Employee Performance: Organizational Culture, Organizational Commitment, and Job Satisfaction

Sri Langgeng Ratnasari
Postgraduate Program
Riau Kepulauan University
Pahlawan Street No. 99 Batu Aji
Batu City, 29432, Indonesia
E-mail: sarisucahyo@yahoo.com

Abstract—The purpose of this study is to determine the effect of organizational culture and organizational commitment on job performance, through job satisfaction as intervening variable at PT. Epson Batam. The method in this study using an analysis descriptive approach, this kind of research is quantitative and descriptive, while nature of this study was descriptive explanatory. As for the number of samples in this study are 154 employees in PT. Epson Batam. Data were collected with a list of questions in questionnaire and study documentation. For data calculation analysis, this study used path analysis, processing the data using computer program IBM SPSS ver. 23. This research resulted in conformity and acceptance of the hypothesis. First, the effect of Organizational Culture to Job Satisfaction; Second, the effect of Organizational Commitment to Job Satisfaction; Third, the effect of Organizational Culture to Job Performance; Fourth, the effect of Organizational Commitment to Job Performance; Fifth, the effect of Job Satisfaction to Job Performance, Six, the effect of Organizational culture to Job Performance through Job Satisfaction, Seven, the effect of Organizational Commitment to Job Performance through Job Satisfaction. The result of this research was there are a significant and positive effect, directly all of the dependent variable to the independent variable, This research founded the indirect effect of Organizational Commitment to Job Performance through Job Satisfaction, but for the effect of Organizational Culture to Job Performance through Job Satisfaction, the data analyses give the direct effect of the variable Organizational culture to job satisfaction is bigger than the effect of the Organizational Culture affected Job Performance through Job Satisfaction. For this hypothesis mean that, employees of PT. Epson Batam can give good performance by Organizational Culture, with ignoring the Job Satisfaction.

Keywords—Organizational Culture, Organizational Commitment, Job Satisfaction, Job Performance

I. INTRODUCTION

The role of human in organizations is very important in their position as a resource, because the company's success in achieving its goals is largely determined by the performance of employees in the company. The current position of human resources is not only as a mean of production but also as a driver and determinant of the ongoing production process and all company activities. Human resources have a big role in determining the progress or development of the company.

One of the factors that influence employee performance in a company is organizational culture, where the factor is very closely related to improving employee performance. This is because with the creation of a good work culture and supported by collaboration with fellow employees, results will be achieved that can improve employee performance (Tika, 2008). In addition to work culture, commitment and job satisfaction contribute greatly to influencing performance. To be able to carry out their duties and responsibilities, employees are required to have work commitments. Companies must improve communication, pay attention to complaints and the needs of employees so that employees feel satisfied at work, thus the employee's expectations are met and they will have better performance.

The optimal performance of employees who work at PT. Epson Batam which is indicated to be influenced by organizational culture is not strong, organizational commitment is still weak, and job satisfaction is still low, so this study is directed to examine the influence of organizational culture, organizational commitment and job satisfaction on employee performance. This is in accordance with research by Masrukhin and Waridin (2012), Momeni (2012), O'Reilly, Charles and Chatman (2010).

Research Purpose

This research was conducted with the following objectives:
1. To determine the effect of organizational culture on job satisfaction.
2. To determine the effect of organizational commitment on job satisfaction.
3. To determine the effect of organizational culture on performance.
4. To determine the effect of organizational commitment on performance.
5. To determine the effect of job satisfaction on performance
6. To determine the effect of organizational culture on performance through job satisfaction.
7. To determine the effect of organizational commitment to performance through job satisfaction.

II. LITERATURE REVIEW

2.1 Organizational Culture

Kreitner and Kinicki (2009) state that organizational culture is a form of assumption that is owned implicitly accepted by the group and determines how the group feels, thinks, and reacts to its diverse environment. This definition highlights three important characteristics of organizational culture. First, organizational culture is given to new employees through a process of socialization. Second, organizational culture influences our behavior at work. Third, organizational culture applies at different levels. Each level varies in relation to the outlook and the ability to withstand changes.

Organizational culture can be defined as a set of values systems, beliefs, assumptions or norms that have long been applied, agreed and followed by members of an organization as guidelines for behavior and solving organizational problems (Darodijat, 2015). Priansa and Garnida (2013) argue that organizational culture is a value system that is developed and applies in an organization, which makes its characteristics as an organization.

Individual or groups are those who cannot be separated from the culture that exists in the company. In general, they will be influenced by the diversity of available resources as a stimulus so that someone in the company has a specific behavior when compared to other organizational groups or companies.

Organizational culture tends to form high ethical standards among its members in risk tolerance. If a culture is strong and supports high ethical standards, it will have a very powerful and positive influence on employee behavior. To create an ethical organizational culture the company represented by the manager must emphasize building workers' strength, rewarding more than giving punishment, and emphasizing the vitality of the growth of the individual. Organizational Culture in an organization or company is usually associated with values, norms, attitudes and work ethics held together by each component of the organization. These elements are to monitor employee behavior, the way they think, work together and interact with their environment. If the organizational culture is good it will be able to improve employee performance and will be able to contribute success to the company. As the results of research from Fisla and Tuti (2007) and Arianty (2014) there is a significant influence between organizational culture and employee performance.

2.2 Organizational Commitment

Schatz and Schatz in Coal (2010) say that commitment is the most basic thing for everyone in their work. Without a commitment, the tasks given to him are difficult to carry out properly.

Organizational commitment can grow due to individuals having emotional ties to the organization which includes moral support and accepting the values that exist within the organization and the determination in their selves to serve the organization (Porter et al., In Kartika, 2010).

Robbins and Judge (2007) define commitment as a condition in which an individual sits with the organization and its goals and desires to maintain its membership in the organization. According to Mathis and Jackson (in Sopiah, 2008) defines organizational commitment as the degree to which employees believe and are willing to accept organizational goals and will remain or will not leave the organization.

2.3 Job Satisfaction

Job satisfaction is felt by employees because there are things that underlie it. Basically someone will feel comfortable and the level of loyalty at his job will be high if in work the person gets job satisfaction in accordance with what is desired. Job satisfaction is a reflection of workers' feelings towards their work. According to Masrurkin and Waridin (2012) job satisfaction of an individual depends on individual characteristics and job situations. Each individual will have a different level of job satisfaction in accordance with the interests and expectations of these individuals so that the level of satisfaction felt higher, and vice versa.

According to Davis (2011) stated that "job satisfaction is the favorability or unfavorability with employees view their work. Wexly and Yuki (2010) define job satisfaction "is the way an employee feels about his or her job". Employees will feel satisfied at work if aspects of the work and aspects of himself support and vice versa if those aspects are not supportive, employees will feel dissatisfied. Along with the development of technology that is developing very rapidly, where all kinds of work equipment has been created by humans to accelerate and facilitate work to be able to produce higher quality products, but human resources still play an important role because even though the equipment is very modern, but the equipment is still will not run and even only inanimate objects and can also be damaged if humans have no ability or are not careful to operate it.

According to Allen (2012) said that: "The human element plays an important role in the process of a job, he states that no matter how perfect the plans, organization, and supervision and research, if they can not carry out their duties with interest and joy then a company will not achieve as much results as can actually be achieved ".

Luthans (2006) provides a definition of job satisfaction is the result of employee perceptions about how well their work provides things that are considered important. Hackman and Oldham describe what Robbins (2006) cited, the essence of the work is as follows:

1. Variety Skill. The more variety of tasks performed by employees in their work, the more challenging the work for them.
2. Task Identity. The extent to which work demands the completion of a complete and recognizable job.

3. Task Significance. The extent to which the impact of work done can affect the work or even the lives of others. This will have an impact on psychological rewards.

4. Autonomy. The extent to which work gives freedom, non-dependence, and flexibility to manage work schedules, make decisions and determine the work procedures used.

5. Feedback. The extent to which the implementation of work activities produces information for individuals about the effectiveness of their performance.

Employee job satisfaction is influenced by responses to intrinsic and extrinsic reward values. What is meant by the value of intrinsic reward is the emergence of a feeling in employees because of the work done. Included in extrinsic rewards are feelings of love for their work, sense of responsibility, challenges and recognition. Extrinsic reward is a situation that occurs outside of work, for example because it works well in accordance with what is expected by the company, then employees get wages, salaries, and bonuses.

A. Performance

According to Mangkunegara (2009) performance comes from the word job performance or actual performance that gives meaning to work performance or actual achievement achieved by someone. Performance is the result of quality and quantity of work obtained by an employee in carrying out their duties in accordance with the responsibilities given to him.

According to Moheriono (2009), performance is a description in terms of the level of achievement of the implementation of a program of activities or policies in realizing the goals, objectives, vision and mission of the organization listed through the organization's strategic planning. In carrying out its functions, performance does not stand alone but is always related to employee job satisfaction and the level of the amount of rewards given, and is influenced by the skills, abilities, and individual traits.

Notoadmodjo (2009) defines performance as what can be done by someone according to their tasks and functions. Based on the formulation obtained from the existing limitations, the performance is the work that can be displayed or the work appearance of an employee. In this way the performance of an employee can be measured from work results, task results, or the results of activities within a certain period of time. Guidance and development of new or old employees in the company is one of the activities in the context of adjusting to changes and development of employees. Because it is necessary to do an assessment of the work that has been carried out by employees or so-called performance appraisal or work performance appraisal.

According to Torang (2014) performance is the quantity and quality of the work of individuals or groups of individuals in the organization to carry out basic tasks and functions based on norms, standard operating procedures, criteria and measures that have been set or applicable in the organization.

Performance is the work that can be achieved by a person or group of people in an organization in accordance with their respective authorities and responsibilities in order to achieve organizational goals (Prawirosentono, 2014) within a certain time period. And there is a close relationship between individual performance with organizational performance, in other words, if employee performance is good, it is likely that organizational performance is also good. Performance is also translated as a description of the level of achievement of the implementation of an activity in realizing the goals, objectives, mission and vision of the organization as outlined in the strategic planning of an organization (Mahsun, 2013).

The success of an organization is influenced by employee performance, for that every company will strive to improve the performance of its employees in achieving organizational goals that have been set. Organizational culture that grows and is well maintained will be able to spur the organization towards better development. On the other hand, the ability of leaders to move and empower employees will affect performance. Employee performance refers to a person's achievements as measured by the standards and criteria set by the company. Management to achieve high human resource performance is intended to improve the company as a whole (Mas'ud, 2014).

According to Waldman (2012) performance is a combination of behavior with achievement of what is expected and the choice or part of the terms of the task that exist in each individual in the organization. Meanwhile, according to Mangkunegara (2010) performance can be defined as the results of work in quality and quantity that can be achieved by an employee in carrying out tasks in accordance with the responsibilities given to him. Soeprihantono (2011) said that performance is the result of the work of an employee during a certain period compared to various possibilities, such as standards, targets that have been determined in advance and have been mutually agreed upon.

III. RESEARCH METHODS

The study was conducted to obtain information about the influence of organizational culture and organizational commitment to performance through employee job satisfaction at PT. Epson Batam. Referring to the research objectives, this research is descriptive in nature. Descriptive research, aims to describe the characteristics of the variables studied empirically. By their very nature, the research method used is explanatory, a method that aims to explain the causal relationship between variables through hypothesis testing.

The process of collecting research data is done indirectly, through the distribution of research instruments in the form of questionnaires. Respondents in this study were employees of the Quality Assurance Department of PT. Epson Batam. Information and research data that have been collected are ordinal scale data, which is then for data processing requirements using path analysis that is converted into interval
scale data with the help of the Method of Successive Intervals statistical technique.

The influence between the research variables is presented in the form of diagrams.

Information:
X1, X2 = (Independent variable)
Z = (dependent variable)
Y = Intervening Variable

3.1 Population and Sample

The population in this study were all employees of the Quality Assurance Department of PT. Epson Batam, amounting to 154 people. Samples taken in this study were taken from the entire population of 154 respondents.

3.2 Definition of Variable Operations

To clarify the limits of the variable under study, it is necessary to give an operational definition of the variable as follows:

1. Organizational culture has indicators including:
2. Professionalism, is a measure of the skills or expertise possessed by workers in the organization.
3. Leadership, namely the level of involvement of superiors to problems outside the work experienced by subordinates.
4. Trust in coworkers, ie fostered interaction between fellow workers in the organization.
5. Regularity, which is a condition of the work environment that indicates the existence of rules or conditions that must be obeyed by members of the organization.
6. Conflict, namely the existence of disagreement and disharmony in an organization that causes discomfort at work.

2. Organizational Commitments have indicators including:
   a. Affective commitment, related to the desire to be emotionally bound to the organization, identification and involvement based on the same values.
   b. Continuance Commitment, commitment is based on an awareness of the costs to be borne if you do not join the organization.
   c. Normative Commitment, commitment based on feeling obligated as a member or employee to remain because of feelings of debt. Here also occurs normalization.
   d. Personal factors, such as age, sex, level of education, work experience and personality.
   e. Job characteristics, for example scope of job, challenges in work, role conflict, level of difficulty in work.
   f. Characteristics of the structure, for example the size of the organization, the shape of the organization, the presence of labor unions, and the level of control exercised by the organization of employees.
   g. Work experience. Work experience of an employee is very influential on the level of employee commitment to the organization.

3. Job Satisfaction has indicators including:
   a. The work itself means that a job can give its workers interesting tasks, opportunities to learn, and opportunities to accept or obtain responsibility.
   b. Salary, which means regarding the provision of compensation in the form of compensation for money received and the extent of the balance when compared with other colleagues in the organization.
   c. Promotion, which means the process of moving employees from one level to another is higher and is always followed by duties, responsibilities and authority that is higher than the position previously occupied.
   d. Supervisor, meaning that attention to employees is measured based on how much the supervisor is concerned with individual interests in employee welfare.
   e. Cooperation, which means mutual support between colleagues who are friendly and easy to work with which is a source of simplicity.

4. Performance has indicators including:
   a. Quality, including accuracy of accuracy, neatness in carrying out tasks, using or maintaining work tools and skills in doing work.
   b. Work quantity, includes output and work targets in terms of work quantity.
   c. Reliability, the ability of employees is assessed on something related to the duties and work procedures, the use of work tools and technical work.
   d. Cooperation or work relationships based on employee attitudes toward fellow coworkers and employee attitudes towards superiors, and then accept changes in work.
e. Work responsibilities and initiatives carried out if employees have ideas and are brave to express and can be held accountable for every work done.

Data Collection Techniques
The data used in this study uses primary data by directly distributing questionnaires to the respondents involved in this study. The questionnaire method is used to get variable data in accordance with needs and is done by asking questions to respondents to get answers that fit the respondent's situation.

Data Analysis Technique
Data analysis was performed through various tests, namely the validity test, reliability test, and the classic assumption test. To test the indirect effect the path analysis method was used. All data is processed using the IBM SPSS version 23 program.

IV. RESULT AND DISCUSSION

4.1 Data Description
Descriptive analysis aims to provide a general, factual, and accurate description of the results of research conducted. The results of the questionnaire conducted by 154 respondents at PT. Epson Batam for each variable Organizational Culture, Organizational Commitment, Job Satisfaction and Employee Performance.

4.2 Hypothesis Testing Result
Interpretation of Organizational Competence and Culture for work motivation as the following table below:

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1582.197</td>
<td>2</td>
<td>791.098</td>
<td>136.496</td>
<td>.000*</td>
</tr>
<tr>
<td>Residual</td>
<td>875.161</td>
<td></td>
<td>5.796</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2457.357</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>847.528</td>
<td>3</td>
<td>282.509</td>
<td>56.601</td>
<td>.000*</td>
</tr>
<tr>
<td>Residual</td>
<td>748.086</td>
<td>150</td>
<td>4.991</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1596.214</td>
<td>153</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Based on ANOVA Table 3, the SPSS calculation is a significant F value of 56.601 greater than F Table (2.66) and with α less than 5% or 0.05. From a significant result of 0.000 <0.05, it means that the third hypothesis H0 is rejected and Hi is accepted, so it can be concluded that there is a simultaneous relationship between organizational culture variables (X1) and organizational commitment variables (X2), and job satisfaction (Y) on employee performance (Z).

After testing the classical assumptions of multiple regressions namely the test for normality, multicollinearity and heteroscedasticity, then the path analysis test is then performed. The equation for the path analysis model in this study is:

1. The path equation model I: \( Y = p1X1 + P2X2 + e1 \)
2. Line II equation model: \( Z = p3X1 + P4X2 + P5Y + e2 \)

From the results of data processing and analysis the following conclusions can be drawn:

1. Analysis of the direct effect between variables X1 to Y, X2 to Y, X1 to Z, X2 to Z and Y to Z is significant by looking at the sig value of each of these variables is less than 0.05. It means to reject H0 and accept Hi.
2. Analysis of direct, indirect and total effects of variables X1 on Z through Y:
   a. Direct effect (direct effect) X1 to Z: Seen from the value of the regression coefficient X1 to Z that is P3 of 0.416.
   b. Indirect effect (indirect effect) X1 and Z through Y: Seen from the multiplication of the regression coefficient X1 to Y with the value of the regression coefficient Y to Z, namely p1 x p5 = 0.334 x 0.594 = 0.1984
   c. Total effect (total effect) X1 to Z: seen from the value of direct influence + indirect effect = 0.416 + 0.1984 = 0.6144
   d. The hypothesis: X1 influences Z through Y, the real effect is direct. Because the value of the indirect effect is smaller than the value of the direct influence (0.1982 <0.416).
3. Analysis of direct, indirect and total effects of variable X2 on Z through Y:
   a. Direct effect (direct effect) X2 to Z: Seen from the value of the regression coefficient X1 to Z that is P4 of 0.071.
   b. Indirect effect (indirect effect) X2 and Z through Y: Viewed from the multiplication
   c. of the regression coefficient X2 to Y with the value of the regression coefficient Y to Z, ie p2 x p5 = 0.599 x 0.594 = 0.3558
   d. The total effect (total effect) X2 to Z: seen from the value of the direct effect + indirect effect = 0.071 + 0.3558 = 0.4268
   e. The hypothesis: X2 influences Z through Y, the real effect is direct. Because the value of indirect influence is greater than the value of direct influence (0.3558 > 0.071).

V. CONCLUSION AND SUGGESTION

5.1. Conclusion
From the discussions conducted, several conclusions can be drawn, namely:
1. There is a direct and positive and significant influence of organizational culture on job satisfaction.
2. There is directly a positive and significant influence on organizational commitment to job satisfaction.
3. There is a direct and positive and significant influence of organizational culture on performance.
4. Directly there is a positive and significant influence on organizational commitment to performance.
5. There is a direct positive and significant influence on job satisfaction on performance.
6. Indirectly, there is no significant influence of organizational culture on performance through job satisfaction.
7. There is a significant direct effect on organizational commitment to performance through job satisfaction.

5.2. Suggestion

Referring to the conclusions of this study, in an effort to improve performance, the following suggestions are made, including:

1. Organizational culture in PT. Epson Batam is good enough, but it must be improved; this is done in order to create a good system, so that employees feel comfortable working with the hope of being able to perform better. There is always a morning briefing once or twice a week among the employees, paying attention to employee complaints and creating good communication between superiors and subordinates so that the relationship and teamwork can run well.
2. For the management of PT. Epson Batam to pay attention to employees as a form of business organization to increase job satisfaction which has an impact on improving performance. This can be done in various ways including giving rewards or gifts to those who excel in work, training and improving education levels by providing opportunities to take certifications that support the employee profession.
3. Organizational culture factors, organizational commitment and job satisfaction directly and significantly impact on performance, so this variable should get more attention by the management of PT. Epson Batam in order to achieve optimal performance.

REFERENCES


