. The highest loading factor shows the confidence is a major factor of measuring empowerment. It means that the Islamic Banks employees have high empowerment, reflected in the high confidence which is owned by the employee. In fact, the confidence had mean of 3,609 or perceived high / good. This indicates that confidence as the strongest indicator in measuring the empowerment, as it has been owned by each employee of the Islamic banks in East Java.

Variable of Quality of Work Life (Y1) was measured by four indicators namely participation, growth and development, compensations, and work environment. Two indicators namely participation, and compensation-rewards were well perceived (mean or median between 3:41 to 4:20) by employees of Islamic Bank in East Java, while two indicators: the growth-development and an excellent working environment were perceived (average between 4:21 to 5) by employees of Islamic banks in East Java. This phenomenon illustrates that the Islamic Banks in East Java have had the good quality of work life, especially in the growth-development and the excellent working environment perceived by employees of Islamic Bank in East Java. The results of the measurement model analysis of the Quality of Work Life (Y1) in the fourth indicator shows GSCA has P-value of  $<0.05$  (or alpha error rate of 5%). It shows that the quality of work life in the Islamic Banks in East Java is determined by the participation, the growth-development, the compensation-reward, and the work environment. The highest loading factor of the magnitude shows that the work environment is a major factor in measuring the quality of work life. That is, the quality of work life will run well and it is reflected from the good work environment. In fact, the working environment has a mean of 4,615 or it is perceived very high / very good, even it is perceived as the highest by the employees when it is compared to the other three indicators. This indicates that the working environment is the strongest indicators measuring quality of work life, where it is now perceived very well by every employee of the Islamic Banks in East Java.

Variable of the organization's trust (Y2) was measured by five indicators: the ability, the transparency, the caring, the reliability, and the identification. These

five indicators were perceived good (mean or median between 3:41 to 4:20) by employees of Islamic Bank in East Java. It shows that the facts, especially in Islamic banks in East Java, the trust of the Islamic Bank employees will have been properly implemented. Employees believe on the organization by performing the ability, the transparency, the caring, the reliability as well as the identification. The result of the measurement model analysis, the organization's trust (Y2) in GSCA show that those five indicators have P-value of  $<0.05$  (or alpha error rate of 5%). It shows that the Islamic Banks employees' organization trust is determined by the ability, the transparency, the caring, the reliability, and the identification. The highest loading factor shows that the ability is the main factor in measuring the organizational trust. That is, the Islamic Bank employees have a high organization's trust, reflected in the high capabilities of the employee. In fact, the ability has mean of 3,296 or it is perceived high / good. It indicates that ability is the strongest indicator in measuring the organization's trust , and it has been had by each employee in the Islamic Banks in East Java.

The Job satisfaction variable (Y3) was measured by five indicators, namely salaries, promotions, work, surveillance, and co-workers. Four indicators is salaries, employment, supervision, and co-workers were perceived good (mean or median between 3:41 to 4:20) by employees of Islamic Bank in East Java, while an indicator is perceived well (the average between 4:21 to 5) by employees of Islamic Banks in East Java. This phenomenon illustrates that the employees of the Islamic Bank in East Java are satisfied with their work, especially on the promotion which is perceived that has been running well in the Islamic Bank in East Java. The result of the measurement model analysis of the Job Satisfaction (Y3) in GSCA shows the five indicators have a P-value of  $<0.05$  (or alpha error rate of 5%). It means that the job satisfaction within the Islamic Banks in East Java is determined by salary, promotion, work, surveillance, and co-workers. From the high loading factor, it can be seen that promotion is a major factor measuring the job satisfaction. It means that, the higher job satisfaction will be reflected if the employee feels satisfied with the promotion. In fact, the promotion has mean of 4,548 or it is perceived very high / very good, even it is categorized as the highest value compared to other four indicators. It indicates that the promotion which is as the strongest indicator in measuring the job satisfaction has been very well perceived by each employee of the Islamic Bank in East Java

The variable of the organizational commitment (Y4) was measured by three indicators namely the affective commitment, the continuous, and the normative. The three indicators were perceived good (mean or median between 3:41 to 4:20) by employees of Islamic Banks in East Java. It shows that the facts especially in Islamic banks in East Java, the employees' commitment on the Islamic Banks has been properly implemented. Employees believe on the organization by showing the affective commitment, the continuous commitment, and the normative



commitment. The results of the measurement model analysis of the organizational commitment (Y4) in GSCA shows that those three indicators have P-value of  $<0.05$  (or alpha error rate of 5%). It shows that the commitment of the organization of the Islamic Banks' employee Islamic is determined by the affective commitment, the continuous, and the normative. From the high loading factor, it can be seen that the affective commitment is the major factor in measuring the organizational commitment. It means that the employees of Islamic Bank has high organizational commitment, reflected by the high affective commitment of the employees. In fact, the affective commitment have mean of 4,185 or it is perceived high/good. It indicates that the affective commitment is the strongest indicator in measuring the organizational commitment which has been owned by every employee of the Islamic Bank in East Java.

The variable of the Employee performance (Y5) was measured by three indicators namely the work result, the work behavior, and the private characteristic. This three indicators were perceived good (mean or median between 3:41 to 4:20) by employees of Islamic Banks in East Java. This shows that the facts especially in the Islamic banking in East Java, the employees' performance is good/ high. The high performance of employees is due to the high work result, the work behavior, and the personal qualities shown by the employees. The result of the measurement model analysis of the employee performance (Y5) in GSCA shows all three indicators have a P-value of  $<0.05$  (or alpha error rate of 5%). It shows that the performance of the employees of the Islamic Bank in East Java is determined by the work result, the work behavior, and the private characteristic. From the high loading factor, it is seen that the work is a major factor in measuring the employees' performance. It means that the Islamic Bank employees have high performance, reflected by the he employees' high results of work. In fact, the work result has a mean of 4,032 or it is perceived high/good. It indicates that the work result is as the strongest indicator in measuring the performance of employees which has been practiced by each employee in the Islamic Banks in East Java.

The third stage of the research results describes the relationship between testing of the hypothesis and the research variables. Before the results of the analysis deserves to be interpreted, first, the assuming linearity testing was conducted, and the model feasibility testing. Table 3 presents the assumption of linearity testing, and Table 4 presents the goodness of the fit model.

The testing result of the model shows the FIT values of 0614, and the AFIT value of 0643. Hair, *et al.* (2011) states that the value of FIT and AFIT which are above 0.5 states the models obtained was good. Two other criteria are SRMR  $0058 <0:08$  and GFI  $0915 > 0.9$  have met the cut-off value, then the results of Generalized Structural Component Analysis (GSCA) is suitable and ready to be used, the interpretation can be conducted. Table 5 presents the results of the structural model testing.

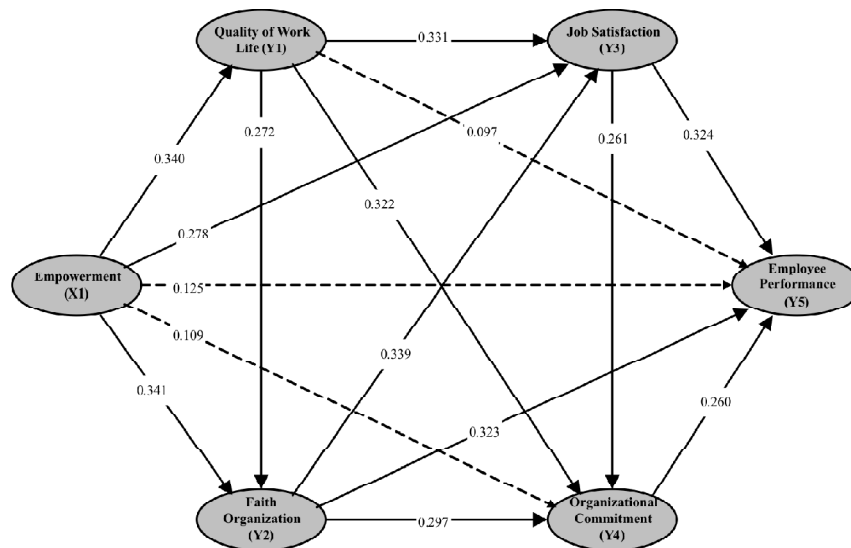
**Table 3**  
**Testing Assumptions Linearity**

No	Effect	Testing Results	Explanation
1	Empowerment to QWL	P-value 0.001 < 0.05	Linear
2	Empowerment to Trust	P-value 0.004 < 0.05	Linear
3	Empowerment to Satisfaction	P-value 0.003 < 0.05	Linear
4	Empowerment to Commitment	P-value 0.002 < 0.05	Linear
5	Empowerment to Performance	P-value 0.002 < 0.05	Linear
6	QWL to Trust	P-value 0.023 < 0.05	Linear
7	QWL to Satisfaction	P-value 0.010 < 0.05	Linear
8	QWL to Commitment	P-value 0.009 < 0.05	Linear
9	QWL to Performance	P-value 0.004 < 0.05	Linear
10	Trust to Satisfaction	P-value 0.001 < 0.05	Linear
11	Trust to Commitment	P-value 0.001 < 0.05	Linear
12	Trust to Performance	P-value 0.004 < 0.05	Linear
13	Satisfaction to Commitment	P-value 0.011 < 0.05	Linear
14	Satisfaction to Performance	P-value 0.010 < 0.05	Linear
15	Commitment to Performance	P-value 0.013 < 0.05	Linear

**Table 4**  
**Testing Feasibility Model**

Criteria	Cut-of value	Results Model	Explanation
FIT	≥ 0.50	0.614	Fit Model
AFIT	≥ 0.50	0.643	Fit Model
GFI	≥ 0.90	0.915	Fit Model
SRMR	≤ 0.08	0.058	Fit Model

**Figure 1: Structural Model Testing: Direct Impact**



**Table 5**  
**Structural Model Testing: Direct Impact**

No	Effect	Coefficient	Std Err	CR	P-value
1	Empowerment to QWL	0.340	0.099	3.434	0.001*
2	Empowerment to Trust	0.341	0.097	3.515	0.000*
3	Empowerment to Satisfaction	0.278	0.100	2.780	0.005*
4	Empowerment to Commitment	0.109	0.093	1.172	0.241 <sup>ns</sup>
5	Empowerment to Performance	0.125	0.108	1.157	0.247 <sup>ns</sup>
6	QWL to Trust	0.272	0.113	2.407	0.016*
7	QWL to Satisfaction	0.331	0.104	3.183	0.001*
8	QWL to Commitment	0.322	0.099	3.253	0.001*
9	QWL to Performance	0.097	0.111	0.874	0.382 <sup>ns</sup>
10	Trust to Satisfaction	0.339	0.092	3.685	0.000*
11	Trust to Commitment	0.297	0.100	2.970	0.003*
12	Trust to Performance	0.323	0.102	3.167	0.002*
13	Satisfaction to Commitment	0.261	0.093	2.806	0.005*
14	Satisfaction to Performance	0.324	0.093	3.484	0.000*
15	Commitment to Performance	0.260	0.093	2.796	0.005*

Explanation: \* stated CR > 1.96 and a P-value of <0.05 indicates significant influence, <sup>ns</sup> stated CR <1.96 and P-value > 0.05 indicating no significant effect

Explanation: The straight line expressed significant influence, and dotted lines express a non significant effect

The analysis result shows that from 15 hypotheses of the direct influence, 3 hypotheses are rejected, and the rest are received. Psychological empowerment directly influences the quality of work life, the organizational trust, and the job satisfaction. The higher the psychological empowerment, it will directly impact on the high quality of work life, the organizational trust, and the job satisfaction. Moreover, the psychological empowerment does not directly influence the organizational commitment and the performance of employees. The quality of work life directly influences the organizational trust, job satisfaction, and the organizational commitment. The higher quality of work life, it will directly impact on the high organizational trust, the job satisfaction and the organizational commitment. However, the quality of work life has no direct influence on the employees' performance. The organization trust directly affects the job satisfaction, the organizational commitment and the performance of employees. The higher the organizational trust, it will grow to the high job satisfaction, the organizational commitment and the performance of employees. The job satisfaction affects the organizational commitment and the employee performance, the higher the job satisfaction, it will foster the organizational commitment and performance of employees higher. On the other hand, there is the direct effect of organizational commitment on employee performance. The higher the commitment of the organization, it will result in higher performance of employees.

(1) The empowerment of the Quality of Work Life has been proven positively influential. The employee empowerment at Islamic Bank in East Java will give the contribution to the better quality of work life. The empowerment of employees of Islamic Banks in East Java, as the value of the Banks In East Java in order to increase the quality of work life. The result of the study supports the research of Laschinger, (2008), Dowling, (2008), Deborah (2006), Frey (1993), which is stated that the patterns of the relationship between the empowerment of the quality of work life, empowerment approach requires an atmosphere or a work environment that stimulates the development of skills and motivation have been found.

(2) The empowerment on the Organizational Trust in this study is in line with the research results of the Ergeneli et al. (2007), Huang et al (2010), Moyer & Henkin (2005), Khan (1997). The confidence tends to improve the communication, provide the opportunities for the effective problem solving, because it is easier for people to feel the empowerment. The result supports the study of Mishra & Spreitzer (1998), Laschinger (2004), who studied the importance of trust as one of the factors that affects the practice of empowerment.

(3) The empowerment on the Job Satisfaction is in line with the research conducted by Hechanova, *et al.* (2006), Laschinger, (2008), and Judith Shamian. (2007), Harris *et al.* (2009), stating that the positive empowerment affects the job satisfaction. The result supports the concept of the empowerment theory by Conger and Kanungo, (1988) which is adopted by Thomas and Velhouse (1990) and Spreitzer *et al.*, (1996) which is stated that the empowered employees will foster job satisfaction, because they can finish the job properly and increase the motivation in achieving goals, and a commitment to work and the organization.

(4) The empowerment on the Organizational Commitment In this study, it was found that the empowerment has not been able to contribute to the Islamic Banks employees' commitment in East Java. It indicates that despite the empowerment approach for employees has not been able to increase the employees' commitment. In harmony with Gernalis & Terziovski (2008) and Psoinos and Smithson, (2007), although empowerment was conducted, but it has not been able to increase the commitment of the organization, so it does not support the concept of the theory of Spreitzer *et al.*, (1996). Thus, the findings of this study, the psychological empowerment will make a major contribution to the efforts in increasing the commitment of Islamic Banks employs in East Java when the trust of the employees to the organization has been built, the job satisfaction has been created and the quality of work life has been implemented. It means that the optimization of the empowerment will have an impact on organizational commitment, if it is followed by the establishment of organizational trust, job satisfaction and quality of work life.

(5) The empowerment on the employees' performance from the result of this study found that the empowerment of Islamic Banks employees in East Java has

not been able to contribute to employees' performance Islamic. It indicates that although there is the empowerment approach for the employees' Islamic Bank in East Java, but it has not been able to increase the employees' performance. The result of this research has not supported the theory basic concept of Porter (1980); Lawler (1986), and Bernardin and Russel (2002), Gibson (2003) state that employees who are empowered will foster employee performance continuously which is contributed on the organizational performance. Thus, the findings of this study, psychological empowerment will contribute in improving the performance of the Islamic Bank employs in East Java if the trust of employees to the organization has been built, the job satisfaction has been created and organizational commitment and the quality of work life have been implemented. It means that the optimization of empowerment will have an impact on the performance of Islamic Banks employees in East Java, when it is followed by the establishment of organizational trust, the job satisfaction and the organizational commitment and the quality of work life.

(6) The quality of Work Life on the Organizational Trust in this study strengthen the concept of Wayne (1989) which is stated that the employees need the security, they are willing to settle, and get the chance to grow and develop as human being. The efforts of the quality of work life is not only about how people can do the job better, but it is also about how the work could lead to better organization in order to achieve the organizational effectiveness. Thus supports the theory of Nadler and Lawler (1983), Hackman and Oldhams (1976 & 1980), Cole, *et al.*, (2005), Huang, *et al.*, (2007), which states that the quality of work life in an organization, is used to improve the comfort and productivity of employees, the interaction that occurs is the increasing physical and mental comfort of employees, employee productivity becomes the main establishment in employment, foster employee trust towards the organization where the employees are working.

(7) Quality of Work Life on the Work Satisfaction in this study reinforces the concept of quality of work life by Wayne (1989). In line with the study of Connell & Hannif (2009), Laschinger (2008), Akdere (2006), Ramstad (2009), Rethinam *et al.* (2008) that the efforts of quality of work life are not only how people can do the job better, but also how the work can cause people to be better to achieve the work satisfaction and organizational effectiveness.

(8) Quality of Work Life on the Organizational Commitment in this study reinforces the concept of quality of work life by Nadler and Lawler, (1983) that the quality of work life becomes the focus of major concern to understand exactly what and how the concept can be used to improve the organization. The findings in this study are in line with previous studies by Huang and Lei (2007), Zin (2004), Ramstad (2009), that the efforts of quality of work life are not only on how people can do the job better, but also how the work can cause people to be better so that it can impact the organizational effectiveness. In line with the concept of Walton

(1975), Limongi-Franca (2004), quality of work life is considered important because it means saving human and environmental values that are often ignored due to the desire to boost the advancement of technology for productivity.

(9) Quality of Work Life on the performance of employees in this study, has not been in line yet with the concept of quality of work life by Nadler and Lawler, (1983) and also has not been supported yet to the study of Huang and Lei (2007), Zin (2004), Ramstad (2009), although the quality of working life in line becomes the focus of major concern to understand exactly what and how the concept can be used to improve the organization. In this study it was found that the quality of work life will contribute to the employees' performances to the maximum, if the quality of work life is implemented together with trust from the employees of the organization, the job satisfaction and organizational commitment will be created. This is because the efforts of the quality of work life is not only on how people can do the job better, but also how the work can cause people to be better so that it can impact the performance of the employees, which will be continued to achieve the organizational effectiveness. Quality of work life is considered important because it means saving human and environmental values that are often ignored due to the desire to boost the advancement of technology for productivity.

(10) Organizational Trust on Work Satisfaction in this study is in line with the theoretical concept of organizational trust on job satisfaction, reinforces the theory proposed by Mishra and Morrissey (1990), Gilbert & Tang (1998), Padsakoff et al, (1996) that a positive and strong relationship between the organizational trust with organizational commitment and job satisfaction proves that the organizational trust has a significant relationship with job satisfaction, organizational commitment. The findings are in line with the results of the study of Chathot, PK., et al (2007), Laschinger, HKS., et al (2001), Moran, MT., et al (1998), Salo Karjaluoto, H. (2007) that organizational trust is the level of employees' confidence in the organization they work for, believe that the management is reliable, honest, competent and caring on employees which affects the employees' work satisfaction.

(11) Organizational Trust on Organizational Commitment, theoretically, is in line with the essence of the theory of confidence by Gilbert & Tang (1998), and a strong positive relationship between organizational trust with organizational commitment and job satisfaction. Trust is a must for today's organizations which are open, so that building the trust is very important. Loss of trust between employer and employee means the psychological agreements which have been built are ignored or broken, so that when this condition occurs, the perception about the awards and contributions needs to be re-evaluated since it usually can lead to reduce the efforts and results in lack of commitment to the organization of the company (Luthans, 2005). The findings of this study are in line to the results of study by Wong *et al.* (2002), Mukherje and Nath (2003), Mathebula, (2004), Yang (2005).

(13) Work Satisfaction on Organizational Commitment. The findings of this study are in line with the theory by Ward and Davis (1995) states that the real impact of employees' satisfaction is the growing commitment to the organization. If an employee considers that what they give (time, effort, and ability) to the organization is equal to what they receive (reward) from the organization, the commitment will be created. The study's findings reinforce the previous studies by Sikorska-Simon (2005), the work satisfaction is a strong predictor of the commitment. The organizational commitment becomes larger in the organization related to the suitability of employees' perceptions on work satisfaction. Meyer, *et al.* (2002), WU Wei-Kong (2002), Chiu *et al.* (2005) work satisfaction affects the organizational commitment. Sharma & Bajpai (2010), Riketta (2009), Husnawati (2006), prove that the organizational commitment and job satisfaction has a positive effect on employees' performances.

(14) Work Satisfaction on Organizational Commitment. The findings of this study are in line with the theory by Ward and Davis (1995) states that the real impact of employees' satisfaction is the growing commitment to the organization. If an employee considers that what they give (time, effort, and ability) to the organization is equal to what they receive (reward) from the organization, the commitment will be created along with the achievement of their performances. The study's findings reinforce the previous study by Sikorska-Simon (2005) that work satisfaction is a strong predictor of the commitment and performance. Meyer, *et al.* (2002), WU Wei-Kong (2002), Chiu *et al.* (2005) state that the work satisfaction affects the organizational commitment and employees' performances. Supporting the study by Husnawati (2006) proves that organizational commitment and job satisfaction has a positive effect on employees' performances.

(15) Organizational Commitment on the employees' performances, the findings of this study are in line with the concept by Wong (2002) and Xiao (2010), that there is a strong positive relationship between commitment and managerial performance. Supporting the study by Husnawati (2006), proves that organizational commitment and job satisfaction has a positive effect on employees' performances.

## **V. CLOSING**

The conclusion of this research show that Psychological empowerment directly influences the quality of work life, the organizational trust, and the job satisfaction. The higher the psychological empowerment, it will directly impact on the high quality of work life, the organizational trust, and the job satisfaction. Moreover, the psychological empowerment does not directly influence the organizational commitment and the performance of employees. The quality of work life directly influences the organizational trust, job satisfaction, and the organizational commitment. The higher quality of work life, it will directly impact on the high organizational trust, the job satisfaction and the organizational commitment.

However, the quality of work life has no direct influence on the employees' performance. The organization trust directly affects the job satisfaction, the organizational commitment and the performance of employees. The higher the organizational trust, it will grow to the high job satisfaction, the organizational commitment and the performance of employees. The job satisfaction affects the organizational commitment and the employee performance, the higher the job satisfaction, it will foster the organizational commitment and performance of employees higher. On the other hand, there is the direct effect of organizational commitment on employee performance. The higher the commitment of the organization, it will result in higher performance of employees.

There are some suggestions which can be proposed, as follow: (1). In order to improve the performance of employees of Sharia Bank In East Java, it needs some improvements, such as; improving the empowerment. However, primarily, in the approach to the employees' empowerment of Sharia Bank in East Java, do not ignore the factors of quality of work life, organizational trust, work satisfaction, and organizational commitment. (2) The head of employees Sharia Bank in East Java is expected to always be able to create the affective commitment, especially for the visions and missions of organization and to create a higher sustainable commitment to the employees of Sharia Bank In East Java, so that the achievement of performance can be optimized. (3) Keep a careful review, especially for the variables which are not significant and not in line with previous studies. It is intended to have a better understanding to the theories related to the variables of psychological empowerment, quality of work life, organizational trust, work satisfaction, organizational commitment and employees' performances. 5) Able to add the concept of human resources development focus on human resource planning and training about HRD. The associated things can build the potential of the employees of Sharia Bank in East Java and foster the self-belonging to organization like the Sharia Bank, so that the employees will always participate in the development of the organization. 6) It needs further study with the unit of analysis in all types of the bank employees in East Java, both private and governmental Banks' employees in order to illustrate the results of the study in the context of Bank employees In East Java in general. 7) For those who used a qualitative approach, in-depth interview can be conducted to dig more detailed information on the phenomenon of employees' performances. The data collection method which needs to be developed in addition to in-depth interviews is by conducting Focus Group Discussions (FGD), so that the bias in the study can be minimized.

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