Internal Locus of Control Affect Job Performance of Commercial Television in Indonesia Context Mediation of Job Embeddedness

Donny Abdul Latief Poeospowidjojo, Juliansyah Noor, Mohd Rafi Yaacob

Abstract: This study aims to examine job embedding as a variable mediator of the effect on job performance of internal control locus. This study uses modeling of structural equations with data collected in Indonesia commercial television from 130 employees. The result shows that job embedding plays a major role in mediating the effects on job performance from the internal locus of control. It means employees with a high internal control locus are embedded in their jobs and display high organizational performance.

Keywords: Internal locus of control, job embeddedness, job performance, commercial television, Indonesia.

JEL CLASSIFICATION: J24, J28

I. INTRODUCTION

This study examined the related between internal control locus (internal LOC) and the job-associated behavioural measures of job embedding and job performance of Indonesian employees working for commercial television (commercial TV). Chen and Silverthorne (2008) stated that, for internal or external control, the LOC measures the expectations of an individual. Individuals with an internal LOC believe that an event can be controlled does not necessarily result in a reduction in stress and a wide range of work outcomes, i.e. well-being, motivation and behavior (Skinner, 1996; Ng et al., 2006).

Judge and Bono (2001) stated that an embodiment of core values was respected by internal LOC because internals ensure that they are able to control different factors in their own lives. In contrast, they have poor internal LOC assure that offense, opportunity, or other preponderant factors specify lives’ themselves, and that they have efforts have not significant effect on their failing or succeeding (Hsu, 2011). Thus, the personality of each individual can be situated along a continuum, from the most internal to the most external (Hsu, 2011).

Other individual factors should provide insight into the willingness of an individual to take up work embedded when deciding to work in the company. The Job embedding factors are connections, fit, and sacrifice (Karatepe, 2013; Peltokorpi et al., 2015; Ng and Feldman, 2011; Lev and Koslowsky, 2012; Ng and Feldman, 2013); links to formal or informal corporate connections to individuals; fit refer to compatibility or comfort with an internal and external corporate environment; and Sacrifice refer to be Benefit cost of material or psychological vanished by exits. According to Holtom and O’Neill (2004), the greater the number of connections, fit, and the degree of sacrifice, the greater the embedded job power. Holtom et al. (2012) reported that job embeddedness influences outcomes important outer the effects of employee attitudes and has been indicated to role as a mediating between work factors and main of organizational consequences, namely; employee turnover and performance (Saud Khanet al., 2014; Lee et al.,2004; Mitchell et al., 2001). Individuals perform better in most employment situations when they have a moderately strong internal LOC. Internals are also more contented on their jobs, dissolve better in inconvenient situations, and are more encourage by reward systems base performance (Spector, 1987). Employees with an internal LOC get a better job because they get better job evaluations in the recruitment procedures of individuals (Cook et al., 2000; Silvester et al., 2002). In this research, we focus on the effects of internal LOC, job embedding and job performance.

II. LITERATURE REVIEW

Internal LOC and Job Performance

a. The interaction between job satisfaction and job performance has been recognized by most researchers as moderated by locus of control (Braun et al., 2013; Hsu, 2011). Thus, job satisfaction and performance can measure an employee’s response (Judge et al., 2003; Martin et al., 2005).

b. They can count on different features of the mainly internal control locus of the employee (Hsu, 2011).
In empirical study, Chen and Silverthorne (2008) reported that internal LOC increased job performance, individual responses of a sample of 209 Certified Public Accountant. Ng and Butts (2009) study in the United States of 800 employees from a nationwide financial firm. They found that LOC has moderated the positive effect of performance rewards and the intention to spend time in their organization so that the effect will be stronger when there is an internal LOC for the individual employees.

H1. Internal locus of control is positively affect to job performance.

Job embeddedness and job performance

Andresen (2015) said that job performance was affected on job embeddedness in their sample of expatriates, as founded, it can be motivated protecting pride by a better performing. He also argued that embedding organization would be affected by performance. Employee feels pride for an organization as part of group work. Allen and Shanock (2013), Kiazad, Holtom, Hom, and Newman (2015), Sun, Zhao, Yang, and Fan (2011), and Bergiel, Nguyen, Clenney, and Taylor (2009) found an embedded performance positive effect.

Based on the effect of embedding on performance, if an individual (employee) is associated within an organization in a very suitable manner and will have to sacrifice very suitable if they resign (e.g. they have been terminated for bad performance). So that, the intercourses with others will increase job performance increase. Moreover, the appropriate between the person and the job will effect of job embeddedness on a good perform. Kiazad et al. (2015) said that these factors empirically should be affected of job embeddedness on performance.

H2. Job embeddedness is positively affect to job performance.

Internal LOC and Job Embeddedness

In the past research showed that internal locus of control increased job embeddedness affect to an employee’s attitude toward work related events among 2,500 managers of organizations and industries in USA (Ng and Feldman, 2011). It seems to be very relevant in explanation that some people are more effective than others in related with under pressure conditions that go forth of the organization. Employees with high internal LOC take responsibility for events in life; they believe they have the power to control their environment, which is contained in the embedded job (Lin and Ding 2003).

H3. Internal locus of control positively affect to job embeddedness.

Job Embeddedness as Mediating Variable

COR theory’s principles are that people struggle to hold, protect, and build resources, and that threat to them is the potency or actual cost of that value of resources. (Chen, Westman, and Hobfoll, 2015). We suggest that the social exchange theory for internal LOC and job embeddedness could be completed by basic of COR theory (Hobfoll, 2011; Halbesleben, Neveu, Paustian-Underdahl, and Westman, 2014; Ghotpade, Lackritz, and Singh, 2007). To be better understand why COR and social exchange theory contribute to job performance. We dispute that, in line to social exchange theory for internal LOC and job embeddedness could be the resources necessary for employees to perform their responsibilities of the organization members, and through this process can be explained job performance. Therefore, the COR theory can be used as the guiding theoretical framework to develop the relationship as a mediating variable regarding the effects of internal LOC on job performance. The COR theory suggests that individuals become highly embedded in their organizations to at least develop resource surpluses to deal with resource losses at work. Allen (2006) suggested that work embedding between individual variables and organizational outcomes as a mediator. According to Ng and Feldman (2011), job embedding is included in the COR theory in the mediator variable. They found that individuals with elevated internal LOC are more important in leading individuals to find their organizations more embedded. Individuals with high internal LOC has a greater sense of organization and success in gaining personal control and the face of stressful situations (Harris et al., 2009). In other side, employees who do not consistently perform up to occupational standards are more likely to be fired of the job (Schneider et al., 1995). Therefore, we assume that the job embedding can mediate the effect of internal LOC on job performance.

H4. Internal locus of control is positively affect to job performance through mediating job embeddedness.

III. RESEARCH MODEL

The effect of study variables as mentioned above can be shown the theoretic model in Figure 1 below.

Fig. 1 Research Model

As the diagram shows, current research will attempt to test between variables, meaning and level of association between independent and dependent variable (internal LOC), mediating variable (job embedding) and dependent variable (job performance).

IV. METHODS

Sample

This empirical research was distributed with employees’ sample of commercial television located in the Jakarta Indonesia. Mail surveys were sent to 150 samples. The amount of 139 questioners were accepted.
by the certain date for data collection. However, nine
questioners were wiped out because they did not get
complete information. Therefore, 130 (89.3% response rate)
questioner were accepted. The demographic makeup of this
sample was 84 males (65 percent) and 46 females (35
percent). A total of 48 participants had college education (37
percent), and 82 participants had bachelor degree (63
percent). The age of 41 participants ranged from 21 to 27
(32 %), and the age of 28-37 (33 %) was 43 participants.
The rest were over 37 years of age. A total of 73 participants
(56 percent) had tenures of five years or less. The rest had
been for more than five years with their commercial
television. There were a total of 51 single participants (39
percent) and 79 married participants (61 percent). A total of
69 participants had children ranging from one (53 %) to two
while 52 participants had children ranging from three to four
(40 %). The rest had more than four kids.

**Data and Background Information**

The data of this study were collected using a self-managed
questioners that contains three sections. Firstly, eight
statements were used to compile information of the
participant's demographic backgrounds. Using 5-point
Likert's scale; secondly consists of 16 questioners to
measure five factors of the internal LOC. The six factors for
measuring job embeddedness. Finally, job performance
which compiled five questioners to be using 5-point Likert’s
scale.

We developed questioners in English and translated into
Bahasa (Indonesia) for participant. Then, a certified
translator translated the questioners Indonesian version to
English with adjusted to achieve the highest matching
between the two languages, (i.e. English and Indonesian).

**Measures**

*Internal LOC*. We measured Internal LOC using the 5-
point scale constructed by Levenson (1974) which has one
subscale: ‘When I make plans, I'm sure they will work.’
Questioner items were used in the format of a 5-point likert
(1 = strongly disagree with 5 = strongly agree). The five
questioners were composed as an aggregate measure of
Internal LOC. All questioners were filled by the
participants.

*Job Embeddedness*. We used Crossley, Bennett, Jex, and
Burnfield (2007), we presented a 5-point Likert format for
the following six items (5= strongly agree with 1= strongly
disagree). Which has one subscale: ‘I like this company's
authority and responsibility. The participants filled out these
questioners in a complete questionnaire.

*Job Performance*. We used the scale of a 5-point linkert,
the five-point job performance (Koopmans, Bernaards,
Hildebrandt, van Buuren, van der Beek, and de Vet, 2012).
In order to fill in the entire questionnaire, participants are
asked about frequency, they have described specific phrases
using a 5-point linker format (1= seldom to 5= always) that
has one subscale’ I have managed to plan my work in a
timely manner’. Participants filled out these questioners in
whole questioners.

**Data Analysis**

We used structural equations methodology with the partial
least square (PLS) method offered by SmartPLS to test our
hypothesized model. The PLS method assumes a causal
analysis; such as structural equation modeling (SEM) that
"supports the inclusion in the same analysis of reflective and
formative measures" (Ruiz-Palomino and Bahón-Gomis,
2017) “Mediation hypotheses are also good for testing”
(MacKinnon, Coxe, Buraldì, 2012). According to Ruiz-
Palomino and Bahón-Gomis (2017), "PLS does not require
demanding hypotheses about variables distribution." We
used bootstrapping (n= 500 subsamples) as recommended
by Chin (1998) to generate bootstrap t-statistics with n–1
degrees of freedom (where n is the number of subsamples,
Roldán and Sanchez-Franco, 2012). This method, together
with our large sample size (n = 130), means that we can
detect both mediation effects (MacKinnon et al., 2012) and
medium-effect sizes, with statistical power greater than 99.5
percent at the level of 0.05 significance (Cohen, 1988).

**V. RESULT AND DISCUSSION**

This study offered and examined a research model that
explored the effect of Internal LOC on job performance
through job embedding as a mediating variable based on
data obtained from Indonesian commercial TV staff. This
study offers three contributions to the practice of television
management and literature on human resources. First, recent
studies show that there is a shortage of empirical research on
the background of job integration (Andresen, 2015;
Peltokorpil et al., 2015; Lev and Koslowsky, 2012). Second,
limited empirical studies have focused on individual and/or
organizational variables that increase the embedded work of
employees (Allen and Shanock, 2013; Kiazad et al., 2015).
Lastly, contrary to this study, the current research focuses on
job embedding roles in mediating the relationship between
internal LOC and job performance.

**Table. 1 Measurement model: item loadings, construct
reliability, and AVE.**

<table>
<thead>
<tr>
<th>Scale items</th>
<th>Loading s</th>
<th>Construct Reliability</th>
<th>AV E</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cronbach’</td>
<td>Composit e</td>
<td>Alpha Reliability</td>
</tr>
<tr>
<td>Internal LOC</td>
<td>0,68</td>
<td>0,80</td>
<td>0,64</td>
</tr>
<tr>
<td>ILOC1</td>
<td>0,66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ILOC2</td>
<td>0,69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ILOC3</td>
<td>0,78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ILOC4</td>
<td>0,55</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ILOC5</td>
<td>0,63</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Embeddednes</td>
<td>0,72</td>
<td>0,80</td>
<td>0,71</td>
</tr>
<tr>
<td>JE1</td>
<td>0,62</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JE2</td>
<td>0,66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JE3</td>
<td>0,55</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table. 2 Descriptive statistics and correlation matrix

<table>
<thead>
<tr>
<th>Scale items</th>
<th>Loading s</th>
<th>Construct Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cronbach’s Composites Alpha Reliability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JE4</td>
<td>0.66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JE5</td>
<td>0.56</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JE6</td>
<td>0.76</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Job Performance 0.73 0.82 0.68

Notes: Bold values on the diagonal are square roots of the AVE for each construct (For example, the value of AVE for Job Embeddedness is 0.80). This value is greater than its shared variance with other constructs.

Table. 3 Cross-loadings matrix for reflective constructs

<table>
<thead>
<tr>
<th>Item</th>
<th>Internal LOC</th>
<th>Job Embeddedness</th>
<th>Job Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>ILOC1</td>
<td>0.66</td>
<td>0.29</td>
<td>0.48</td>
</tr>
<tr>
<td>ILOC2</td>
<td>0.69</td>
<td>0.38</td>
<td>0.41</td>
</tr>
<tr>
<td>ILOC3</td>
<td>0.78</td>
<td>0.42</td>
<td>0.50</td>
</tr>
<tr>
<td>ILOC4</td>
<td>0.54</td>
<td>0.33</td>
<td>0.31</td>
</tr>
<tr>
<td>ILOC5</td>
<td>0.63</td>
<td>0.42</td>
<td>0.37</td>
</tr>
<tr>
<td>JE1</td>
<td>0.49</td>
<td>0.62</td>
<td>0.40</td>
</tr>
<tr>
<td>JE2</td>
<td>0.31</td>
<td>0.66</td>
<td>0.35</td>
</tr>
</tbody>
</table>

Notes: Bold indicates that the individual measurement items loaded on their own construct. Because they are higher than their correlations with the other reflective constructs, the reflective constructs in our study are conceptually distinct (Hair et al., 2014).

The findings in Table 1 show that the individual cases that constitute the internal LOC construct are reliable, all items reach the required minimum threshold of 0.55 (Hair et al., 2014). The other reflective items construct all exhibited coefficients of threshold standardized loadings above 0.70, indicating good reliability (Hair et al., 2014). The Cronbach alpha values for composite reliability (pe) showed a good internal consistency and reliability reflective construct (Table 1); the latter (pc) was above the 0.80 threshold for advanced study requested (Hair et al., 2014). The AVE for all reflective items constructs (Hair et al., 2014) was over 0.50 (Table 1) respectively, showing the convergent validity of our three reflective constructs (Hair et al., 2014).

Lastly, we evaluate with several methods the divergent validity of our three reflective measurement. We evaluate measurement at the construction level (Fornell and Larcker, 1981). Because the AVE was more than the variance for each construct that each construct had a portion of the remainder of another latent variable (Table 2), this measurement was met (Hair et al., 2014). We indicated the cross-loading measurement at the indicator level; a cross-loading matrix indicated that all indicators were loaded higher than the other ones on their designated constructs (Table 3).

In table 4 and Figure. 2 Have hypothesis-related findings. Internal LOC affects the job performance directly (β = 0.35; p < 0.001; Fig. 2, Direct Model), so we confirm Hypothesis 1. Similar results have also been reported in literature such as Ng and Butts (2009), for example, examining the impact of increased job performance in the U.S. financial company due to internal LOC.

They found that LOC has the positive effect of rewards on performance and staying intentions so that employees have a stronger internal LOC than an i
In support of Hypothesis 2, job embeddedness affects job performance positively (β = 0.49; p < 0.01; Fig. 2, Mediated Model). Allen (2006) and Lee et al. (2004) stated that there is the effect of job embeddedness on job performance. They mean that if an individual (employee) is very suitable related inside organization, like very suitable and sacrifice will have considerable if they resign. In other words, they are terminated for weak performance.

In support of Hypothesis 3, internal LOC was positively correlated with job embedding (β = 0.56; p < 0.001; Fig. 2, Mediated Model). Similarly, Ng and Feldman (2011) found that internal control locus due to increased job embedding on 2,500 managers of USA organizations and industries through contract social networking behaviour. In support of Hypothesis 4, the effect of internal LOC on job performance by embedding Job as a mediating variable (β = 0.27; p < 0.01; Fig. 2, Mediated Model; Table 4). Fig. 2 also provides empirical proof of our mediating hypotheses: job embedding mediates the effect of internal LOC and job embedding on job performance. Internal LOC and work embedding are important in terms of job performance. This finding corresponds to other empirical studies (Judge et al., 2003; Martin et al., 2005). However, Job embedding has a stronger impact on the employee than the internal LOC. Such findings indicate that employees feel embedded in the commercial television organization emotionally and result in increased performance. Therefore, when compared to the internal LOC, the effect of job embedding on job performance is stronger.

We have checked for mediation tests performing a competing model analysis (Tippins and Sohi, 2003), which includes the criteria of Baron and Kenny (1986) but applies better to SEM, in that it compares a direct (not mediated) model with a mediation model to find significant differences (Fig. 2). Tippins and Sohi (2003) said that four conditions for mediation were established by the effect of internal LOC on job performance by job embedding as a mediating variable: (1) The mediating model shows the variance of the dependent variable in the model (direct model), (2) the independent variable and the mediation variable are significantly related, (3) the mediation variable and the dependent variable (direct model) are significantly related, and (4) any significant independent effect on dependent variables becomes weaker when the mediation variable is added (indirect model).

The first condition is met for Hypothesis 4; the mediated model represented more variance in job performance than the direct model (Fig. 2, Mediated Model and Direct Model; Table 5).

Due to the significant and positive relationship between internal LOC and job embedding (Fig. 2, Mediated Model; Table 4), the second requirement is also satisfied. Work embedding was significantly positively related to job performance in line with the third conditional (Fig. 2, Mediated Model; Table 4). The effect of internal LOC on job embedding was also significant before or after the mediator was included (Fig. 2, Direct Model and Mediated Model). An emerging consensus suggests that the “requirement of an important relationship between the independent and the dependent variable” by Baron and Kenny (1986) is not necessary, however, before adding the mediator (Kenny, 2008; MacKinnon et al., 2012; Zhao, Lynch, and Chen, 2010). Instead, mediation requires that the indirect effect between these variables is significant (Zhao et al., 2010), as the mediator may have a causal effect even if there is no association between dependent and independent variables (Hayes, 2009). This results in a moderate to large intermediate effect of job embedding between internal LOC and job performance (Table 5; R² = 0.34; Chin, 1998).
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VI. CONCLUSION

This paper aimed and examined the research model that was investigation whether job embeddedness acted as a mediating of the effects of internal LOC on employee performance. These effects were estimated of respondents held on commercial TV employees in Indonesia. The results found that the model was fit and three hypotheses proved empirically goodness. Especially, internal LOC affect job performance through job embeddedness.

VII. MANAGERIAL IMPLICATION

The Commercial TV management must be committed to building and maintaining a specific employee trait, such as internal LOC, the belief that one has control over one's destiny has been shown to significantly improve employee performance and the determination to be integrated into the organization.

Commercial TV management should also ensure that it means an environment in which employees are sustained to increase their performance as well as one of the key elements of high-performance work practices, internal LOC would point to higher levels of job embeddedness, including job performance. If not, retaining performing employees will not be possible if it performs poorly.

Other management implications are affected by employees with high internal LOCs who are motivated to acquire and accumulate more valuable resources, namely, giving authority and responsibility, fitting the culture of the company, and perks on the job that are factors in increasing job integration. These great resources, in turn, are likely to increase perceptions of job embeddedness causing the high level of performance.

The management implications of this study are related to employee recruitment. Management should use effective, objective and standardized tests for recruitment procedures that emphasize the personality dimensions of employees, as it affects every aspect of employee attitude and job performance. So managers had to use objective and experiential exercises to make sure they hire people who meet the demands of commercial TV job and corporate culture. This practice would enable managers to improve organizational work performance. Moreover, management would also ensure an effective career opportunities system that emphasizes positive employee performance.

VIII. LIMITATION

It should highlight some of the limitations of this research and its implications for future research. Firstly, we use a causal survey method that obstructs the conclusion of the

Table. 5 Initial models versus mediation model: Change in variance explained and mediation effect sizes.

<table>
<thead>
<tr>
<th>Independent-Dependent Variable</th>
<th>Variance Explained</th>
<th>Size of the Mediation Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal LOC – Employee Performance</td>
<td>Initial Model: 0.41</td>
<td>Mediated Model: 0.56</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(f^2) 0.34 (Moderate-Large)</td>
</tr>
</tbody>
</table>

Notes: f^2 = (R^2_included – R^2_excluded)/(1 – R^2_included); effect sizes of f^2 ≥ 0.02, ≥ 0.15, and ≥ 0.35 are small, moderate, and large, respectively (Chin, 1998; Cohen, 1988).

REFERENCES


