



Unlocking Performance: Person-Organization Fit and Job Satisfaction

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This quantitative study looks at the impact of person-organization fit on employee performance, including work happiness as an intervening variable, at PT. Victory International Futures. Using a saturation sampling strategy, the complete population of 150 employees was questioned via questionnaires. The data was analyzed using Smart PLS. The results show that person-organization fit has a strong positive effect on job satisfaction and employee performance. Furthermore, job happiness was proven to have a considerable impact on employee performance. The findings highlight the relevance of person-organization fit in improving employee performance, with job happiness serving as a key intermediary mechanism. This study contributes to the academic literature by filling gaps in our understanding of the relationship between person-organization fit, job satisfaction, and employee performance, thereby enhancing theoretical frameworks and providing insights for organizational practice.

Keywords: *Job Satisfaction, Employee Performance, Person-Organization Fit, Organizational Practice, Smart PLS*

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1. INTRODUCTION

Research related to the effect of person-organization fit on employee performance can be seen from research conducted by Anindita (2019), Rifqi & Ningsih (2022) and Maria et al. (2016), which shows that person-organization fit has a positive and significant effect on employee performance. However, there are differences in the research results conducted by (Arthur et al., 2006), which show that person-organization fit has a positive and insignificant effect on performance. Job satisfaction is also an important part of producing satisfactory performance. According to Handoko (2001), job satisfaction is a pleasant or unpleasant emotional state with which employees view their work. According to Siagian (2006), job satisfaction is a person's positive and negative perceptions of his job. Job satisfaction reflects his feelings about his job. The job satisfaction felt by employees will provide an overview of the level of employee performance in the company.

Based on pre-research interviews conducted by researchers with Rianita, one of the employees of PT Victory International Futures in Malang on December 16, 2022, explained that the adjustment of individual values to the organization is quite appropriate even though it has not been fully implemented and continues to be pursued as much as possible. Employee job satisfaction is also monitored regularly. The salary given to employees is quite decent. Also, some of the things the company does to fulfill employee satisfaction are giving awards to employees who excel, a comfortable physical work environment, grouping employees who have compatibility in one team, and building a close family system so that it can affect job satisfaction and employee performance. Every morning, a morning briefing is held, a routine activity at the beginning of working hours attended by all employees in the company, which discusses market strategy, company achievement targets, and trade materials. A morning briefing does not mean that the leader provides the material, but each employee presents the results of an analysis of today's market conditions.

According to Mr. Imam, as manager, employee performance at PT Victory International Futures Malang is considered good if the company's Standard Operating Procedures (SOP) are followed. The company gives awards to employees who excel, such as meeting lot targets and maintaining attendance percentages. However, along the way, some employees may struggle to meet these targets due to various factors such as a lack of skills, motivation, or necessary support. The company offers the highest rewards when employees bring in new customers, including promotions and salary increases. The purpose of rewarding outstanding employees is not only to reward their performance but also to boost morale and foster enthusiasm, inspiration, pride, and competitiveness.

From the explanation of the company background above, there are aspects such as person al organization fit and job satisfaction in carrying out the tasks set at PT. Victory International Futures, which are directly related to employee performance. This research is important to understand factors such as person-organization fit and job satisfaction that affect employee performance; companies can identify ways to improve employee performance, and e mployee job satisfaction positively impacts employee productivity and retention. By understanding the relationship between Person Organization Fit and job satisfaction, companies can create a more satisfying work environment for employees; by knowing the extent of the fit between individual employee characteristics and organizational values and culture, companies can optimize Person Organization Fit to achieve common goals. The results of this study can provide recommendations to companies regarding strategies that can be implemented to improve employee performance through increasing Person Organization Fit and job satisfaction. This research can also contribute to academic knowledge by filling the knowledge gap regarding the relationship between Person Organization Fit, job satisfaction, and employee performance. Thus, this research is useful for companies in improving employee performance and satisfaction and can provide new insights and contributions to related research fields. Based on the above phenomena and research gaps, the authors wish to conduct research in the form of a Journal Article.

2. LITERATURE REVIEW

According to Kristof (1996) person-organization fit is generally defined as the alignment between organizational values and individual values. Moynihan & Pandey (2007) define person-organization fit as the suitability between individuals and organizations. A person's organization fit is the similarity of individual characteristics with the organization, which has a function following the organizational culture in the formation of individual obligations and as a guide for individuals in the organization.

According to Kristof, (1996) the person-organization fit indicator can be interpreted in 4 indicators, namely:

1. Value conformity is the relationship between individual values and organizational values.
2. Conformance of goals is compatibility between individual goals and the organization. In this case, colleagues and leaders
3. Fulfillment of employee needs (employee need fulfillment) matches the needs of employees and the system and organizational structure.
4. Suitability of cultural-personality characteristics (Culture-Personality Fit) matches each individual's personality with the climate or organizational culture.

According to Mangkunegara (2010), performance results from qualitative and quantitative work carried out by employees in carrying out their duties following their duties or responsibilities. Fiqih, (2016) states that the main indicators used to measure employee performance can be measured in the following way:

1. Quality. This indicator measures the quality of work through provisions or rules set and charged to each employee by the company.
2. Punctuality. This indicator measures the ability of employees to perform work within a certain period.
3. Working quantity. This indicator measures the amount or results of an employee's work about the rules or regulations imposed on the company's employees.

Job satisfaction is a person's general attitude towards his work. Jahenzab & Mohanty, (2018) Job satisfaction can be interpreted as a person has attitude towards their job, the result of their perception of work and the level of compatibility between individuals and organizations. Employees are more satisfied with their job and company when they feel their work environment is caring, rewarding intangibles, and rewarding financially.

Robbin (2015) in Prasetyo & Marlina (2019) suggests that the indicators used to measure job satisfaction are as follows:

a. Mentally Challenging Jobs

Employees prefer jobs that allow them to feel challenged by the work they are given. And being able to use their skills and abilities and give them a variety of assignments, freedom, and feedback.

b. Favorable working conditions

Employees value good conditions in which they feel comfortable and benefit themselves. So that they can contribute to the job well.

c. Compatibility of Salary and Wages

Employees want a salary or wage system and promotion policies that they feel are fair and meet their expectations. Pay that is perceived as fair based on job requirements, individual skill levels, and social wage standards tends to lead to happiness. Promotion also provides opportunities for personal growth and development, greater responsibility, and higher social status.

d. Personality Match with Work.

The person-job fit theory concludes that a high match between employee personality and work causes people to be happy. People with similar work personalities are more likely to succeed in their jobs and experience greater job satisfaction.

e. Co-workers

For most workers, work also needs to satisfy the need for social interaction. Therefore, it is unsurprising that friendly and mutually supportive co-workers result in high job satisfaction.

3. RESEARCH METHOD

This study aims to test hypotheses to strengthen or reject existing research theories or hypotheses. In this regard, the type of research used is explanatory research. The research population consists of PT employees. Victory International Futures with a population of 150 employees. Partial Least Square Measurement Method. The measurement used in the Partial Least Square method includes three things: First, it is an estimate of the weight (Weight Estimate) used to build latent variable scores. Second, it describes the estimated path (Path Estimate) of the relationship between latent variables and the estimate load (Loading) between latent variables and their indicators. The third category concerns the means (means) and the location of the parameters used for indicators and latent variables.

TABLE 1 / Variable Indicators

Variable Indicators		
Person Organization fit	Employee performance	Job satisfaction
1) Value congruence is the relationship between individual values and organizational values.	1) Quality	1) Mentally Challenging Work
2) Goal congruence is the compatibility between individual and organizational goals. In this case co-workers and leaders	2) Punctuality	2) Favorable working conditions
3) employee need fulfillment is a match between the needs of employees and the organizational system and structure (Kristof,1996)	3) Quantity of work (Dharma,2005)	3) Suitability of Salary and Wages
		4) Personality Suitability to the Job.
		5) Co-workers (Robbins & Judge,2015)

Source: Data Processed (2023)

4. RESULT AND DISCUSSION

4.1 RESULTS

The design of the Inner Model (structural model) is a structural model for predicting causal relationships (causality) between latent variables. Based on the Inner Model (structural model) it is known that the t-statistics value is more than 1.96, meaning that the person-organization fit variable (X) affects employee performance (Y) with a t-statistics value = 3.700 > 1.96, the person-organization fit variable (X) has an effect on job satisfaction (Z) with a t-statistics value = 27.752 > 1.96 and job satisfaction variable (Z) has an effect on employee performance (Y) with a t-statistics value = 5.795 > 1.96. Meanwhile, the t-statistics value for each indicator is more than 1.96, meaning that all indicators form a good structural model.

A. Hypothesis Test Results

1. Total Effects

The results of hypothesis testing are known from the Total Effects output to determine the p-value, the results of the study are presented as follows.

TABLE 2 / Total Effect Test

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
P-O Fit -> perform	0,347	0,353	0,094	3,700	0,000
P-O Fit -> perform	0,827	0,831	0,030	27,752	0,000
Satisfaction -> Perform	0,516	0,513	0,089	5,795	0,000

Source : Data Processed (2023)

Based on the hypothesis test, it can be concluded that:

- a. The variable person-organization fit (X) affects employee performance (Y) because p-value = 0.000 < 0.05 and T Statistics = 3.700 > t table = 1.976, meaning that person-organization fit has a positive effect on employee performance, so the first hypothesis is accepted.
- b. The variable person-organization fit (X) has an effect on job satisfaction (Z) because p-value = 0.000 < 0.05 and T Statistics = 27.752 > t table = 1.976, meaning that person-organization fit has a positive effect on job satisfaction, so the second hypothesis is accepted.
- c. Job satisfaction variable (Z) affects employee performance (Y) because p-value = 0.000 < 0.05 and T Statistics = 5.795 > t table = 1.976, meaning that job satisfaction has a positive effect on employee performance, so the third hypothesis is accepted.

1. Specific Indirect Effects

The results of the 4th hypothesis test are known from the output of Specific Indirect Effects to determine the p-value, the results of the study are presented as follows.

TABLE 3 / Specific Indirect Effect Test

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
P-O Fit -> satisfaction -> perform	0,427	0,425	0,070	6,062	0,000

Source : Data Processed (2023)

Based on the hypothesis test, it can be concluded that the variable person-organization fit (X) influences employee performance (Y) with job satisfaction (Z) as an intervening variable because p-value = 0.000 < 0.05 and T Statistics = 6.062 > t table = 1.976, meaning person-organization fit has a significant effect on employee performance with job satisfaction as an intervening variable, so the fourth hypothesis is accepted.

4.2 DISCUSSION

The Effect of Person Organization Fit on Employee Performance

The results of the analysis prove that a person's organizational fit has a significant effect on employee performance at PT. Victory International Futures means that a person's organization fit is able to support employee performance improvement. Person organization fit that affects employee performance such as personality suitability with the values prevailing in the company, employees having the same goals as colleagues, employees getting wages according to work, getting a comfortable room/workplace, get enough rest hours, and being allowed to perform worship while working.

The results of this study support the research of Maria & Yuniawan (2016) and Anindita (2019), proving that person-organization fit has a positive and significant effect on employee performance so that high person-organization fit can improve employee performance. These results are also consistent with Kristof's theory (1996), which explains that a person's organizational fit is the suitability of values between organizational values and individuals in the company.

Conformity between individual employees and an organization depends on the ability of the organization to meet the needs of employees. The right form of compatibility is in the form of a common vision or cultural and personality similarities between individuals and organizations, this supports improving employee performance at PT. Victory International Futures.

The Effect of Person Organization Fit on Job Satisfaction

The results of the analysis prove that a person's organizational fit has a significant effect on employee job satisfaction at PT. Victory International Futures means that a person's organizational fit can support employee job satisfaction. A person's organizational fit influences job satisfaction, such as the compatibility between employee values and organizational values, the compatibility between employee goals and the organization, employees getting a adequate salary or wages, and the compatibility between employee personality and organizational culture.

The results of this study support the research of Kodarisman & Margaretha (2022),-Rumangkit & Maryati (2017) and Chandra et al. (2021), proving that person-organization fit has a positive and significant effect on job satisfaction, meaning that if person-organization fit increases, it will increase job satisfaction. A person's organizational fit can be an important factor that affects the quality of work in an organization. Conformity between attitudes, values, norms, goals, and organizational culture can occur when employees can meet organizational and individual needs; this will positively impact employee performance satisfaction at PT. Victory International Futures. These results follow the theory of Hadiwijaya, (2017) explained that explaining that an alignment of vision, culture, and goals that focus on the values between employees and the company can increase satisfaction at work. meaning that there is a similarity in organizational culture with the vision of employees being able to increase satisfaction at work.

The Effect of Job Satisfaction on Employee Performance

The results of the analysis prove that job satisfaction has a significant effect on employee performance at PT. Victory International Futures means that high job satisfaction can improve employee performance. Job satisfaction affects employee performance such as employees satisfied with their work, salary, co-workers and work facilities. Employee performance at PT. Victory International Futures, like employees, can complete my work according to the standards set by the company, can always complete the assigned tasks on time and is able to achieve the targets set by the company. The results of this study support the research of Nurrohmat & Lestari (2021) and Prasetyo & Marlina (2019), explaining that job satisfaction has a positive and significant effect on employee performance, where any increase in job satisfaction will also improve employee performance. Job satisfaction causes employees to feel happy with their work, increasing employee performance. Employee job satisfaction is one thing that can affect employees' performance at PT. Victory International Futures in achieving organizational goals. Employees who are satisfied with their jobs will have a sense of ownership of the organization and will indirectly foster high employee performance behavior. These results are also consistent with Handoko (2001), who explains that job satisfaction is an emotional state of being comfortable or uncomfortable at work. Job satisfaction is a form of positive attitude towards the work itself and tends to be negative if dissatisfied with the job. Job satisfaction is important to study in organizational behavior because knowing it will make it easier for organizations to develop their organizations.

The Effect of Person Organization Fit on Employee Performance with Job Satisfaction as an Intervening Variable

The study's results prove that person organization fit has a significant effect on employee performance with job satisfaction as an intervening variable, meaning that good person organization fit can create job satisfaction thereby supporting increased employee performance. Good person-organization fit such as compatibility of personal values with organizational values, compatibility of employee characteristics with organizational goals can increase job satisfaction which has an impact on improving employee performance. The results of this study support the research by Syahid et al (2022) and Rumangkit & Maryati (2017) explaining that person-organization fit has a significant positive effect on employee performance, the higher the suitability of individual values with the organization, the higher the employee performance. It can be understood that person organization fit influences job satisfaction, supporting employee performance improvement. The results showed that the contribution of the variable influence of person-organization fit and job satisfaction in predicting employee performance was 68.3%, meaning that the presence of person-organization fit can increase morale, ultimately improving employee performance.

5. CONCLUSION

Based on the description, it can be concluded that.

1. The study found that a person-organization Fit positively and significantly impacts employee performance. This means that when the level of fit between the organization's attitudes, values, norms, goals, and culture and individual

employees increases, their performance also increases.

2. The results also show that the nature of Person-Organization Fit positively and significantly influences employee satisfaction with their work. This shows that individual and organizational fit can increase employee satisfaction at PT Victory International Futures.
3. The results showed that job satisfaction has a positive influence on employee performance. This implies that employees who are happy with their work, salary, friends, and facilities tend to perform better.
4. The results also show that job satisfaction mediates between Person Organization Fit and employee performance. In the end, good Person Organization Fit can lead to job satisfaction, which ultimately improves the performance of PT Victory International Futures employees.

This research has weaknesses in the future, namely the small sample size. Biased data collection methods. The control variables are limited and the conceptualization is lacking. Meanwhile, the study results have implications for the academic literature by filling knowledge gaps. Development of a more complex conceptual framework. Verification of findings and generalization of research results. The importance of context in the development of theory and empirical knowledge.

6. LIMITATION AND IMPLICATION

In explaining the study's limitations, keep in mind that selecting samples and variables is critical to illustrating the relevance of the study results. Limitations in the generalizability of the results suggest that evaluation of whether the selected sample truly demonstrates the diversity of the population is critical. In addition, research methods also have limitations, such as data collection techniques. Weaknesses or time constraints may affect the research design. Equally important, acknowledging resource limitations, such as funding or time, provides an understanding of relevant aspects of the research. By honestly mentioning this, the reader better understands the difficulties the study faced and comprehends the complexity of the results.

This research adds to the existing field of knowledge, not just data. This research theory development contributes to the academic literature by filling the knowledge gap on the relationship between person-organization fit, job satisfaction, and employee performance. This research can strengthen existing theories and provide a deeper understanding of the components influencing employee performance. By utilizing the findings from this study, we can also contribute to advancing a more thorough conceptual framework that explores the impact of person-organization fit and job satisfaction on employee performance. This can lay the foundation for future investigations in this area and contribute to improving and extending current theories.

By conducting this research, we can further validate the findings of previous studies that found a relationship between Person Organization Fit, job satisfaction, and employee performance. As such, this research will offer strong empirical evidence to support the existence of such relationships. By delving into the findings of this research, one can also gain a deeper understanding of the influence of certain elements, such as Person Organization Fit and job satisfaction, on employee performance. The practical consequences of this research can potentially extend the results' applicability to diverse organizational environments.

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Conflict of Interest Statement: The authors declare that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

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