



Analysis of The Role of Affective Commitment As an Intervening Variable in The Relationship Between Effective Reward and Organizational Learning in Advertising Industry

Umi Zunaidah^{1✉}, Wulandari², Suparman³, Sitti Usmia⁴, Dedik Wiryawan⁵

¹Politeknik Negeri Samarinda

²Institut Bakti Nusantara

³Sekolah Tinggi Ilmu Ekonomi Mujahidin

⁴Akbid Tahirah Al Baeti Bulukumba

⁵Universitas Kaltara

umizunaidah@gmail.com

Abstract

This research aims to analyze the influence of extrinsic reward and intrinsic reward on affective commitment. Primary data, collected through surveys of respondents from the target population, served as the data source. Data collection methods include in-depth interviews, observations, and surveys using questionnaires. The respondents targeted for the survey are employees who have permanent employee status and have worked for at least one year are targeted for the survey. This study employs descriptive research methods. Sampling employed non-probability techniques, such as convenience sampling. The research results revealed a positive and significant impact of both extrinsic and intrinsic rewards on affective commitment. This shows that giving rewards, both in extrinsic and intrinsic form, can increase employee emotional commitment to the company. Apart from that, the results of the analysis also show that affective commitment has a positive and significant effect on knowledge transfer. This emphasizes the importance of having employees with high emotional commitment, because this can increase their ability to share knowledge and information with colleagues. To develop these findings, companies can consider improving reward programs that can increase employee affective commitment, both through extrinsic and intrinsic rewards. Apart from that, companies can also pay attention to other factors that can increase affective commitment, such as a supportive work culture, opportunities for development, and recognition of employee contributions. In this way, companies can create a work environment that supports knowledge transfer and improves overall performance.

Keywords: Reward, Affective Commitment, Knowledge Transfer.

JIDT is licensed under a Creative Commons 4.0 International License.



1. Introduction

The business world is experiencing rapid development in the current era of globalization, leading to increased competition among companies. This condition encourages companies to continue to increase their competitiveness in order to survive amidst increasingly dynamic changes in the business world. Companies are currently under intense pressure to enhance, fortify, and consistently refresh their competencies to confront both external and internal challenges. The service sector is one business sector that is currently undergoing significant development. The service business sector has an increasingly important role and makes quite a good contribution to the Indonesian economy [1]. Rapid economic growth has triggered demand for a variety of services, including consulting, finance, and information technology. Service companies are required to become more innovative and responsive to market needs. They need to bring more effective and efficient solutions to their customers. Apart from that, with the development of increasingly sophisticated technology, service companies must also be able to utilize it optimally to improve service quality and operational efficiency [2]. In the face of increasingly fierce competition, it is important for service companies to continue to make improvements in terms of human resource development, use of technology, and service quality. This way, the company can strengthen its market position and remain relevant in this era of globalization [3].

In the service business category, event organizers (EO) and advertising are some of the most popular at the moment. Event organizers serve not only as event managers, but also as promotional tools that can increase brand image and awareness of new products or programs. With a wider scope, EO becomes very important in launching products, holding gatherings, workshops, seminars, promotions, talk shows, or meeting, incentive, convention, exhibition events [4]. The industry in Indonesia has made significant strides, as evidenced by the many international-standard events held there. This shows great potential for the development of the country's event organizer and advertising industries. In the face of increasingly tight global competition, event organizers

and advertising companies need to continue to innovate and improve service quality. They must be able to adapt to technological developments and the latest trends. Apart from that, building a strong network with related parties is also the key to success in this industry [5]. As a result, the event organizer and advertising industry has bright future prospects, particularly with the continued growth of the market. It is important for companies in this field to continue to develop the right strategies to win global competition and achieve success in this dynamic industry [6].

The development of the event organizer industry as a complex industry involving many parties requires companies in this field to have high-quality human resources. The key to success in this competitive business lies in employees who can manage all aspects of event implementation and advertising creation, from planning to final implementation [7]. Human resources are an important component of company operations because they are a combination of physical, energy, ideas, knowledge, and skills that drive the company. Quality employees are a valuable asset for the company. They not only carry out operational tasks, but they also contribute to company development strategies and increased competitiveness [8]. With reliable human resources, companies can be more responsive to market changes and more innovative in creating quality services for customers. In the face of increasingly fierce competition, companies need to continue to develop their human resources. Training, career development, and creating a work environment that supports employee professional growth are important. Aside from that, companies must also pay attention to aspects of employee welfare in order to maintain their motivation and loyalty. Event organizers and advertising companies can build a good reputation, increase customer satisfaction, and win competition with competitors at the local and global levels by having quality human resources [9].

In a company, human resource development is important to increase employee knowledge and abilities, both intellectually and personally. However, there is still a lack of company efforts in terms of improving skills and developing knowledge for employees. Therefore, it is necessary to have good knowledge management from the company. Research indicates that up to 50% of employees actively strive to enhance their skills and knowledge. This shows that employees are aware of the importance of self-development in the work environment [10]. In addition, as many as 70% of employees acquire new skills through daily work experience, which shows the importance of learning from direct experience. There are various ways to manage company knowledge, including providing training and courses, mentoring, and sharing knowledge among employees. With good knowledge management, companies can increase productivity, innovation, and competitive advantage. Human resource development is also very important in the event organizer and advertising industries. Employees who have continuously developed knowledge and skills will be able to provide better service to customers, as well as help companies answer the challenges of increasingly fierce competition in this era of globalization [11].

Companies recognize the importance of knowledge as a strategic asset and therefore implement knowledge management for employees. Knowledge is the main foundation for achieving competitive advantage and adds value to the company. Knowledge management is becoming increasingly important because it can be the driving force behind creating value for companies and winning competition. In this context, we expect employees to not only enhance their personal knowledge but also demonstrate a willingness to share it with their colleagues. [11] Collaboration and knowledge sharing between employees are the keys to improving work quality and innovation in a company. With good knowledge management, companies can create a creative and innovative work environment. Employees feel appreciated and motivated to contribute optimally. This will have a positive impact on productivity, service quality, and the company's ability to compete in a competitive market. Therefore, knowledge management is an integral part of HR development strategy and achieving company goals. In this era of globalization, companies can create sustainable added value and win competition by optimally utilizing knowledge [12].

Organizations are trying to increase employees' willingness to manage and share knowledge, but many employees do not have the desire to share knowledge. Therefore, organizations need to motivate employees to be willing to share their knowledge. Designing a reward system specifically to encourage and motivate employees is one way to achieve this. We can design reward systems to incentivize employees who actively share knowledge, offering them bonuses, acknowledging their contributions, or providing them with the chance to participate in significant projects [12]. These rewards can provide employees with additional motivation to share knowledge because they feel valued and recognized for their contributions. Apart from that, it is also important to create a work culture that supports knowledge sharing. Creating an open and collaborative work environment allows employees to freely share knowledge without fear of belittlement or disregard. By designing the right reward system and creating a supportive work culture, organizations can increase employees' willingness to share knowledge, which will ultimately have a positive impact on innovation, productivity, and the organization's ability to compete in the market [13].

Individuals receive rewards as a form of appreciation for their achievements or contributions in their jobs. Rewards can come from an individual's internal satisfaction, such as achievement, recognition, and progress at work. Reward systems can use two types of approaches, namely extrinsic and intrinsic, to motivate employee

behavior. Extrinsic rewards, such as salary, bonuses, or incentives, can motivate employees because they fulfill physical needs that are important to them [14]. However, companies must provide intrinsic rewards, such as opportunities for growth, self-expression, or a sense of belonging to the job, after meeting extrinsic needs to enhance employee commitment to the company. With rewards, employees feel appreciated and recognized for their contributions, so they are more willing to share knowledge and develop commitment to the company. Rewards encourage and increase employees' emotional commitment, which in turn motivates them to invest time and energy in the organization. Thus, rewards can be an important factor in developing strong emotional commitment between employees and the company [15].

Affective commitment refers to a person's level of emotional involvement and identification with the organization where they work. Employees with strong emotional commitment are more likely to stay and contribute positively to the organization. To encourage a willingness to share knowledge, employees need to feel committed to the organization and its goals. Work experience and organizational characteristics that foster psychological comfort influence affective commitment. For instance, equitable treatment during decision-making, motivating managers, employees who trust in the organization's principles, and concentrating on the organization's objectives all contribute to affective commitment [12]. This also increases the employee's sense of competence. Affective commitment creates a collective identity among individuals in an organization, which can encourage pro-social behavior such as voluntary knowledge sharing. Collective identity is a sense of shared purpose that increases the likelihood of individuals sharing knowledge for the benefit of the organization. Affective commitment can also help employees overcome resistance to sharing knowledge [13]. Organizations that are able to build high levels of emotional commitment among employees will benefit in terms of increased employee loyalty and contribution. Employees who are emotionally committed tend to have high motivation, are willing to put in extra effort, and are better prepared to carry out knowledge transfer within the organization [14]. Knowledge transfer is a communication process where the recipient of the knowledge learns and applies the knowledge from the source. This process is critical for transferring knowledge from individuals or groups who have it to other individuals or groups who need it. The basic difference between knowledge transfer and knowledge sharing is that knowledge transfer places more emphasis on the process of transferring knowledge from one party to another, while knowledge sharing places more emphasis on the exchange of knowledge between two or more individuals, which results in the development and creation of new knowledge [15]. In practice, it is important for organizations to encourage and facilitate knowledge transfer so that employees can easily share knowledge with each other. Organizations can achieve this by fostering an organizational culture that encourages knowledge sharing, utilizing technology to enhance collaboration and communication, and offering incentives or rewards to employees who contribute to knowledge transfer. By encouraging knowledge transfer, companies can increase employee productivity, both individually and in teams. This also assists in effectively managing knowledge so that companies can achieve quality human resources and compete in a competitive market [16].

2. Research Methods

Researchers collect information through investigation, examination, experimentation, or observation using specific methods to achieve specific goals. In this study, the researcher directly gathers data from the object under investigation, a process known as primary data. This research utilizes primary data, gathered from surveys of respondents within the target population. Data collection methods used in this research include in-depth interviews, observations, and surveys using questionnaires. The respondents targeted for the survey are employees who have permanent employee status and have worked for at least one year are targeted for the survey. This study employs descriptive research methods that aim to describe or explain existing phenomena. In this research, sampling was done using non-probability techniques, such as convenience sampling. The researcher selects sample units based on their personal judgment and comfort, using this technique. By using convenience sampling, researchers can more easily and quickly obtain the samples needed for this research.

3. Results and Discussion

The results of the structural model test show that there is a significant influence between intrinsic reward and affective commitment. This finding is consistent with previous research, which also found a positive relationship between these two variables. This suggests that factors such as opportunities for self-development, self-expression, and a sense of belonging to the job can increase employees' emotional involvement in the organization. It is important for companies to pay attention to how they can increase intrinsic rewards for employees. Effective steps include providing opportunities for self-development through training and development, providing space for creative expression at work, and providing a greater sense of responsibility. By providing adequate intrinsic rewards, companies can increase employee emotional commitment. High emotional commitment has a positive impact on employee performance and loyalty to the organization. Employees who feel appreciated and have a strong emotional bond with the company tend to be more committed to putting in

extra effort and working better. Therefore, increasing intrinsic rewards can be an effective strategy for companies to strengthen the relationship between employees and the organization.

The results of the structural model test show that there is a significant relationship between affective commitment and knowledge transfer. These findings indicate that employees who have a strong emotional attachment to the organization tend to be more willing to share knowledge with others. The fact that emotionally connected employees have higher intrinsic motivation to contribute to the organization's success explains this. It is important for companies to pay attention to factors that can increase employee emotional commitment. Creating a supportive work environment, providing recognition for employee contributions, and promoting positive organizational values can help increase emotional commitment. Furthermore, providing opportunities for employees to be involved in decision-making and taking greater responsibility can increase their sense of ownership of the organization. By increasing affective commitment, companies can encourage employees to be more active in sharing knowledge and experience. Sharing knowledge and experience can enhance organizational efficiency and effectiveness, leading to process improvements and innovation. Therefore, companies need to pay attention to and increase employee affective commitment as part of a strategy to improve the performance and success of the organization as a whole.

The research results show that extrinsic rewards have a significant positive influence on employee emotional commitment. This finding is consistent with previous research, which also found a strong relationship between extrinsic rewards and affective commitment. This shows that providing extrinsic rewards, such as salary, allowances, incentives, bonuses, and other benefits, can increase the level of emotional attachment of employees to the company. In this research, the majority of respondents considered that the company had provided adequate extrinsic rewards. They feel that the salary they receive is in line with their expectations and the work they do. Apart from that, the company also provides various adequate benefits and facilities, such as transportation facilities, health insurance, recreational facilities, and opportunities to take part in training and develop skills. It is important for companies to continue to pay attention to and increase the provision of extrinsic rewards to employees. Companies can build better relationships with employees by providing appropriate and fair rewards, which ultimately increases employee emotional commitment. This can have a positive impact on employee performance and loyalty to the company.

According to the research findings, it appears that providing incentives to companies requires more attention. Despite the majority of employees' satisfaction with extrinsic rewards, there are indications that these incentives may not always align with their contributions. This shows the importance for companies to increase transparency and fairness in providing incentives. Several employees expressed dissatisfaction with external service incentives, believing they did not align with their work, as revealed by the results of in-depth interviews. Therefore, companies should carry out further evaluation of the incentive system, including an analysis of the needs and contributions of individual employees. Providing fair and appropriate incentives for work contributions can not only increase employee emotional commitment, but also strengthen the relationship between employees and the company. Aside from that, companies should also consider providing overtime pay for employees who work outside the specified working hours as a form of appreciation for their hard work and dedication. By evaluating and improving the incentive system, companies can increase employee satisfaction and loyalty, as well as strengthen employee commitment to the company.

The research results show that intrinsic rewards have a positive influence on employee emotional commitment. This is in line with findings from previous research, which show that providing recognition and appreciation from the company to employees can increase employees' emotional involvement in the organization. Despite the majority of respondents expressing satisfaction with the intrinsic rewards offered by the company, there are indications suggesting the need for further improvement in employee performance recognition. For example, the use of key performance indicators can help managers measure employee performance objectively and provide rewards according to their achievements. Companies can also provide rewards in the form of recognition and appreciation for employee contributions, such as awards or certificates of achievement. In addition, it is important for companies to increase employee involvement in organizational activities. Companies can achieve this by offering opportunities for employees to participate in decision-making or employee development programs. In this way, employees will feel appreciated and have a stronger commitment to the company.

According to the results of in-depth interviews and direct observations, employees are active in helping their colleagues and are willing to take on responsibilities outside of their main duties. However, there are opportunities to further enhance employees' personal development and independence. We can take a step by providing employees with more opportunities to assume larger roles in projects like events or advertising. This can help increase their self-confidence and give them valuable experience in developing their skills and abilities. In addition, it is important for superiors to provide support and opportunities for employees to contribute ideas and input related to work. This will not only increase employee motivation and engagement, but it can also generate innovative ideas that are beneficial to the company. In this way, companies can continue to improve the

work environment to support employee personal development and independence, which in turn will have a positive impact on the company's overall performance and success.

Based on the results of the descriptive analysis on the affective commitment variable, the majority of respondents showed the good category for five indicators, with an average value of 4, which is also in the good category. However, it was found that in the first indicator, many employees answered in the "enough" category regarding their feelings of being happy to spend their careers at the company. This shows the potential to increase employee loyalty so that they have a stronger emotional commitment to the company. Implementing rewards for employees is one strategy to consider. Rewards can be a factor that influences employee loyalty and helps strengthen their emotional attachment to the company. Apart from that, it is also important to build a work culture that supports collaboration between employees. When employees feel that they are part of a solid team, they will be more willing to put in extra effort and help achieve company goals. Apart from that, it is also important to pay attention to employee welfare and provide support when problems occur within the company. In this way, employees will feel appreciated and be more motivated to contribute positively to the company. The company hopes to increase employee loyalty and strengthen their emotional commitment to the company by taking these steps, leading to a positive impact on the company's overall performance and success.

The research results show that affective commitment has a positive influence on knowledge transfer. The higher the level of affective commitment felt by employees, the more knowledge transfer occurs. The descriptive analysis of the knowledge transfer variable reveals that most respondents rated it as good for six indicators, with an average score of 4. To increase the level of knowledge transfer, companies can take several steps. First, build effective communication between employees by holding regular sharing sessions involving all employees, as well as special sharing activities for each division. Secondly, ensure the provision of diverse work-related information by ensuring the completeness of data and information shared with employees in their respective divisions. Thirdly, cultivating a cooperative and collaborative work culture is crucial to foster a work environment that encourages employees to share knowledge and collaborate to solve problems. Companies hope to increase the level of knowledge transfer within the organization by implementing these steps, leading to a positive impact on the company's overall performance and success.

4. Conclusion

Based on the research results, it appears that extrinsic and intrinsic rewards play an important role in increasing employee emotional commitment to the company. This shows that providing rewards, both in the form of extrinsic and intrinsic, can influence the level of employee affective commitment. Apart from that, the research results also show that affective commitment has a significant impact on knowledge transfer. This indicates that employees who have high affective commitment tend to be more active in sharing knowledge and information with colleagues, which in turn can increase the organization's ability to learn and innovate. To develop these findings, companies can consider improving reward programs that can increase employee affective commitment, as well as building a work culture that supports collaboration and knowledge sharing. Apart from that, it is also important to provide opportunities and support for employees to continue to develop and contribute positively to the company. In this way, companies can create a work environment that supports knowledge transfer and improves overall performance, so that they can compete better in the market and achieve higher business goals.

References

- [1] Faridy, N., Endang Fatmawati, Uli Wildan Nuryanto, Joko Ariawan, & Deddy Novie Citra Arta. (2023). Role of Work Satisfaction as Mediating Variable in Relationship Between Organizational Commitment, Compensation and Employee Performance in Porcelain Industry. *JEMSI (Jurnal Ekonomi, Manajemen, Dan Akuntansi)*, 9(1), 166–171. <https://doi.org/10.35870/jemsi.v9i1.896>
- [2] Zunaidah, U., Putri, W. A., Dharmawan, D., Judijanto, L., & Durya, N. P. M. A. (2024). Analysis Of The Influence Of Company Performance, Institutional Ownership, Company Size And Debt Policy On Company Value Of Property And Construction Companies In Indonesia. *JEMSI (Jurnal Ekonomi, Manajemen, dan Akuntansi)*, 10(1), 196-200.
- [3] Hardiansyah, & Nur Amalia. (2024). The Impact of Organizational Culture and Human Resource Quality on Employee Job Satisfaction in Social Services. *Journal of Social Science and Business Studies*, 2(1), 156–162. <https://doi.org/10.61487/jssbs.v2i1.54>
- [4] Wulandari, A., & Hamzah, R. (2019). Dampak Disiplin Kerja Dan Kemampuan Kerja Terhadap Prestasi Kerja Karyawan. *Jurnal Signaling*, 8(2), 41-47.
- [5] Zunaidah, U., Away, J. L., Nurhasanah, A., & Away, I. V. (2021). Prosedur Pengadaan Barang Dan Jasa Di PT Alfitra Rayavespindo. *E-BISMARK: Jurnal Ekonomi, Bisnis Dan Marketing*, 2(2), 90-97.
- [6] Ariawan, J., Budi Akhmad Tarigan, Ainil Mardiah, Febri Sari Siahaan, & La Mema Parandy. (2023). Analysis of The Influence of Burnout, Job Satisfaction and Organizational Commitment on Turnover Intention of Electronic Manufacturer Employees in Indonesia. *JEMSI (Jurnal Ekonomi, Manajemen, Dan*

- Akuntansi*), 9(5), 2016–2020. <https://doi.org/10.35870/jemsi.v9i5.1520>
- [7] Oktafianto, M. R., Al Akbar, Y. F., Zulkifli, S., & Wulandari, A. M. (2018). Dismissal working relationship using analytic hierarchy process method. *International Journal of Pure and Applied Mathematics*, 118(7), 177-184.
- [8] Ashari B. (2024). The Influence of Change Management, Leadership Style, Motivation, Work Conflict, and Work Stress on Employee Performance Workshop PT. Meratus Line Surabaya. *Journal of Social Science and Business Studies*, 2(1), 163–169. <https://doi.org/10.61487/jssbs.v2i1.65>
- [9] Muslihudin, M., Wulandari, W., & Listiarini, M. (2017). Perancangan Aplikasi Business Berbasis Business to Consumer (B2C) Pada Wisata Kuliner Khas Lampung. *Jurnal Keuangan dan Bisnis*, 15(1), 54-69.
- [10] Ekasari, S., Hartanto, Efin Shu, Yahya, & Roy Setiawan. (2023). The Effect of Motivation, Competence and Organizational Commitment on Performance of Employees in Food and Beverage Manufacturing Company. *JEMSI (Jurnal Ekonomi, Manajemen, Dan Akuntansi)*, 9(3), 844–849. <https://doi.org/10.35870/jemsi.v9i3.1194>
- [11] Hamid, N., Slamet Riyadi, Musran Munizu, Sitti Usmia, & Helmi Ali. (2023). The Effect of Employee Training, Organizational Commitment and Self Efficacy on Employee Performance in the Hospitality Industry. *JEMSI (Jurnal Ekonomi, Manajemen, Dan Akuntansi)*, 9(3), 692–696. <https://doi.org/10.35870/jemsi.v9i3.1122>
- [12] Muhammad Fajri, Maulana, F., & Azhari, I. (2023). The Effect of Work Environment, Work Discipline on Employee Performance with Communication as an Intermediate Variable in Government Agencies. *Journal of Social Science and Business Studies*, 1(3), 74–80. <https://doi.org/10.61487/jssbs.v1i3.30>
- [13] Murad, A. A., Aminah Lubis, Wulandari, Ani Rakhmanita, & Musran Munizu. (2024). Analysis Of The Influence Of Work Environment And Learning Culture On Employees' Work Commitment In National Airline Company Garuda Indonesia. *JEMSI (Jurnal Ekonomi, Manajemen, Dan Akuntansi)*, 10(2), 1079–1083. <https://doi.org/10.35870/jemsi.v10i2.2266>
- [14] Budianto Arif. (2023). The Influence of Work Motivation and Work Discipline on Employee Performance Using Promotions at the Special Class I Immigration Office in Surabaya. *Journal of Social Science and Business Studies*, 1(3), 91–100. <https://doi.org/10.61487/jssbs.v1i3.31>
- [15] Ardiansyah. (2023). The Influence of Work Discipline, and Leadership on Employee Performance Through Oversight at the Customs and Excise Service Office for Middle Type Customs Juanda. *Journal of Social Science and Business Studies*, 1(3), 101–110. <https://doi.org/10.61487/jssbs.v1i3.29>
- [16] Suprihatini, Y., Indra Rustiawan, Muhamad Irpan Nurhab, Taryana Taryana, & Arjang. (2023). The Effect of Compensation and Organizational Commitment on Work Satisfaction in Transportation Company. *JEMSI (Jurnal Ekonomi, Manajemen, Dan Akuntansi)*, 9(2), 382–387. <https://doi.org/10.35870/jemsi.v9i2.1044>