

Effect of Commitment, Compensation, and Leadership on Employee Performance and Sharia Engagement as Variable Intervening

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ABSTRACT

Sharia engagement is an individual, physical, emotional and spiritual attachment that is influenced by belief, justice, balance, freedom and responsibility towards the organization. The object of research is the employees of sharia banking located in Makassar City. Through cluster techniques sampling of samples processed in the study were 185 employees spread across 13 sharia banking offices. Using structural equation modeling (SEM) the results of the study show that organizational commitment, compensation, and leadership directly have a significant positive effect on sharia engagement. Whereas, indirectly organizational commitment, compensation, and leadership have a positive and insignificant effect on employee performance. Then, through Syariah Engagement organizational commitment, compensation, and leadership have a significant positive effect on the performance of Islamic Banking employees in Makassar City.

Keywords: Commitment, Compensation, Leadership, Sharia Engagement, and Employee Performance

I. INTRODUCTION

Organizations need high performing employee to provide the best product and service, achieve goals and competitive advantages. Performance is important for employee to achieve satisfaction, recognition, pride in duties and reward (Sonnetang & Frese, 2002). The challenge is to have human resources (HR) as human capital with competencies that can contribute to the achievement of employee and corporate performance. The growth of Islamic banking in Makassar City, experienced a significant increase. This development was marked by the interest of the public to keep funds in Islamic banking increasing and reflected in the growth of Islamic banking Third Part Funds (DPK).

II. BACKGROUND

The tendency of sharia banking employee to work with low organizational commitment sometimes occurs in important position in the management, often to outsourcing. Turnover on white collar in the employee hijacking to other companies because compensation offering or high level position. On marketing level move to other companies cause salary, career, work environment, and leadership or discomfort with organizational culture. High organizational commitment will direct more effort on behalf of the organization towards its success and drive to achieve its goals and mission. Berberoglu and Secim (2015) state that employees with higher organizational commitment values are expected to be more motivated and perform at the highest level of performance. They have a negative relationship to leave the organization and have positive relationship with job satisfaction and a high level of management.

Kadarisman (2012) stated that compensation management is the process of developing and implementing strategies, policies, and help organization to achieve goals by obtaining and by increasing motivation and commitment. Through the principles of fairness and feasibility. Tenen, et al (2015) suggested that compensation justice has a significant effect on employee performance. Reward and punishment is an archetype and has an impact on performance. Incentive and gainsharing are supplements

to the compensation system or performance based compensation (Siramiati et al, 2016). The type of incentive are piecework, commission, merit pay, and nonmonetary incentive.

Leadership is the use of influence and involves leaders, covering the importance of the communication process, and focusing on objective to be achieved. Rivai et al (2014) define leadership is process of influencing or giving examples to followers trough the process of communication in an effort to achieve organizational goals. An Islamic prespective of a leader is influenced by three factors as faith, knowledge, and charity. Leaders who do not have these factors tend to be greedy, selfish, and detrimental to others. Leadership is surrounded by have value of truth, being fair, not grudging, trustful, empatihetic, encouraging obedience, good self-esteem, respect for aother, humble, humane, sensitive tp problems, wise and assertive, not greedy and week.

Leadership in Islamic banking still stiff, monotonous, and focused on achieveing performance. Organization is dominated by who belong baby boomers (gen X) and the challenge for them to deal with employee included in generation Y. Implementation can be carried out by management like coaching, counseling, and monitoring in a consistent so that employee can productively. The phenomenon made the growth of Islamic banking assets this year still in a stagnant condition and reflection in variabels that has an impact on employee performance. There is a theory gap underlying thedetermination of concept and research gap abaout the influence of sharia engagement on employee performance in Islamic banking in Makassar City.

Sharia Engagement is a form of individual attachment behavior in the organization both physically, emotionally and spiritually based on belief, justice or balance, freedom and responsibility. This Islamic relationship has the potential to improve employee performance. The establishment of the Sharia Engagement concept complements the conventional concept concept that employees will increasingly engage in the company based on the employees' Islamic ethics and morals by holding to sharia laws.

Employee Performance. Wirawan (2009) performance is the output produced by functions or indicators of a job within a certain time. Performance is a description of the level of achievement of the implementation of an activity program or policy in realizing the goals, objectives, vision and mission of the organization that is reflected through the strategic planning of an organization. Employee performance appraisal must be measured through formal and structured (measurable) assessments. However, if the performance appraisal refers to sustainable formal measurements, then the assessment is more complete and detailed because the characteristics related to work, work standards, behavior, and work results even include employee absentee levels.

The aims of the study was to determine the role of sharia engagement to employee performance that is influence by organization commitment, compensation and leadehship. This research contributes and references in the development of management science.

III. METHODOLOGY

This research uses two approaches, namely descriptive approach (descriptive research) and explanatory research. Exogenous variables in this study consist of variables Organizational commitment, compensation, and leadership and intervening variables are sharia engagement and endogenous variables are employee performance. Data collection needed to support this research uses questionnaire survey and interview methods. The sample size used in this study was 185 employees in 13 sharia banking offices in Makassar City. The data analysis method used in this study is the analysis of structural equations or structural equation modeling (SEM) to determine the causal relationship between latent variables contained in the structural equation.

1. Operational definitions and measurement variables in this study are as follows:

a. Organizational Commitment (X1)

Organizational commitment is defined as the attachment of someone / employee psychologically and emotionally strong to his work, career, leadership, and organizational values that have inspired

him, so he feels he must contribute continuously to realize goals for himself, the company, and stakeholders (Fornes & Rocco, 2004).

If you look at the opinion of Mowday, Porter, and Steers (1982) which defines organizational commitment as the relative strength of individual's identification with and involvement in a particular organization, then this shows that organizational commitment means more than passive loyalty, but involves active relationships and employee desires to make meaningful contributions to the organization. Organizational commitment proposed by Mowday et al is characterized by: 1) strong belief and acceptance of the goals and values of the organization, 2) readiness to work hard, and 3) a strong desire to stay in the organization.

Blau & Global defines organizational commitment as a person's orientation towards the organization in terms of loyalty, identification and involvement with the organization and its objectives. Fred Luthan also stated that organizational commitment is a reflection of employees in a strong desire to remain as members of a particular organization, the desire to strive according to the wishes of the organization, and certain beliefs and acceptance of values and goals of the organization. Furthermore it is said that commitment as a person's loyalty to the organization, where each member gives attention to the progress of the organization on an ongoing basis. Organizational commitment is defined by Robbins (2001) as an individual orientation towards the organization which includes loyalty, identification, and involvement. In Islamic work ethics, it is stated that employees who are committed to the organization are indicated through forms of work as obedience to Allah SWT and Islamic work is to work sincerely as worship (Ayoeb Amin). So that in this study an employee's organizational commitment can be measured or marked through 1) loyalty, 2) organizational identification, 3) Sincere Work, 4) empowering, 5) Credibility, and 6) Autonomy.

b. Compensation (X2)

Compensation as a form of appreciation of the company towards SDI focuses more on the capabilities of each individual in achieving predetermined performance, based on justice to maintain dignity and dignity with a reasonable, decent and independent standard of living in fulfilling their daily needs. Today's companies, including Islamic banking, apply basic compensation systems, variable compensation, as well as competency based pay (J. Long, in Latif & Harahap, 2014) and are performance-based compensation.) (Siramiati et al., 2016).

According to Simamora (2004) to analyze compensation variables that have an impact on employee performance, can be measured by the amount of a fair salary in accordance with work, incentives received according to sacrifice, benefits received in accordance with expectations, and availability of adequate facilities received. The indicator used by Handoko (2005) to measure employee compensation is a form of protection against security guarantees such as insurance to employees. The organization also prepares facility service programs as part of efforts to create pleasant working conditions and environments.

Pal (2013) said that employee reward is a process of rewarding employees according to their competencies in the form of recognition, opportunity

The compensation package received can be indicated through 1) improvement of self quality (Self Quality Improvement), 2) always giving charity to obtain the blessing of Allah SWT (Spread goodness), 3) having self and family protection (Safety), 4) gaining recognition and self-actualization (Esteem).

c. Leadership (X3)

Leadership contained in a leader is a process of accumulation of knowledge, skills and experience that makes him trusted by his subordinates and able to influence, direct, and motivate his work team to carry out their duties to achieve the goals set. According to Steven Covey in Antonio (2007) that a leader must have four functions of leadership, namely as pioneer (pathfinding), aligning (aligning), empowering (empowering), and role model (modeling). True leadership can be characterized by 1) the nature of the natural leader (moral) possessed (Vugt & Ahuja, 2015) and

charismatic (Bass, 1990), 2) as a harmonizer (Covey in Antonio, 2007). 3) Always inspiring, communicative or giving an example to their followers (Rivai et al, 2014).

d. Syariah Engagement (Y)

Sharia Engagement is a form of commitment and consistency of a person / employee towards his organization with all his heart, enthusiasm, and pride in his work and constantly actualizing himself giving the best results framed by Islamic values. Surely the actual action is applied in daily activities both as personality and professionalism. Someone / employee who engages with his organization is characterized by 1) the relationship between himself and the values in the organization which includes work, leader, culture, vision, values, organizational brand, justice, and trust in the organization (Omar, 2016), 2) will play a role in work in total or more improvise (professionalism) (Saks, 2006) and 3) Always strive to maintain the reputation and trust of the community towards the organization (Yusuf, 2015).

e. Employee Performance

Employee performance is the ability of a person / employee to collectively cover work, work standards, behavior to achieve performance in accordance with or exceed the standard / target within a specified time period. This work achievement will be evaluated formally and structurally / measurably as a guideline for the next HR program. To determine the level of performance of individual employees can be characterized through the development of theory according to Robbins (2014, McKenna and Beech and Sonnetang & Frese which are translated into several items as follows: 1) always apply the values adopted by the organization; 2) feel happy because of achieving work targets, 3) more love and engage with the organization, 4) compensation increases according to the work achieved.

The data analysis method used in this study is Stuctural Equition Model (SEM) to find out the causal relationship between latent variables in the sructural equation. To analyze data, interpetation the result of the study and to the test the hypotesis, the overall model is used, testing the structural model and testing the ralationship of oserved variables. To facilitate the analyze process several statical application program are used, including SPSS (statistical Peckage for Service Solution) and AMOS (Moment of Structural Analysis).

2. Test the Validity and Reliability of Research Instruments

Table 1
Validitas dan Realibilitas

Variabel	Item	R	Sig	Ket	Realibilitas	Ket
Organisational Commitment	X1.1	0,699	0,00	Valid	0,753	0,799 Reliabel
	X1.2	0,651	0,00	Valid	0,767	
	X1.3	0,753	0,00	Valid	0,722	
	X1.4	0,783	0,00	Valid	0,727	
	X1.5	0,679	0,00	Valid	0,761	
	X1.6	0,362	0,00	Valid	0,856	
Compensation	X2.1	0,586	0,00	Valid	0,746	0,760 Reliabel
	X2.2	0,618	0,00	Valid	0,739	
	X2.3	0,780	0,00	Valid	0,685	
	X2.4	0,664	0,00	Valid	0,730	
Leadership	X3.1	0,666	0,00	Valid	0,791	0,801 Reliabel
	X3.2	0,818	0,00	Valid	0,735	
	X3.3	0,785	0,00	Valid	0,754	

Syariah Engagement	Y1.1	0,675	0,00	Valid	0,408	0,622	Reliabel
	Y1.2	0,575	0,00	Valid	0,442		
	Y1.3	0,627	0,00	Valid	0,724		
Employee Performance	Z1	0,666	0,00	Valid	0,406	0,668	Reliabel
	Z2	0,808	0,00	Valid	0,240		
	Z3	0,528	0,00	Valid	0,569		
	Z4	0,532	0,00	Valid	0,679		

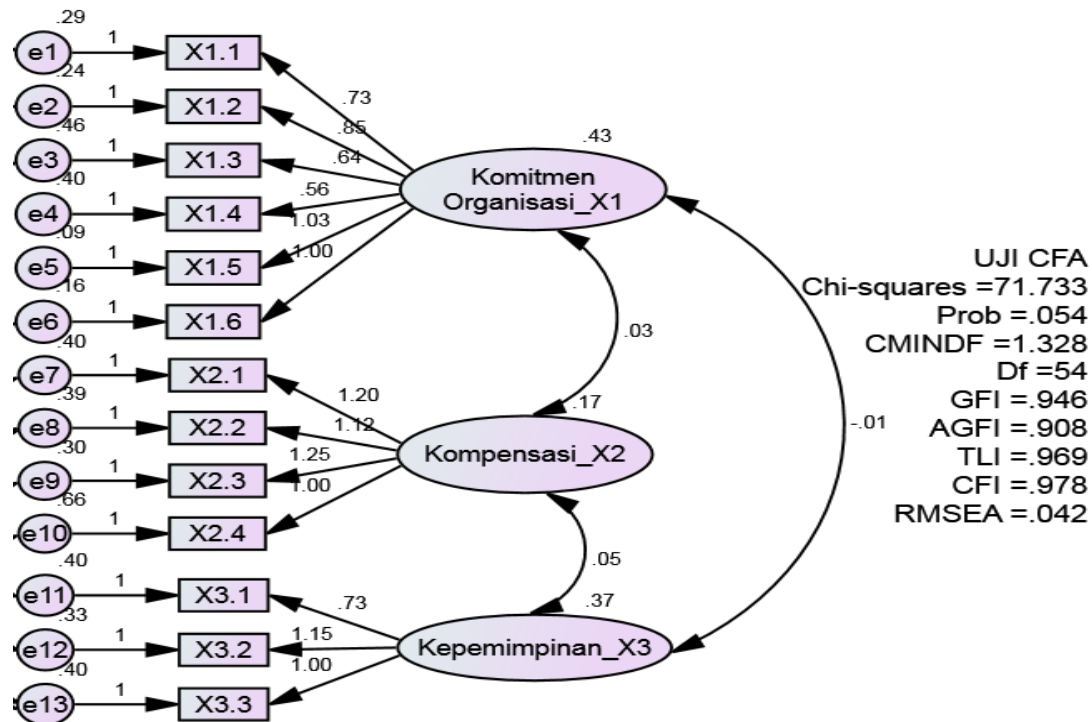
According to Sekaran (1992), realistic limits of less than 0.6 are not good, while 0.7 is acceptable, and above 0.8 is good. So based on table 15 to be tested for validity, it can be seen that all indicators of significant correlation with the total score mean that all indicators are valid ($P > 0.05$) and reliable because they have rocbachs Alpha > 0.6 .

Table 2
Assesment of Normality

Variabel	min	max	skew	c.r	kurtosis	c.r
Z4	2.000	5.000	.734	4.074	-.856	-2.377
Z3	1.000	5.000	-.216	-1.198	-.077	-.214
Z2	1.000	5.000	-.235	-1.305	-.648	-1.798
Z1	1.000	5.000	-.286	-1.588	-.345	-.957
Y1.3	1.000	5.000	-.030	-.166	-.377	-1.047
Y1.2	2.500	5.000	-.017	-.093	-.733	-2.036
Y1.1	2.000	5.000	-.388	-2.153	-.583	-1.620
X3.1	1.000	5.000	.070	.070	-.906	-2.515
X3.2	1.000	5.000	-1.390	-1.390	-.802	-2.227
X3.3	1.000	5.000	-1.201	-1.201	-.474	-1.620
X2.1	1.000	5.000	-1.463	-1.463	-.484	-1.344
X2.2	1.000	5.000	-2.271	-2.271	-.460	-1.277
X2.3	1.000	5.000	-2.768	-2.768	-.612	-1.699
X2.4	1.000	5.000	-2.781	-2.781	-.364	-1.011
X1.1	1.000	5.000	.101	.559	-.395	-1.096
X1.2	2.000	5.000	-.309	-1.715	-.685	-1.901
X1.3	2.000	5.000	-.336	-1.867	-.415	-1.153
X1.4	1.000	5.000	-.278	-1.545	-.560	-1.553
X1.5	1.000	5.000	-.452	-2.508	-.460	-1.279
X1.6	1.000	5.000	-.326	-1.811	-.750	-2.083
Multivariate						

Based on the table above, it shows that all indicators used in this study do not all have the value of cr skewnes and cr curtosis at $-2.58 \leq cr \leq 2.58$ both univariate and multivariate, which means that the data used in this study is not all are normally distributed. Basically the assumption of normality of data using SEM analysis is seen as not too critical if the observation of data reaches 100 or more because based on the central limit theorem if the sample size is large, then the statistics of the sample will approach the normal distribution (Solimun in Ampauleng, 2016) The sample size in this study uses 185 observational data, then the assumption of normality of data is not critical and can be ignored.

4. Confirmatory Factor Analysis



The measurement model of confirmatory factor analysis for each observed variable of organizational commitment, compensation, leadership can be seen from the factor loading and probability values that reflect the level of significance and the amount of contribution in determining latent constructs through regression weight and standardized regression weight which can be shown in the following table :

Table 3
Loading Factor (λ) Organizational Commitment, Compensation, Leadership

Indikator Variabel	Loading Factor λ	Critical Ratio	Probability (P)	Keterangan
Komitmen Organisasional (X1)				
Credibility (X1.1)	0,667	10,078	0,000	Positive & significant
Org. Identificatio (X1.2)	0,574	11,970	0,000	Positive & significant
Sincere(X1.3)	0,625	7,432	0,000	Positive & significant
Empowerment (X1.4)	0,600	7,031	0,000	Positive & significant
Loyalty (X1.5)	0,913	15,671	0,000	Positive & significant
Otonomi (X1.6)	0,855	1,000 (FIX)	0,000	Positive & significant
Kompensasi (X2)				
Self quality(X2.1)	0,612	4,557	0,000	Positive & significant
Charity (X2.2)	0,787	4,670	0,000	Positive & significant
Protection (X2.3)	0,679	4,641	0,000	Positive & significant
Recognition & self	0,647	1,000 (Fix)	0,000	Positive & significant

actualization (X2.4)				
Kepemimpinan (X3)				
Natural Leader (X3.1)	0,769	6,133	0,000	Positive & significant
Fungsi Penyelaras (X3.2)	0,768	6,741	0,000	Positive & significant
Inspiration (X3.3)	0,693	1,000(FIX)	0,000	Positive & significant

The results of confirmatory factor analysis concluded that organizational commitment can be formed if there is a relationship between employees and organizations by showing characteristics such as loyalty, being able to identify themselves with the objectives of sharia-characterized organizations, realizing that work and self-empowerment are carried out sincerely to obtain the pleasure of Allah SWT and have credibility and autonomy in the decision making process.

Table 4
Goodness of Fit Index
Komitmen Organisasional, Kompensasi, Kepemimpinan

<i>Goodness of Fit Index</i>	Hasil model	<i>Cut-off Value</i>	Evaluasi Model
<i>Chi square (X^2)</i>	71,733 < (0,05 : df 54 = 72,153)	Diharapkan kecil	Kecil
Probability	0,054	$\geq 0,05$	Baik
CMIN/DF	1,328	$\leq 2,00$	Baik
RMSEA	0,042	$\leq 0,08$	Baik
GFI	0,946	$\geq 0,90$	Baik
AGFI	0,908	$\geq 0,90$	Baik
TLI	0,969	$\geq 0,95$	Baik
CFI	0,978	$\geq 0,95$	Baik

Based on table 4 several types of fit index to measure the correctness of the proposed model indicate that all the criteria used have good values, therefore this model can be well received. Thus it can be stated that this test produces good confirmation of the dimensions of factors and causality relationships between factors.

5. Confirmatory Factor Analysis Syariah Engagement and Employee performance

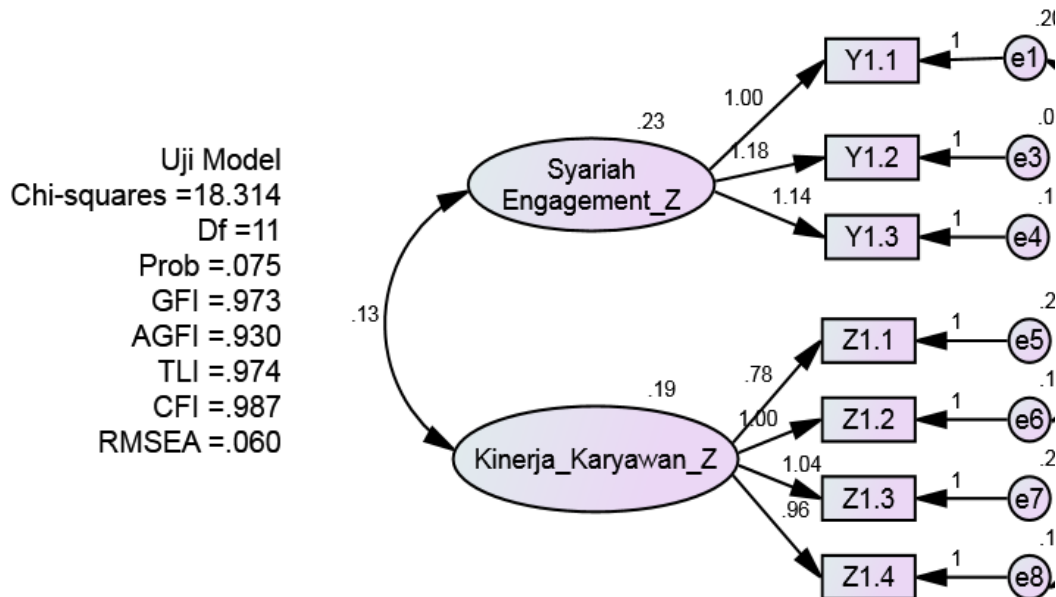


Table 5
Loading Factor (λ) Pengukuran Syariah Engagement dan Kinerja Pegawai

Indikator Variabel	Loading Factor λ	Critical Ratio	Probability (P)	Keterangan
Syariah Engagement (Y)				
Nilai-nilai organisasi (Y1.1)	0,737	1,000(FIX)	0,000	Positif & Signifikan
Profesionalisme (Y1.2)	0,927	11,672	0,000	Positif & Signifikan
Reputasi (Y1.3)	0,833	11,220	0,000	Positif & Signifikan
Kinerja Pegawai (Z)				
Aktualisasi Diri (Z1.1)	0,715	6,953	0,000	Positif & Signifikan
Feel Happy (Z1.2)	0,662	1,000(FIX)	0,000	Positif & Signifikan
Cinta & Engaged (Z1.3)	0,736	11,220	0,000	Positif & Signifikan
Berdedikasi (Z1.4)	0,598	8,136	0,000	Positif & Signifikan

Based on the measurement model in the table above shows that the indicator that has a large contribution to the formation of sharia engagement is professionalism with the value of loading factor $\lambda = 0.927$. These results confirm that someone who is engaged in the company will show ability according to his competence. The professional attitude is shown to be skilled, reliable, and very responsible in carrying out his profession as a banker in Islamic banking. In addition to having the ability and skills covered by knowledge and work experience, a professional prioritizes work discipline both for the person and the work team. The results of the data for the formation of employee performance variables are dominated by indicators of Love and Engaged with the value of loading factor $\lambda = 0.736$. These results confirm that work is an art to actualize the competencies that an individual has in producing a work. If someone likes the work he is doing then he will enjoy and make it happen to the fullest. Love that exists is the emission of Nur lalhiyah because he works sincerely to obtain the pleasure of Allah whose blessings can be felt in

company survival and individuals in the form of pleasure. Employees who have worked for a long time and contributed to the company will be wrapped up in an inner bond with the organization. This bond must be strengthened by the company to prevent employee resignation or hijack.

To find out the suitability of the data with the model (goodness of fit), it can be seen in the following table:

Table 6
Goodness of Fit Index
Syariah Engagement dan Employee Performance

Goodness of Fit Index	Hasil model	Cut-off Value	Evaluasi Model
Chi square (χ^2)	18,314 < (0,05 : df 11 = 19,675	Diharapkan kecil	Kecil
Probability	0,075	$\geq 0,05$	Baik
CMIN/DF	1,665	$\leq 2,00$	Baik
RMSEA	0,060	$\leq 0,08$	Baik
GFI	0,973	$\geq 0,90$	Baik
AGFI	0,930	$\geq 0,90$	Baik
TLI	0,974	$\geq 0,95$	Baik
CFI	0,987	$\geq 0,95$	Baik

6. Structural Model

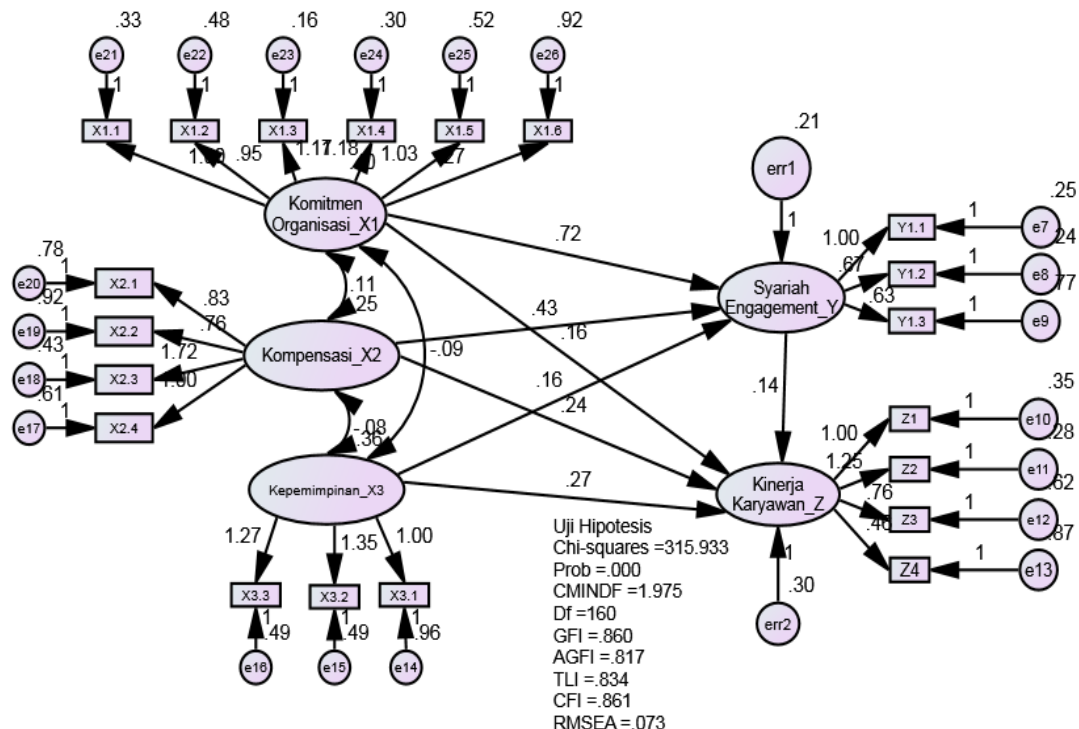


Table 7
Goodness of Fit Index Model Struktural Awal

Goodness of Fit Index	Hasil model	Cut-off Value	Evaluasi Model
Chi square (X^2)	190,516 ($\geq 0,05$: df 160 = 315.933)	Diharapkan kecil	Kurang Baik
Probability	0,000	$\geq 0,05$	Kurang Baik
CMIN/DF	1,975	$\leq 2,00$	Baik
RMSEA	0,073	$\leq 0,08$	Baik
GFI	0,860	$\geq 0,90$	Kurang Baik
AGFI	0,817	$\geq 0,90$	Kurang Baik
TLI	0,834	$\geq 0,95$	Kurang Baik
CFI	0,861	$\geq 0,95$	Kurang Baik

Final Test of Structural Models

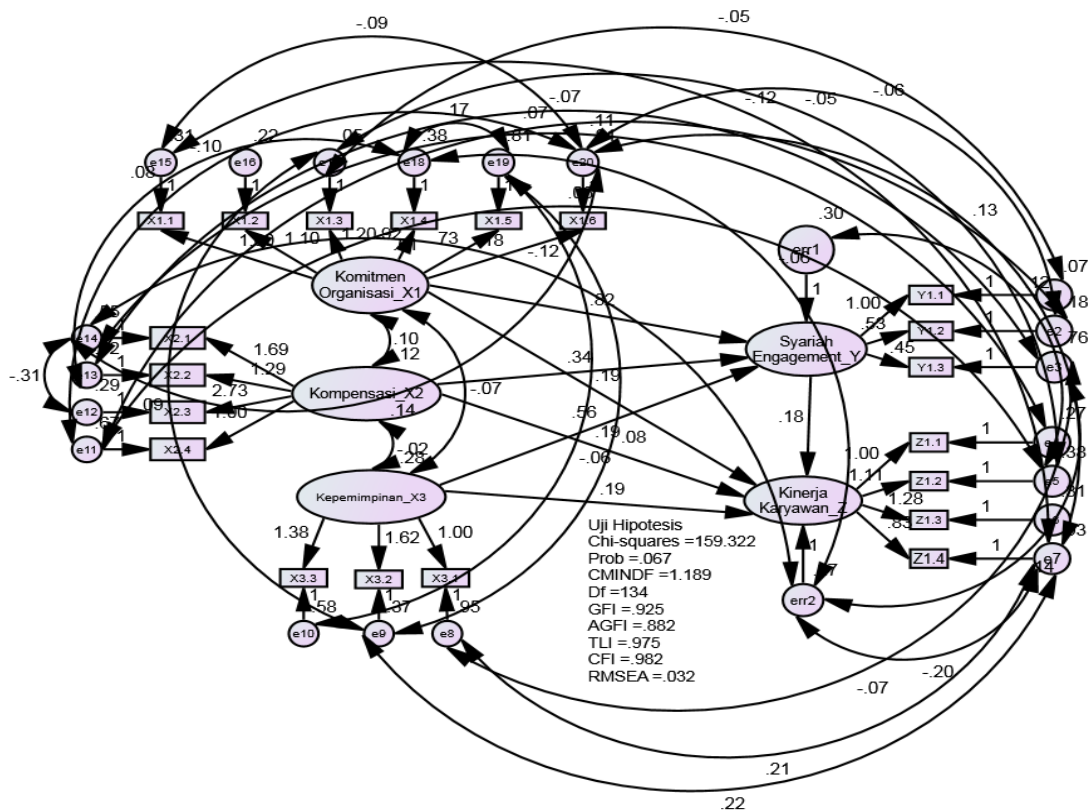


Table 8
Goodness of Fit Model Struktural Akhir

<i>Goodness of Fit Index</i>	Hasil model	<i>Cut-off Value</i>	Evaluasi Model
<i>Chi square (X^2)</i>	162,015 > ($\geq 0,05$: df 134 = 159.322)	Diharapkan kecil	Baik
Probability	0,067	$\geq 0,05$	Baik
CMIN/DF	1,189	$\leq 2,00$	Baik
RMSEA	0,032	$\leq 0,08$	Baik
GFI	0,925	$\geq 0,90$	Baik
AGFI	0,882	$\geq 0,90$	Kurang Baik
TLI	0,975	$\geq 0,95$	Baik
CFI	0,982	$\geq 0,95$	Baik

Table 8 above shows that all the criteria used have good values and there is a match between the data and the model so that it can be analyzed further.

IV. FINDINGS

This discussion focuses on decisions that result from hypotesis testing, in an effort to answer the formulation of research problems. Furhermore, to explain these result, a combination of emprical findings from research result will be ealaborated, so that the verification of new theoretical constructs or the development of exiting theiries is obtained. Based on the empirical model proposed in this study, we can test the hypothesis by testing the path coefficients in the structural equation model. The direct and indirect effects can be seen in the following table:

HIP	Variabel			P-Value	Direct Effect	Indirect Effect	Total effect	Ket
	Eksogen	Interveiving	Endogen					
1	Org. Commitmen (X1)	-	Syariah Engagement (Y)	0,000	0,698	-	0,698	Significant
2	Kompensasi (X2)	-	Syariah Engagement (Y)	0,042	0,137	-	0,137	Significant
3	Kepemimpinan (X3)	-	Syariah Engagement (Y)	0,000	0,345	-	0,345	Significant
4	Komitmen Organisasional (X1)	-	Kinerja Pegawai (Z)	0,056	0,222	-	0,222	not Significant
5	Kompensasi (X2)	-	Kinerja Pegawai (Z)	0,163	0,110	-	0,110	not Significant
6	Kepemimpinan (X3)	-	Kinerja Pegawai (Z)	0,079	0,162	-	0,162	not Significant
7	-	Syariah Engageme nt (Y)	Kinerja Pegawai (Z)	0,042	0,249	-	0,249	Signifikan
8	Komitmen Organisasional (X1)	Syariah Engageme nt (Y)	Kinerja Pegawai (Z)	0,000	0,689	0,169	0,858	Signifikan
9	Kompensasi (X2)	Syariah Engageme nt (Y)	Kinerja pegawai (Z)	0,001	0,137	0,034	0,171	Signifikan
10	Kepemimpinan (X3)	Syariah	Kinerja Pegawai (Z)	0,002	0,345	0,068	0,431	Signifikan

		Engageme nt (Y)						
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The result of the analysis of hypothesis testing are outline as follows:

A. Effect of Organizational Commitment on Syariah Engagement

Organizational commitment has a positive and significant effect on sharia engagement. This is indicated by the success of them to work to achieve organizational goals and individual goals. Their commitment is also characterized by a high sense of loyalty, being able to show their abilities and self-credibility and being able to identify organizations by getting to know the values that have been formed within the organization. Employees who have a high organizational commitment to the organization have a negative relationship to the intention to leave the organization and basically have a positive relationship with job satisfaction and high levels of engaged (Hasan, 2002). Employee loyalty is no longer just the ability of employees to complete their duties and obligations according to the job description, but also how employees carry out their duties optimally to get the best results for the company. The effect of organizational commitment on sharia engagement can be proven by the value of the standardized regression weight estimate of 0.689 in a positive direction. Positive influence coefficients mean that high organizational commitment is in line with increasing employee engagement. This finding supports the results of the research by Rusdianti (2013) and Yusuf, et al. (2015) which state that organizational commitment has a positive effect on sharia engagement. Previously stated by Yousef (2000) which states commitment is the relative strength of the identification of individuals in relation to enegeemnt in the organization. The higher the commitment, the stronger the engagement. Morrow & Blum (1998) stated that organizational commitment develops three attitudes that are mutually related to the organization, namely understanding the company's goals (identification), feeling engaged in a job, and feeling loyal. The more effort to develop commitment means to create an attitude of being engaged for employees (Fahrani, et al). Commitment causes a person to believe in organizational values, always improve business, dedication, cooperation, responsibility, social relations, so that engagement is created.

B. Effect Compensation on Syariah Engagement

Compensation has a positive and significant effect on sharia engagement. Compensation both financially and nonfinancially has a large influence in the formation of one's commitment. the employee realizes that the compensation received in it still has other people's rights that must be issued. In addition, the improvement of self quality is also a right received by employees, as well as a form of recognition of the organization for self-actualization to the company. Benefits and rewards that deserve to be accepted are the basis for establishing their commitment to the organization.

The effect of compensation on sharia engagement can be proven by the value of standardized regression weight estimate of 0.137 in a positive direction. This means that good compensation tends to strengthen personal employee engagement with the organization. In addition, it can be proven by the value of the critical ratio = 5.029 > 2.00 (critical) and the probability of 0.42 < α = 0.05. The test results prove that compensation has a positive and significant effect on sharia engagement in Islamic banking employees in Makassar City

The results of this study support the research of Hanif and Inayat (2017) who suggested that compensation has a positive and significant effect on employee engagement. Companies need to pay special attention to improve remuneration system policies according to the competencies of employees. Thus the more important compensation creates a system of rewards for employees in meeting their needs, the more they are dedicated, involved and efficient. However, research conducted by Harry (2014) revealed that compensation does not affect the level of employee engagement. This is

probably due to the existence of different compensation system standards in every Islamic banking in the city of Makassar.

C. Effect of Leadership on Syariah Engagement

Leadership has a positive and significant effect on sharia engagement. Someone will be engaged if he reflects on his boss. If the boss spreads the norms of goodness and in accordance with the role of the prophet Muhammad SAW, then they will become followers who also spread kindness. Islamic transformational leadership is the desire of employees who are able to harmonize their main goals by not ignoring employee rights, always inspire, establish open communication, and share their knowledge and experience with subordinates. The influence of leadership on sharia engagement can be proven by the value of standardized regression weight estimate of 0.345 in a positive direction. This means that leadership is one of the factors forming employee engagement. Employees will respond positively and work better when they have emotional and cognitive attachments with their leaders and spiritual attachment to Allah SWT. Besides that, it can be proven by the value of the critical ratio = $4.144 > 2.00$ (critical) and the probability of $0.00 < \alpha = 0.05$. The test results prove that leadership has a positive and significant effect on sharia engagement in Islamic banking employees in Makassar City.

The value of standardized regression we estimate with positive direction (the cause of the significant influence of leadership on sharia engagement) is caused by the leadership putting great trust in employees to use all their potential, brilliant ideas and high responsibility in carrying out work tasks effectively and efficiently. The greater the employee is given the opportunity to actualize himself, the more engaged he is in the company.

Murnianita (2012) says that emotional attachment will always exist because leaders always place more trust and responsibility for them in completing their duties. Cognitive attachments that exist in a person will try to achieve what has been expected by the company that must be realized, understand the purpose or mission carried out, and always have the opportunity to develop the quality of self without ignoring the development of information. This result is in line with Yusuf's research and et al. (2015) who suggested that transformational leadership had a positive and significant effect on sharia engagement.

D. Effect of Organizational Commitment on Employee Performance

Organizational commitment has no significant effect on employee performance. whereas according to Berberoglu and Caisim (2015) said that employees with higher organizational commitment values are expected to be more motivated and perform at the highest level of performance. Al Zefeiti & Mohamad (2017) empirically states that all components of organizational commitment have a significant impact on the dimensions of work performance, contextual performance and assignments. The influence of organizational commitment on employee performance can be proven by the value of standardized regression weight estimate of 0.222 with a positive direction. This means that high employee commitment tends to improve employee performance, besides that it can be proven by the value of the critical ratio (c.r) = $1.908 < 2.00$ (critical) and probability value of $0.056 > \alpha = 0.05$. The test results prove that organizational commitment has a positive but not significant effect on the performance of sharia banking employees in Makassar City. The statement can be interpreted that high organizational commitment has a non-significant effect on improving employee performance in a higher direction. In other words, a person's high or low organizational commitment will have no effect on high or low performance, or there is no guarantee that someone who has a high commitment will be followed by high performance as well.

The standardized regressionj weight estimate value with a positive but not significant direction (the cause of the insignificance of the influence of organizational commitment on employee performance) is due to the fact that as a sharia banking employee, commitment to the organization is an obligation that should be personally embedded in carrying out tasks and engaged in strong that

doing tasks and work is a worship that can provide benefits for themselves, organizations, and the ummah, so that there is no direct influence on their performance.

This is because sharia banking is currently dominated by generation Y workers. They are the young generation who have the characteristics to always be given more effort from superiors and work environment, directing, so that their performance can be achieved. This is the challenge of senior generation workers who lose quickly in mastering technology. Chughtai and Zafar (2006) in their findings said organizational commitment was negatively related to turnover intentions and related to performance measures.

E. Effect of Compensation on Employee Performance

Compensation has no significant effect on employee performance. In fact, a good compensation system is a system that is able to guarantee employee satisfaction, which in turn the company obtains, maintains, and employs a number of high-performing people for mutual benefit (Kristiansen & Ellingsen, 2013). This finding is in accordance with that stated by Rizal, et al (2014) and Risqon and Purwadi (2012) which states that compensation does not directly affect employee performance. This is because the compensation received by the number of employees depends on the position, responsibility, length of time someone works. In line with the research of Hameed and Ramzan (2014) which states that salary, reward and compensation packages indirectly have a weak relationship and have a positive but not significant effect on employee performance. Firmandari (2014) also found in his findings that salaries and benefits have a positive and significant effect on employee performance, but bonuses have no effect even after being moderated by motivation. Today's employees are more careful about choosing a company that is able to provide compensation according to their competence, or more from where they originally worked. The compensation system of each Islamic banking organization varies depending on the company's ability to fund this component. In addition there are still many requirements to support careers in organizations, so they prefer to resign.

F. Effect of Leadership on Employee Performance

Leadership also has a positive and insignificant effect. ideal leadership provides an unrealistic increase in the increase of employees towards a higher level. In other words, an ideal person's leadership will not oppose the high performance, or there is no guarantee Employees who have ideal leadership will be collected with high performance as well. This happens because the average boss in Islamic banking is a former boss in conventional banking. So that they need to convert conventional attitudes, behaviors, values to everything that is sharia oriented.

The findings from the results of this study that leadership does not have a significant effect on the performance of sharia banking employees in Makassar City are supported by the results of previous studies, namely research conducted by Tobing & Syaiful (2015). This is because those who dominate questionnaires are employees who are still relatively young who if they are classified as belonging to the Y and Z generation. Those who have used technology in completing their work are still looking for patterns as followers for their leaders better known as millennial leadership. Leadership that is superior in communication and fosters interpersonal relationships. Not leadership that is rigid, closed, without feedback, and only concerned with achieving goals alone.

G. Effect of Syariah engagement on Employee Performance

Sharia engagement has a positive and significant influence on employee performance. Someone who has physical, emotional and even spiritual attachments in carrying out his work and organization, his performance will increase. The results of descriptive analysis show that engagement sharia is reflected through one's attachment to organizational values represented as a system of shared values and beliefs that influence employee behavior which is certainly based on the teachings of Islam. The indicator is indicated by an average value of 4.53. These results explain that one's attachment to the

values adopted by the organization is shown to be proud of working in Islamic banking that has the characteristics or artifacts that distinguish Islamic banks from conventional banks. The principle of Amanah as the basis of a sense of responsibility for completing tasks and making work successful. This means that employees are increasingly engaged when all tasks can be completed and appreciated by the company. A high sense of being engaged also results in employees being reluctant to think of retention from the company.

The effect of sharia engagement on employee performance can be proven by the value of the standardized regression weigh estimate of 0.249 in a positive direction. The positive coefficient of influence means that high engagement sharia is in line with improving employee performance. This means that sharia engagement is one of the factors increasing employee performance. An employee who has a high level of engagement with the organization has an understanding and concern for the operational environment of the organization, is at work, is able to work with colleagues, speaks positively about the organization and acts that exceed the expectations of the organization.

H. Effect of organizational commitment on employee performance through sharia engagement

Commitment to the success of the work is called syariah engagement as a unique and different construct containing components of cognitive, emotional, spiritual behavior related to one's performance. Organizational commitment is different from employee engagement. Organizational commitment is closely related to organizational attitudes and closeness. While employee engagement is not an attitude, but a behavior that drives the performance of an organization which is characterized by the willingness, ability of employees to ensure the success of the organization's business. These results explain that significant Islamic engagement acts as intervening in explaining the effect of organizational commitment on the performance of Islamic banking employees. The employee realizes that his role is actually for the utilization of other people, doing good deeds and advising each other to obey the truth and advice advising to be patient. Those who have Islamic work commitments will work as a form of obedience to Allah (ta'atullah). Based on the faith that is owned, every charity in the form of work will be managed continuously to achieve quality goals.

I. Effect Compensation on Employee performance through sharia engagement

Compensation is a material reward in the form of salaries, incentives, commissions, and appreciation as well as non-material in the form of facilities provided by the company given to employees in the context of remuneration and appreciation for the work done and motivating employees to work and increase employee loyalty. Compensation characteristics include costs, importance, flexibility, visibility, and frequency which are the core of the compensation.

Implementation of Compensation in practice according to the teachings of Islam distinguishes from the concept of western compensation where they do not associate morals with the aqeedah in applying the compensation. So Compensation according to Islam can be attributed to the reward someone receives for his work in the form of material rewards (in the world) and in the form of rewards (in the hereafter) fairly and properly.

J. Effect Leadership on Employee performance through sharia engagement

Leadership is able to expand and increase employee goals with confidence to do something beyond previous expectations (extra effort), improve, performance, employee loyalty, productivity, organizational commitment, and reduce turnover rates. These things have triggered creating sharia engagement through a sense of ownership of the company and full involvement in achieving organizational goals. The higher the influence of leadership, the higher the level of employee engagement which impacts on its performance. Islamic leadership values refer to the leadership of the Prophet Muhammad. According to Steven Covey in Antonio (2007) that a leader must have four functions of leadership, namely as pioneer (pathfinding), aligning (aligning), empowering

(empowering), and role model (modeling). Pathfinding function in the leader is able to understand and fulfill the main needs of the stakeholders, mission, vision, strategies and values of the company adopted. Muhammad SAW succeeded in building a modern social system by introducing the values of universal equality, pluralism, and multiculturalism, rule of law, and so on. The function of aligning for a leader is being able to harmonize the entire system in an organization and synergize with each other. Muhammad SAW was able to harmonize various strategies to spread Islam and build a good and modern social order. The function of empowerment relates to the efforts of leaders to foster a conducive environment, understand the nature of work and delegation of authority, and maximum support so that the achievement of goals can be achieved. The role model (modeling) is a mirror and role model of a leader for employees. The leader must have responsibility for the words, attitudes, behaviors, and decisions taken.

V. CONCLUSION

1. Employee commitment, compensation and leadership directly and positively and significantly influence sharia engagement.
2. Employee commitment, compensation and leadership directly and positively and not significantly influence employee performance
3. Organizational commitment, compensation, and leadership have a positive and significant effect on employee performance through sharia engagement

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