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A STUDY ON THE RELATIONSHIP BETWEEN ORGANIZATIONAL ETHICS, JOB SATISFCTION, ORGANIZATIONAL COMMITMENT AND JOB PERFORMANCE AMONG THE STAFF OF BANKS IN INDONESIA

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Abstract: Economic cooperation among ASEAN countries (AEC) has been effective since 2015. This partnership agreed on the free flow of goods, services, labor and investment. Indonesia as a country that participates in the competition of AEC has the potential and opportunities in various sectors. The primary key of banking sector in the competition is the readiness of financial capital, human resources and technology. Banks should improve the quality of its human resources in order to remain the fierce competition. This study aimed to analyze the influence of organizational ethics, job satisfaction, organizational commitment and performance of employees in the banking sector after the implementation of the AEC in 2015 in Indonesia. Data were collected from 124 bank employees interact directly with customers in Indonesia. Survey data were collected by distributing questionnaires. Variables were measured in Likert scale. Hypothesis testing uses SEM approach Warp PLS program. The study found that organizational ethics have a significant effect on job satisfaction, organizational ethics have a significant effect on organizational commitment, organizational ethics have a significant effect on job performance, organizational commitment have a significant effect on job performance, job satisfaction have a significant effect on job performance, and organizational commitment have a significant effect on job performance.

Keywords: Banking Sector, Organizational Ethics, Job Satisfaction, Organizational Commitment, Job Performance.

1 INTRODUCTION

ASEAN Economic Community (AEC) is a mutual agreement among the ASEAN member to increase economical cooperation validated on December 31, 2015. The aims of this agreement are free flow of goods, free flow of services, free flow of skilled labour, and free flow of investment (Shawyun, 2014). Indonesia was involved in the formation of the AEC 2015 and potentially reaps the benefits to the national economy. Based on World Bank Data 2011 showed that Indonesia obtains

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the highest economic growth among ASEAN member and got the third ranking after China and India. The vigour of Indonesia in implementing AEC 2015 lies on the increasing of growth macro economics. It can be seen from World Bank 2011 that Debt to Gross Domestic Product Indonesia is lower than another ASEAN countries, approximately at 24%. The Gross Domestic Product (GDP) in Indonesia was worth US\$ 846 billion in 2011 reaching the largest in ASEAN and also be the sixteenth largest economy in the world. Furthermore Indonesia counted in membership of G20.

In the realization of AEC, labour acts as primary factor of production. They should be aware in regional competition because all the member of ASEAN are free to select their own job and location (free movement of labour). Unfortunately Indonesia still has lower skilled labour than ASEAN member resulting the inability to compete in the labour market. The main point of banking sector to face AEC are the readiness in financial capital, human resources, and technology. Hence a number of banking labour must be increased together with the improvement on labour quality (Kartika & Wijaya, 2015). Jaffry and Ghulam stated that during the process, if a bank uses more resources than technically necessary, the bank will operate under the boarder efficiency. The most important one among the resources used to produce the output is manpower or human resources (Talukder *et al.*, (2014). Human resources contribute to other resources therefore appropriate action in managing human resources brought to the success of banks. In other word, if the human resources can be rightly managed, it will raise the capability of organization, society, governments and country even a nation (Pleffer, (1995); Gibson *et al.*, (2003); Ahmad & Schroeder (2003); Khan,(2003).

Carrying out business can be seen from many point of view such as economic point of view, legal and moral point of view. In long term perspective, moral point of view are needed to commit the business. Bertens (2000); Zimmerer & Scarborough (2005); Winstanley *et al.*, (1996); Hortacsu & Ozkan (2004) conducting research which aims to test the ethical dilemmas, assess ethical banking in Turkey and to determine the influence of organizational factors, cognitive, and affective influencing ethical atmosphere in the sector. Thus it can be stated that ethics is a universal sensitive topic.

Organizational ethics supported by top managers in order to behave ethically, ethical atmosphere of the organization and ethical behavior directly linking to the successful career on job satisfaction. More (48) cal research conducted in developing countries, especially western countries. In the literature practitioners, there is evidence that the ethics related to job satisfaction (Laabs, (1997); Traynor & Wade, (30)93). According to Okpara (2002), the aims of his research is to investigate the influence of ethical atmosphere on job satisfaction of IT managers in Nigeria, it is believed that the ethical atmosphere where employees work will affect to the job satisfaction. Employees who work for an organizational ethics having comfortness

68 because they know that they are protected by the public. Employees consider if they have an ethical organization, their organization also will fair to them and finally obtained job satisfaction and employee performance. It can be said that ethical organization influence to job satisfaction and employee performance. On the contrary Elkins (2007) conducting a research at Japanese manufacturing in the United States reported a weak relationship between work ethics and job satisfaction among permanent and non permanent employees. The research mentioned that employees who got regular salary tend to have lower work ethics but high in job satisfaction inversely to the non permanent employees. Similarly, a research conducted on 350 auditors working in public accounting firms in Indonesia, revealed the negative effect of work ethics on job satisfaction because irregular salaries and promotion opportunities are limited (Ariffuddin, 2002). Meanwhile, other findings mentioned by Komari & Djafar (2013) in 78 employees sharia bank in Malaysia which indicates that the work ethic had non significant negative effect on job satisfaction.

The work ethic in today's business is very important because of the ethical behavior determine the success of the organization at the level of competition which is getting stronger. Sims & Kroeck (1994), states that the ethical climate influence on organizational commitment, and job satisfaction. The study of the work ethic reinforces the notion that ethics has a strong influence on organizational commitment (Yousef, (2001); Rohman, (2010). Instead, Uygur (2009) believes that the work ethic had no influence on organizational commitment.

On the other hand, job satisfaction is an important concept in organizational settings proven to influence in attitude of working and organizational outcomes. For example, job satisfaction is often associated with organizational commitment (Yousef, 2000). Higher job satisfaction influenced stronger organizational commitment. Research shows that organizational commitment has a correlation with job satisfaction (Sims & Kroeck, (1994); Suliman & Kathairi, (2012).

Performance is the working result of the employees during a certain period by using some criteria such as; standard working, the purpose of the organization and targets of organization that was agreed among the member. Working result can be obtained along with their seriousness, their experience and time. Employee performance is basically what is done or not done by employees. They performance is affecting how much they contribute to the company, among others, the quantity of output, quality of output, the output time period, attendance, work, and cooperative attitude (Mathis & Jackson, 2001). Ethical performance, job satisfaction and organizational commitment are the variables that affect employee performance. The study concluded that job satisfaction and organizational commitment, are closely related to employee performance (Yousef, (2000); Chen *et al.*, (2006). Similarly, the work ethic also has a positive correlation with the performance of employees (Abdi, *et al.*, (2014). Ethical behavior, satisfaction and commitment of

the employees in the organization will make the performance of the company or the employee's performance will be maximized. This study will focus on organizational ethical, job satisfaction, organizational commitment and performance of employees in the banking sector.

2. LITERATURE REVIEW

2.1. Concepts of Ethics, Job Satisfaction, Organizational Commitment and Job Performance

Ethics is the rule of the principles and moral values that govern the behavior of a person or a group in relation to what is right or wrong (Daft, 2001). Meanwhile, according to Beekun (1997) ethic is the field of normative ethics for determining what to do or not to do. Morf. *et al.* (1999), emphasizing on the definition of ethics is a moral principle that is inherent in individuals in the decision-making process and help them to assimilate with the norms prevailing in society. Ethics is the basis of an action in organization and create of moral values and standards of behavior that forms the basis for people in an organization as they make decisions and interact with stakeholders in the organization. Organizational ethics includes support for central management to behave ethically, the atmosphere is ethical or ethical climate in the organization, as well as the relationship between ethical behavior with career success (Koh & Boo, 2001).

Job Satisfaction

Job satisfaction is a person's feelings towards his work (Wexley & Yulk, 1977), which is an assessment of satisfaction by employees about how much his work are satisfying their needed. Job satisfaction is a positive emotional state of evaluating person's work experience (Mathis & Jackson, 2001). Job dissatisfaction arises when someone's expectations are not fulfilled. The term job satisfaction refers to an individual's general attitude toward his work (Robbins, 2001). A person with a high level of job satisfaction showed a positive attitude towards the job, someone who is not satisfied with his work showed a negative attitude towards the job. Padmanabhan (2005) concluded that the concept of job satisfaction is obtained from all the aspects in works.

Smith, Kendall and Hulin, in Luthans (1995) say that there are five dimensions as a source of job satisfaction, such as: 1) Satisfaction of salary, which refers to correspondence between the number of payments (salaries / wages) received by employees related to their job and can be compared with employees in other companies, 2). Satisfaction in job promotion, employees can get the promotion to reach higher level. 3) Satisfaction with the co-worker by getting high support of colleagues and working relationships between employees, 4). Satisfaction with the supervisor is the level of support from supervisors perceived by employees,

and finally 5) satisfaction with the work itself, refers to how much the job gives the tasks of interest to employees, opportunities for learning and the opportunity to accept responsibility, according Tavmergen in Koc & Cavus (2014) some factors that make up the job satisfaction are the reward system, recruitment, measures of health, safety and workplace safety, work environment, business management and policies, colleagues, communication and relationship with the boss.

Organizational commitment

Mathis & Jackson (2001) define organizational commitment is the level of trust and acceptance of workforce to organizational goals and had desire to remain in the organization. Organizational commitment is often defined as a situation in which employee in favor of the organization and objectives of the organization are willing to maintain membership in the organization. Organizational commitment functions as indicator for measuring where the employee in favor of organizational goals (Robbins, 2001). According Kreitner & Kinicki (2003) organizational commitment reflects how individual identifies himself with the organization and bound by its objectives.

Organizational commitment shows the confidence and support of the values and goals (Mowday *et al.*, (1979). Strong organizational commitment causes individuals to achieve goals and the interests of the organization (Angle & Perry,(1981); Porter *et al.*, (1974). Individuals committed to be a positive attitude and trying to do the best for the organization. Organizational commitment refers to the three-dimensional (Allen & Meyer, 1990), namely:

1. Workers with strong affective commitment will continue to do the work that they are responsible for wanting to engage more organizations.
2. Workers involved in the organization based on continuance commitment (awareness of the costs to be incurred if he went out and retired) remained within the organization.
3. Workers with normative commitment (feeling to defend their organization though they get social pressure) feel the need to keep the organization.

Employee performance

Generally, performance refers to how well a person can do his or her job. Performance can be defined as any behavior that employees are engaged in their work (Jex, 2002). Performance is a multi-factor code that is intended to achieve results that have a major correlation with the planned objectives of the organization. Employee performance is an important factor of any organization and determinant in the success of the organization and its performance. It is true that most organizations rely on its employees, but the organization's destiny can not be

changed by only one or two employees. Organizational performance is a joint effort and a combination of all employees (Mwita, 2000).

Organizations be able to demonstrate moral direction that governs the individual so as to form a positive organizational culture and ultimately a positive impact on the perception in the public eye. Mathis & Jackson (2001) argue that many factors can affect the performance of individual labor, for example their ability, motivation, support received, the existence of work they do, as well as their relationship with the organization. Employee performance is how much they contribute to the company include, among others, the quantity of output, quality of output, the output time period, a cooperative attitude, skills in the workplace.

2.2. Hypothesis and Konseptual Framework

60 *Relationship between Organizational Ethics and Job Satisfaction*

Organizational ethics that applied in the company must be well done from the top to down management level. The example given by the Top Management will make the lower level manager feel comfortable and satisfied in their work. The existence of an atmosphere of ethical or ethical climate within an organization, even more so if the relationship between the ethical behavior and career success will certainly affect the satisfaction of employees. (Brown & Mitchell, 2010). In this study, the organization's ethics departed from research conducted by Koh & Boo (2001) which indicates that the organization's ethics has a positive impact on employee satisfaction. Previous studies showed that the work ethic had a closed relationship with job satisfaction (Vitell & Davis, 1990). This study confirmed the findings of Sims & Kroeck (1994); Viswesvaran & Deshpande (1996); as well as Schwepker (2001), which states that the organization's ethics or ethical climate of the organization also affects employee satisfaction and performance. Based on the above, the literature review hypothesis as follows:

23 *Hypothesis 1: Organizational ethics have a significant effect on job satisfaction*

Relationship between Organizational Ethics and Organizational Commitment

An organization must be able to develop a work ethic to control employee behavior, which will impact on increasing employee loyalty (Bruhn, 2009). Their commitment is able to create organizational work environment that encourages social processes, work rules and ethical behavior in an organization (Kaptein, 2008). Therefore, managers and officials in the organization should strive to improve the level of organizational commitment of their employees because it is one the main factors that influence the development of the organization. The research study conducted in the field revealed that there is a very closed relationship between organizational ethics and organizational commitment. Okpara & Wynn (2008); Yousef (2001) found

results that there is a strong relationship between commitments organization and the work ethic of employees. Organizations which stron awareness of work ethic will practice resource management professionals, such as attention to job satisfaction, thereby creating policies that will lead to organizational commitment among the employees and motivate employees to have a high performance. The same results were also shown by Kidron (1978); Williams & Sandler (1995); Peterson (2003); Ali & Al-Kazemi (2007); Mohamed *et.al.*, (2010). Based on the literature review above, the proposed hypothesis as follows:

Hypothesis 2: Organizational ethics have a significant effect on organizational commitment

Relationship between Organizational Ethics and Job Performance

Organizations that practice ethical principles contribute to the achievement and well-being of the organization, ensure prosperity for stakeholders, and assist the welfare of society (Abdi, *et al.*, (2014). Koh & Boo (2001) argues that there is significant need to study the organization of business ethics. At the company level, the ethical behavior of company can reflect the performance and culture. Studies conducted by business organizations Aspen Institute (2003) showed evidence that the company is committed to corporate social responsibility that bring benefits to the organization and the employee. This includes improving public image and a better reputation, increase customer loyalty, labor is more satisfied and productive, and regulatory or legal issues reduced. Based on the above, the literature review hypothesis as follows:

Hypothesis 3: Organizational ethics have a significant effect on job performance

Relationship between Job Satisfaction and Organizational Commitment

Tai *et al.*, (1998) observed that job satisfaction and Organizational Commitment highly correlated. Additionally, Markovits *et al.*, (2007) concluded that the intrinsic and extrinsic job satisfaction is strongly influenced by affective organizational commitment. Boles *et al.*, (2007) demonstrated strong organizational commitment associated with various aspects of job satisfaction. Saklan states, the commitment the organization has become an important issue for organizations dependent on job satisfaction, among other reasons, behavioral, emotional and cognitive structures such as morale and employee performance (Koc & Cavus, 2014). One of the main goals of the organization to continue their existence is their commitment to the organization. The reason is that employees who have been loyal to the organization are more compatible, have job satisfaction and productivity, and working with the level of responsibility and sense of loyalty to those who work with commitment to high organization makes organization's costs were reduced (Balci in Koc & Cavus, (2014). Based on the above, the literature review hypothesis as:

Hypothesis 4: Organizational commitment have a significant effect on job performance

Relationship between Job Satisfaction and Job Performance

The achievement of high level performance through productivity and efficiency is a priority for the organization. In order to achieve that employment really must be satisfied in order to achieve high levels of performance and progress of the organization. If the workers are satisfied then they will work harder so that work beyond expected that the results of their performance increases, then work harder and better. Kornhanuser & Sharp (1976) has done more than thirty studies to identify the relationship between satisfaction and performance in the industrial sector. Carroll *et al.*, (1964) found that satisfaction and productivity have a significant relationship because they both influence each other. They concluded that the higher effort reach the higher perceived expectations get. These efforts lead to effective performance, which again leads to job satisfaction. Several studies have found that there is a positive relationship between job satisfaction and performance as Katzell *et al.*, (1952); Smith & Cranny (1968); Huang & Chi (2004); Naqvi *et al.*, (2013); Ratnawati *et al.*, (2016). Based on the above, the literature review hypothesis as follows:

Hypothesis 5: Job satisfaction have a significant effect on job performance

Relationship between organizational commitment and Job Performance

Employees are committed to give a great contribution to the organization as they perform and behave in order to achieve organizational goals. In addition, workers who are committed to the organization they are feeling happy to be members of the organization, trust and have a good bond with the organization and intend to do the best for the organization (George & Jones, 1996). Employee commitment is only one of many factors that affect performance, and also as a key factor. Companies can take advantage of employee commitment as one important factor to improve performance in the workplace (Ratnawati *et al.*, (2016). In conditions of rapid changes committed employees provide a competitive advantage for companies (Dessler, 1993). Rashid *et al.*, (2016) conducted a study of 202 managers in the Malaysian company found that the corporate culture and organizational commitment are intertwined, and both have a great performance. Chen *et al.*, (2006) studied the relationship of organizational commitment, communication and job performance found evidence that there is a positive relationship between organizational communication, organizational commitment, and job performance. These findings provide advice that companies should strengthen communication channels and processes to the strength of the commitment and performance of the organization in a professional manner. Based on the above, the literature review hypothesis as follows:

Hypothesis 6 : Organizational commitment have a significant effect on Job Performance

The image of the proposed conceptual framework of this study as follows:

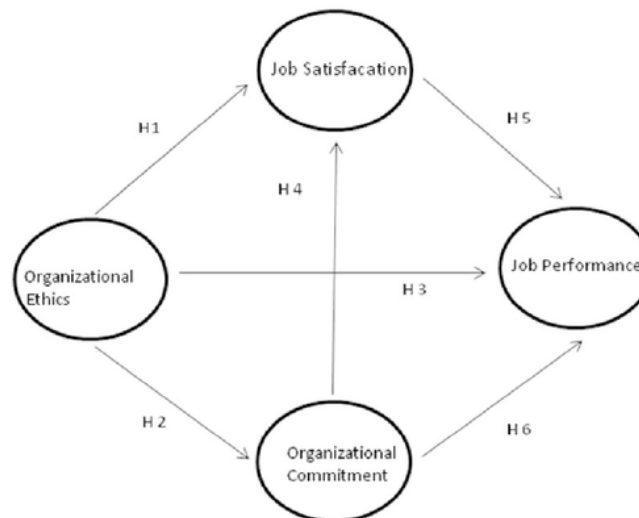


Figure 1: Conceptual framework

3. METHOD

The objects of this study are 28 private banks in Semarang, capital of central Java, Indonesia. Samples are the staff in banks who interact directly with customers called by front office. Survey data were collected by distributing questionnaires. Of 28 Private Banks based in Semarang, distributed 200 questionnaires and 76 of them were not refunded in order to obtain the total respondents were 124 staffs thus the response rate in this research by 62%. Data in perceptual research is qualitative. Meanwhile, to address the issues in the trial will use the tests by quantitative methods.

Response on various attributes of the organization's ethics in relation to job satisfaction, organizational commitment and staffs performance will be quantified to be processed and then analyzed. To quantify the qualitative data used Likert Scale, which ranges from 1 (one) strongly disagree to 5 (five) strongly agree. Data analysis techniques using SEM approach Warp PLS program. Exogenous variables in this study include organizational ethics variable, job satisfaction and organizational commitment. Endogenous variable in this study is the variable performance of employees. The latent variables as the indicator can be seen in the following table:

Table 1
Latent variables, indicators and source

Latent Variables	Indicators	Source
Organizational Ethics	Top management support for ethical behavior Ethical Climate Association between ethical behavior and career success	Koh <i>et al.</i> (2001)
Job satisfaction	Satisfaction with Salary Satisfaction with Promotion Satisfaction with Co-worker Satisfaction with Supervisor Satisfaction with job itself	Luthan (1996)
Organizational commitment	Affective Commitment Continuance Commitment Normative Commitment	Allen & Meyer (1993)
Job Performance	Quality of work Quantity of work Punctuality Attitudes and behaviors Workplace Skills	Mathis & Jackson (2001)

4. RESULT

4.1. Statistical Results

The demographic characteristics of respondents can be seen in table 2 below :

Table 2
Characteristics of the respondents

Characteristics	Frequency	%
Gender		
Male	45	64
Female	79	36
Education		
High School	10	8
Diploma	29	23
First Degree	83	67
Master Degree	2	2
Work Duration (year)		
1-5	67	54
6-10	37	30
> 10	20	16
Marital Status		
Married	72	58
Single	52	42

Source: Field survey, 2015.

From the table above it can be seen that most respondents were women of 79 people (36%) the rest were male as many as 45 people (36%). The highest responder education at master degree as much as 2 people (2%) and lowest high school education are as many as 10 people (8%). But the majority of respondents are first-degree education 83 people (67%). Most respondents also worked in the banking sector for 1-5 year amounted to 67 (54%), while those from 6-10 years as many as 37 people (30%) and working over 10 years amounted to 20 (16%). The majority of respondents also known to have married as many as 72 people (58%) and the rest have not been married for 52 people (42%).

The data statistics are as follows:

5 **Table 3**
Result of measurement model

<i>Construct</i>	<i>Items</i>	<i>Loading</i>	<i>Alpha</i>	<i>CR</i>	<i>AVE</i>
Organizational Ethics		0.820	0,741	0,853	0,659
		0.809			
		0.806			
Job Satisfaction		0.712	0,807	0,866	0,565
		0.772			
		0.773			
		0.784			
		0.715			
Organizational Commitment		0.831	0,774	0,869	0,688
		0.841			
		0.817			
Job Performance		0.738	0,811	0,869	0,569
		0.734			
		0.739			
		0.766			
		0.795			

Table 4
Discriminant validity of constructs

<i>Construct</i>	<i>OE</i>	<i>JS</i>	<i>OC</i>	<i>JP</i>
OE	0.812			
JS	0.183	0.752		
OC	0.266	0.287	0.830	
JP	0.338	0.597	0.392	0.755
Mean	4.054	3.718	3.639	3.788
SD	0.650	0.612	0.688	0.607

5
Table 5
Summary of the structural model

Paths	β Value	t-statistics	Decisions
OE > JS	0.16	1.849*	Significant
OE > OC	0.28	3.274**	Significant
OE > JP	0.24	2.859**	Significant
OC > JS	0.30	3.614**	Significant
JS > JP	0.47	5.925**	Significant
OC > JP	0.25	2.918**	Significant

*p < 0.05, **P < 0.01

4.2. Measurement Model

Convergent validity is a level where multiple items are used to determine the similarity of concept that was approved. To determine convergent validity, it is necessary to consider the results of the factor loading, composite reliability (CR) and average variance extracted (AVE) Hair *et al.*, (2013). From Table 3 it can be seen all over the loading of this study is greater than the recommended value of 0.5. Instead CR results vary from the smallest to the largest 0.853 to 0.869 and the value is higher than the 0.7 are recommended condition. Likewise with AVE the lowest value is 0.565 meanwhile it also has qualified for higher than the minimum cut of value 0.5.

Discriminant Analysis. Reliability measures the consistency of instrument in one kind of concept. It is clearly shown on tabel 3 that the alpha value is higher than 0.6 so it can be stated that all the measurement is reliable.

Structural Model: causal relationship between construct in a model (path coefficient and the R value) will generate structural models. Hypothesized causal relationships in a model is described by the data supported with path coefficient (beta and significance) and R2 value. Results structural models of Warp PLS output shown by table 3 which indicates that a significant organizational ethics positively influence with Job Satisfaction, Organizational Commitment and Job Performance. Similarly, Organizational Commitment is a significant positive effect on job satisfaction and job performance. The latter also found a significant positive effect between job satisfactions with job performance. From the results of earlier statistics can be concluded that the hypothesis H1, H2, H3, H4, H5, H6 accepted.

4.3. Discussion

The purpose of this study is to analyze how the performance of human resources in the banking sector after the enactment of the AEC focus on the factors that affect the performance on organizational ethics, job satisfaction, organizational commitment and employee performance. The results can be obtained as follows:

The first hypothesis states that organizational ethics influence on job satisfaction, it can be accepted, that means ethical atmosphere built by the company greatly affect on job satisfaction in the banking sector. Top managers of the company were able to provide exemplary to low level in order to increase employee's work satisfaction. This research reinforce the present invention Vitell & Davis (1990); Sims & Kroeck (1994); Viswesvaran & Deshpande (1996); as well as Schwepker (2001) which states that the organizational ethics can improve employee job satisfaction.

Hypothesis two states that organizational ethics affect the organizational commitment. Statistical results stated that the hypothesis is accepted. This means that the ethical atmosphere built by the company was able to bring substantial benefits that increase organizational commitment of the staffs. With the conducive ethical climate conducive will make staffs feel comfortable so that staffs have a positive reaction within the company and are able to increase the activity of the company for the better. These findings support previous findings that indicated by Kidron (1978); Williams & Sandler (1995); Peterson (2003); Ali & Al-Kazemi (2007); Mohamed *et al.*, (2010) states that organizational ethics be able to maintain and improve the employee commitment to the company.

Hypothesis three states that organizational ethics affect the job performance. Statistically it is accepted. Means that staffs who feel an ethical atmosphere in the workplace will be indicated also increase the quality of jobs, quantity work, punctuality, attitude and skills in the workplace. This is consistent with the findings of the Aspen Institute (2003) stated organizational ethics can improve employee performance.

Hypothesis four is accepted. It is indicated that staffs who have a deep commitment to the company and loyal to the company will increase work satisfaction. This is consistent with the findings and Sims & Kroeck (1994) and Suliman & Kathairi (2012) which states that there is strong correlation between organizational commitment and job satisfaction.

Hypothesis five states that job satisfaction effect on job performance. The influence of job satisfaction on job performance is acceptable. This proves that the higher of the impact on performance have the better performance will get. These findings support the results of previous findings by Katzell *et al.*, (1952); Smith & Cranny (1968), Huang & Chi (2004); Naqvi *et al.*, (2013); Ratnawati *et al.*, (2016) which states that the higher job satisfaction will improve employee performance.

Hypothesis six states that organizational commitment influence on job performance. The influence of organizational commitment to job performance is accepted. Organizational commitment is a major behavioral element to see the tendency of staffs as a member of the organization. If staff has high organizational commitment so the staff will be professional and will uphold the values agreed

upon by the company. Staffs performance increases when staffs are embedded within a strong commitment anyway. These findings support the notion Rashid *et al.*, (2003); Chen *et al.*, (2006) and Ratnawati *et al.*, (2016) were found with high organization commitment, the employee will feel at home tied to the company so as to boost the performance of employees will be increased.

5. CONCLUSION

Organizational ethics has an important role in organization because it can affect job satisfaction, organizational commitment, and influence the performance of employees. This study focuses how organization's ethics are properly applied in company and it has strong impact on the performance of human resources in the banking sector. A top manager as a role model is able to give a good example to low level so that the employees are motivated to be loyal, committed and satisfied with the work that they eventually became optimal performance. AEC 2015 has been applied in Indonesia as a trigger for company to compete in the banking sector and be able to manage employees so that the employees become more qualified. The right treatment in the management of human resources can be able to drive the company's success in the competitive arena .

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