

Consumer's Satisfaction and Employee's Job Satisfaction

Pribadi Widyatmojo*, Istiana Rahatmawati, Karyono

Faculty of Economics and Business, Universitas Pembangunan Nasional Veteran Yogyakarta, Indonesia

Article Info

Article History:

Received 25 Apr, 2025 Accepted 26 Jun, 2025

Keywords:

Employee's Commitment, Employee's Job Satisfaction, Consumer's Satisfaction, Repurchase Buying Performance

ABSTRACT

The employee's job satisfaction and consumer's satisfaction with fairness or equability is a topic needed by any organization, including a profit-oriented organization, because it influences organizational performance. This research aims to figure out the influence of employees' job satisfaction and consumers' satisfaction with fairness or equability on organization performance. Theoretically, the job satisfaction variable serves as an organizational performance variable, as job satisfaction leads to high dedication to organizational performance. This research uses doctors and nurses as research respondents. The analysis result discussed

This is an open access article under the <u>CC BY 4.0</u> license



Corresponding Author

Pribadi Widyatmojo

Email: yz01pribadi62@gmail.com

INTRODUCTION

Competitive climate business forces proactive managers to figure out the best competitive strategy. Human resources management, as general manager staff, has been trapped in two business difficulties and human resources difficulties (Gunaltay & Filiz, 2021). There is an interest conflict between two groups in an organization, the first is employee group and the other side is employer or investor group. The employer or investor group want to get high profit and low cost of human resources. On the opposite, the employees need good compensation. Agency Theory insists maximizing behavior, experience that influence organization performance (Fleckinger et al., 2024). Thereby, the Resourced-based Theory explains that organization competitive advantages is produced from strategic assets that influence organization performance (D'Oria et al., 2021). Consequently, employer insist general manager to pay attention much on organization performance and profitability.

Organization's innovation brings organization's advancement. The organization advancement is a viable method to react to the disturbance business atmosphere since the development is fit for proposing a better approach to experience a new risk of the choppiness business atmosphere (Espinoza et al., 2024).

Consumer's Satisfaction is a marketing object that attracts manager because of its impact on organization performance especially on organization profitability. To get the consumer's satisfaction many organizations have to sacrifice its resources (Garcia-Rada et al., 2025). Employee's job satisfaction is an interesting subject of strategic human resources management. Thereby, many organizations try to get the employee's job satisfaction seriously. This conflict of interest needs to be resolved, in order to get going concern organization. Both conflict groups can be resolved by reconciliation that capable of acquaintance or accommodate both group interest. The reconciliation is an equality both need (Maddison, 2017).

The purpose of this research is to find out the solution of employer and employees group conflict, by equalization job satisfaction and employer satisfaction through customer satisfaction. The equalization capable of reducing this employer and employees group conflict, that emphasizes on organization going concern.

This research desires to contribute the scientific management nuance especially in clarifying the employer and employees' needs in the workplace. This research limitation is as follows. This research is discussing the organization member's perception of his or her job to resolve the employer and employees group conflict in the workplace, thereby the research is limited to individual perception and cross-section data collection. The cross-section data do not have capability to show the relationship growth information

LITERATURE REVIEW

Performance

Joo & Hong (2025) proposed a model of organizational commitment for predicting both company and employee commitment. Manager or general manager is an agent of employers or investors. Consequently, investors and managers have the same investment object, especially on organizational performance. The earliest management attention focuses on the organization performance, because this scientific management aim is developed from microeconomic theory that focuses on aggregate production efficiency (Ovdiuk, 2019). The microeconomics theory attention focuses on production efficiency, which is indicated by an equation that the marginal cost of production should have to be the same with marginal revenue (Moseley, 2015). Consequently, the scientific management theory pays attention to production efficiency either, that indicated by its performance improvement, that sometimes ignores the employee's satisfaction needs (Ye & King, 2016).

Ideally, a high organizational performance is needed by an employer, because as an investor, he or she needs organizational profitability. The highest organization performance is accomplished by highest customer satisfaction, that produces repurchase buying (Voss et al., 2010). Thereby, the consumer's satisfaction indicates the organization performance.

Employee's Job Satisfaction

The employee's satisfaction needs to be acknowledged, as it can lead to negative motivation to work hard in the workplace, as employees may feel neglected by their employer and manager. Thereby, the employee's ignorance would result in bad impact on the organization performance (Ramasamy et al., 2023). On the other side, it is normal that an employer as an investor needs high organizational performance. In order to resolve this employer and employees conflict need equality between employer and employee's

need, the organization need equality of employer and employee's needs (Roca-Puig, 2020). The equality needs support for organizational performance improvement, without sacrificing each other.

Equality or fairness theory insists the fairness condition, hence both employer and employees' needs are fulfilled (Allard & Cova, 2020). Theoretically satisfied employees increase customer satisfaction because: (1) they are friendlier, upbeat, and responsive, (2) they are less likely to turnover which helps build long-term customer relationships, (3) they are experienced, and (4) dissatisfied customers increase employee job dissatisfaction (Gallie et al., 2021). Therefore, to hinder the conflict between employer and employees, it needs understanding of each other. This employer and employee's understanding of each other enhances the employer and employee's insight that they have to work together and respect each other in order to ensure the organization's going concern. These insights produce good employee's satisfaction that motivates employees to work hard in order to improve organization performance by maximizing customer satisfaction. Thereby, hypothesis 1 is formulated as follows.

H1: The higher employees' job satisfaction, the higher customer satisfaction.

Employee's Commitment and Organization Performance

As mentioned before, employers as investors and managers as investors' agents pay close attention to organizational performance. The organization's performance attracts investor and manager attention because of its capability to return investment outlay.

In accordance with equality theory, the fairness condition between employer and employee needs enhances employer and employee need fulfillment; hence, organization performance improves. Therefore, reconciliation or understanding between conflict groups need good communication, hence employee's commitment improved because communication quality influences organization performance (Krajcsák, 2021). Krajcsák (2021) explains that commitment influences organization performance, even though some scientists such as Cesário & Chambel (2017) explains that commitment does not influence organization performance.

Rastogi et al. (2023) explains that organization performance is influenced by employees' commitment to accomplish the organization's performance, which is indicated by consumer satisfaction. Consumer satisfaction results in repurchase buying. Thereby, Hypothesis 2 is formulated as follows.

H2: The higher employees' commitment, the higher consumer satisfaction.

As noted earlier, high employee satisfaction results in high employee commitment. Employee with high satisfaction builds his or her commitment to support organization performance attainment (Sungu et al., 2019). Thereby, high employee satisfaction produces high employee commitment and high organization performance. Therefore, hypothesis 3 is formulated as follows.

H3: The higher employee satisfaction, the higher consumer satisfaction, and the higher organization performance.

RESEARCH METHODS

This research model is classified as a causality model, with regression as an analysis tool. Data were obtained from 220 professional employees. This research measures consumer satisfaction, employees' satisfaction, and employees' commitment.

Measures of organization and employees' commitment were regressed separately on work experiences (job satisfaction and commitment). In the multiple regression analyses, the same predictor accounts for a significant portion of job satisfaction and commitment.

Table 1 below shows items' validity and reliability. This table presents the result of the exploratory factor analysis. and reliability test. This variable has significant loading values above 0.30 with N=220. Other statistical measures to run the factorability of the data are Bartlett's test of sphericity and Kaiser–Meyer–Olkin (KMO) measure of sampling adequacy.

Tabel 1. Instrument Validity and Reliability

Factors	Items	Calculated variance	Cronbach alpha
Consumer satisfaction	9	44,218	0,883
Employees' commitment	8	14,404	0,923
Job satisfaction	6	10,321	0,891
Total of items	23		
Total calculated variance		68,943	
KMO test			0,930
Bartlet test		$X^2 = 2368,64$	(Sig= 0,0000)

The factor analysis above is considered appropriate. If the Bartlett's test is significant (p<0.50) and the KMO test in the range from 0 to 1, with 0.60 suggested as the minimum value for a good factor analysis. The two variables are found to have coefficient exceeding the 0.7 threshold of Cronbach's alpha (Nunnally, 1975).

RESULTS AND DISCUSSION

Results

Regression analysis is a suitable method to examine the effect of an independent variable on the dependent variable. The results of the regression analysis are presented in the following table. Table 2 below shows the result of regression analysis. The direction of the sign of each variable can be used as the hypothesis testing technique. It shows that the adjusted R^2 (= 0.580) indicates a discriminant factor. It means that the independent variable explained 58.0 percent of the variation of the dependent variable. The F-test value of 72.664 is significant at the 0.01 level, and both independent variables have a significant relationship with the dependent variable (consumer satisfaction). The result of data analysis explains that the independent or predictive variables have a significant t-test, thus supporting hypotheses 1 and 2. Since hypotheses 1 and 2 are supported by collected data, it means hypothesis 3 is supported.

Tabel 2. Regression Analysis Summary

	Uns	tandardized	,	Standard	ized	Collinea	rity
Independent var	В	Std. Error	Beta	T	Signif	Tolerance	VIF
Constanta	13,764	0,376		3,438	0,000	0,823	1215
Commitment	0,768	0,094	0,610	6,461	0,000	0,805	1169
Job Satisfaction	0,64	0,134	0,482	5,002	0,000		
$R^2 = 0.580$	Adjust	Durbin Watson=			F test=	Signif. F=	
	$R^2=0,527$	2,018			72,64	0,000	
Dependent variable; Consumer satisfaction							

The Residual analysis below shows the prediction accuracy, as shown in Table 3.

Tabel 3. Residual Analysis Summary

	Minimum	Maximum	Mean	Std Deviation		
Std Residual	-2,783	2,873	0,000	0,996		
Cook' Distant	0,000	1,113	0,011	0,074		
Centered Leverage value	0,000	0,106	0,003	0,011		
Dependent variable	0,000					
Consumer' satisfaction						

Table 3 above shows that the residual or prediction error tends to normal distribution, indicated by the standard deviation of 0,996, located between minimum value (-2,783) and maximum value (2,873). The probability tends to a normal distribution.

Discussion

The collected data of consumer satisfaction were multiple-regressed on employees' job satisfaction and employees' organizational commitment. In the multiple regression analysis, the results show that the same predictor accounts for a significant portion of the variance. Both employees' job satisfaction and employees' organizational commitment acted as significant predictors of consumers' satisfaction.

The considerable impacts of customer satisfaction have been identified as an influential factor in the overall attitudes and behaviors in an organization (Bergel et al., 2019). Human resources seek happiness in the workplace by serving the organization's customs, organizational commitment, and job satisfaction. The study concluded that customer satisfaction is significantly related to organizational commitment and job satisfaction. It also indicates that customer satisfaction enhances great organizational commitment and job satisfaction among human resources in the organization.

CONCLUSION

Theoretically, to sum up, this research concludes that equality between employers' needs and employees' needs is an important aspect of management. Equalization, both for employers and employees, is a way to gain organization performance improvement. Equalization of both employers and employees results in employee job satisfaction and customer satisfaction. Equalization does not only mean an equal portion or equal number, but also means a similar direction, even though the numbers or quantities are different.

The final conclusion is that the theory of equity can still not be denied to improve company performance. Since all hypotheses are supported by empirical data, the research conclusion is that consumers' satisfaction and employees' satisfaction are business performance success indicators. Thereby, these satisfactions need to be optimized in order to achieve organizational success. The suggestion for the next research is that the usage of time series data is recommended, in order to improve the growth of influence of both variables.

REFERENCES

- Allard, A., & Cova, F. (2020). Equality beyond needs-satisfaction: an empirical investigation. *Journal of Applied Philosophy*, 37(2), 273–298. https://doi.org/10.1111/japp.12388
- Bergel, M., Frank, P., & Brock, C. (2019). The role of customer engagement facets on the formation of attitude, loyalty and price perception. *Journal of Services Marketing*, 33(7), 890–903. https://doi.org/10.1108/JSM-01-2019-0024
- Cesário, F., & Chambel, M. J. (2017). Linking organizational commitment and work engagement to employee performance. *Knowledge and Process Management*, 24(2), 152–158. https://doi.org/10.1002/kpm.1542
- D'Oria, L., Crook, T. R., Ketchen, D. J., Sirmon, D. G., & Wright, M. (2021). The evolution of resource-based inquiry: a review and meta-analytic integration of the strategic resources—actions—performance pathway. *Journal of Management*, 47(6), 1383–1429. https://doi.org/10.1177/0149206321994182
- Espinoza, S. G. R., Ocampo, P. S., & Ángel, C. E. M. del. (2024). The development of disruptive organizations and technologies. *Journal of Ecohumanism*, 3(8). https://doi.org/10.62754/joe.v3i8.6589
- Fleckinger, P., Martimort, D., & Roux, N. (2024). Should they compete or should they cooperate? the view of agency theory. *Journal of Economic Literature*, 62(4), 1589–1646. https://doi.org/10.1257/jel.20241678
- Gallie, D., Felstead, A., Green, F., & Henseke, G. (2021). Inequality at work and employees' perceptions of organisational fairness. *Industrial Relations Journal*, 52(6), 550–568. https://doi.org/10.1111/irj.12346
- Garcia-Rada, X., Kim, T., & Liu, P. J. (2025). Consumption sacrifice. *Journal of Consumer Psychology*, 35(1), 61–80. https://doi.org/10.1002/jcpy.1404
- Gunaltay, A., & Filiz, U. (2021). Human resources challenges for the next 10 years: case study of Turkey. *Journal of Management*, *37*(1), 9–17. https://doi.org/10.38104/vadyba.2021.1.01
- Joo, J., & Hong, S. (2025). Predicting model for the employees' organizational commitment: Integrative approach of organizational identity and career identity. *International Journal of Organizational Analysis*. https://doi.org/10.1108/IJOA-07-2024-4662
- Krajcsák, Z. (2021). Solving intra-group conflicts by supporting employees' identification and commitment. *International Journal of Organizational Analysis*, 29(4), 1030–1043. https://doi.org/10.1108/IJOA-04-2020-2138
- Maddison, S. (2017). Can we reconcile? Understanding the multi-level challenges of conflict transformation. *International Political Science Review*, *38*(2), 155–168. https://doi.org/10.1177/0192512115607953
- Moseley, F. (2015). The marginal productivity theory of capital in intermediate microeconomics textbooks. *Review of Radical Political Economics*, 47(2), 292–308. https://doi.org/10.1177/0486613414557919
- Nunnally, J. C. (1978). *Psychometric Theory* (2nd ed.). New York: McGraw-Hill.
- Ovdiuk, O. (2019). The impact of scientific management organization school on the formation of the theory of management decisions. *Scientific Horizons*, 79(6), 82–87. https://doi.org/10.33249/2663-2144-2019-78-5-82-87
- Ramasamy, A., Inore, I., Muduli, K., & Singh, S. (2023). Evaluation of factors affecting job satisfaction pathways for improved sustainable business performance in

- emerging economies. *International Journal of Social Ecology and Sustainable Development*, 14(1), 1–17. https://doi.org/10.4018/IJSESD.328217
- Rastogi, M., Nanda, S., & Kumar, V. (2023). Roles of customer and employee satisfaction on corporate performance: An empirical investigation. *Multidisciplinary Science Journal*, 5, 2023ss0305. https://doi.org/10.31893/multiscience.2023ss0305
- Roca-Puig, V. (2020). The symbiotic bond of income equality and organizational Equilibrium. *Sustainability*, *12*(21), 9267. https://doi.org/10.3390/su12219267
- Sungu, L. J., Weng, Q. (Derek), & Kitule, J. A. (2019). When organizational support yields both performance and satisfaction. *Personnel Review*, 48(6), 1410–1428. https://doi.org/10.1108/PR-10-2018-0402
- Voss, G. B., Godfrey, A., & Seiders, K. (2010). How complementarity and substitution alter the customer satisfaction–repurchase link. *Journal of Marketing*, 74(6), 111–127. https://doi.org/10.1509/jmkg.74.6.111
- Ye, J., & King, J. (2016). Managing the downside effect of a productivity orientation. *Journal of Services Marketing*, 30(2), 238–254. https://doi.org/10.1108/JSM-10-2014-0351.