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Organizational Culture and Job Satisfaction: Its Impact on Organizational Commitments and Employee Performance

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Organizational Culture;
Performance;
Employee;

Abstract

The study aims to determine and analyze the influence of organizational culture on job satisfaction and its impact on employee performance and organizational commitment. The sampling technique in this study used a total sampling technique with a sample size of 252 organic employees at PT Pelabuhan Tanjung Priok, North Jakarta. Data collection was carried out using survey techniques through questionnaires and secondary data obtained from reference books and other literature. The research method uses data analysis techniques to test hypotheses using SEM (Structural Equation Modeling) techniques using SmartPLS 3.2 software. The results showed that: (1) Organizational culture has a significant positive effect on job satisfaction, (2) Job satisfaction has a significant positive effect on organizational commitment, (3) Job satisfaction has a significant positive effect on employee performance, and (4) Organizational commitment has a significant positive effect on employee performance.

1. Introduction

Human Resources play an essential role in the survival of the company (Lamba et al., 2020). Human Resource Management must always be improved. If Human Resources can be adequately

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managed by a company so that they have good quality, the competitiveness of the company will be higher (Manafe & Setyorini, 2019; Fahrika et al., 2020). Susita et al (2020) state that, in order to have strong competitiveness, the Company is required to have a strong commitment both to employees and to the company's goals. The efforts of an organization are committed to achieving company goals and being able to compete globally. Currently, Indonesia is increasingly becoming the centre of the world's attention (Samadara, 2020). Several state-owned companies are recognized as companies with international class.

As a state-owned company and a subsidiary is managing the Port of Tanjung Priok which serves passenger ships, domestic and foreign goods. Complete intermodal facilities at Tanjung Priok Port can distribute logistics throughout Indonesia. The business field of PT Pelabuhan Tanjung Priok consists of 2 (two) business groups, namely the provision and services of port services and those related to ports.

Table 1. Number of Employees Based on Employment Status

No	Employment Status	2018	2019
1	*Organic IPC Officer Assigned at PTP*	4 6 6	25 2
2	*PTP Employee*	-	-
3	*Non-Organic Workers (TNO)*	1 1 7 6	36 8
4	PKWT	-	7
	TOTAL	1 6 4 2	6 2 7

PT Pelabuhan Tanjung Priok continues to make service improvements. Since 2016, the company has been actively developing infrastructure to improve services (Basri & Buchari, 2015). PT Pelabuhan Tanjung Priok always monitors employee performance every month, but in 2018 there was a decline in employee performance. It is described in the Monthly Performance Assessment as follows.

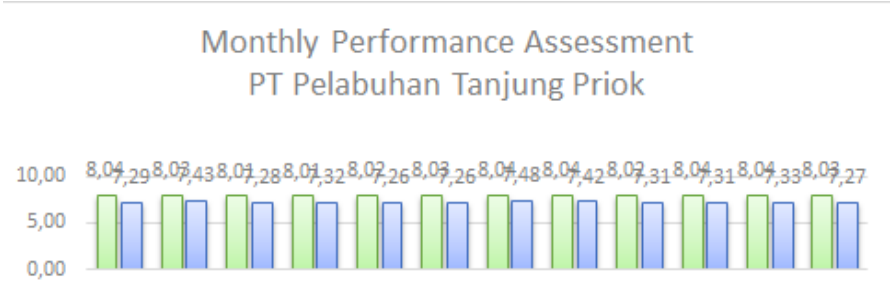


Figure 1.
Monthly Performance Assessment 2017-2018

Based on the explanation of the Monthly Performance Assessment above, in 2018, there was a decrease in the performance of PT Pelabuhan Tanjung Priok employees by 0.70% on average each month. It is, of course, a particular concern of management for handling employee performance considering the company's target of realizing a world-class port in 2020. The achievement of the company's target towards a world-class port is a commitment for the organization to compete globally.

The individual performance of PT Pelabuhan Tanjung Priok employees in 2019 has also not been optimal; it is shown in the following performance table (Table 2). Based on documentation data at PT Pelabuhan Tanjung Priok, information was obtained that explained that the employee's performance was not following the targets set by the management. It can be seen in the following table.

Table 2. Employee Performance of PT Pelabuhan Tanjung Priok in 2019

No	Performance achievements	Assessment	Percentage	Performance targets	total
	70-80	enough	50%	100	100
2	81-90	well	35%	100	70
3	>90	very good	15%	100	30
Total					200

It is known that the performance of Tanjung Priok Port employees is not optimal, where out of 200 employees there are 100 (50%) employees whose performance is still in the adequate category assessment, and 70 (35%) employees who get good ratings. Thus, the performance of Tanjung Priok Port employees still needs to be improved. The next factor that can affect employee performance improvement is job satisfaction. PT Pelabuhan Tanjung Priok currently routinely conducts worker satisfaction surveys to support employee performance (Cf. Seralurin et al., 2020).

Table 3. Employee Attendance Rate

Employee Attendance Level			
Pt Pelabuhan Tanjung Priok			
Period 2017-2019			
Year	Earn In	Skip	Return Fast
2017	168	198	112
2018	166	149	170
2019	194	129	187

The employee attendance rate for three years, the number of employee absenteeism was not good, employees who came late decreased in 2018 but increased in 2019 as many as 194 employees came late in one year. Absent employees have decreased in 2019 but are still in the low category. Meanwhile, employees who permit to leave early have increased every year. Therefore, this time the researcher will conduct research using one variable as mediation for organizational commitment.

As well as researchers will conduct research related to the influence of organizational culture on job satisfaction and its impact on organizational commitment and employee.

2. Material and Method

This research used quantitative methods with explanatory research design and is cross-sectional. In this study, the population of concern to researchers was all Organic Employees of PT Pelabuhan Tanjung Priok, North Jakarta. The sample in this study was a total sampling technique so that the total sample amounted to 252 people who were all employees of PT Pelabuhan Tanjung Priok. Data were collected using survey techniques through a questionnaire, as well as secondary data obtained by studying reference books and some other literature.

This study uses Structural Equation Modeling (SEM) based on Partial Least Square (PLS) or so-called SEM-PLS (Acock, 2013) Researchers used Partial Least Square (PLS) software because the variables used in this study are latent variables (not directly measurable) which can be measured based on the indicator (manifest variable), and together involve the level of error.

3. Results and Discussion

Instrument Test Results

Validity test

The validity test was carried out with the help of the SPSS 24 software through the Pearson correlation test. This test is done by comparing the calculated r-value with the r table. Items are declared valid and can be used for research if r count> r table (Ghozali, 2016). The results of the data validity test are seen in the table below.

Table 4. Validity Test Results

Variable	Indicator	r Count	r Table	Results
Employee Performance	KP1	0,606	0,123	Valid
	KP2	0,659	0,123	Valid
	KP3	0,668	0,123	Valid
	KP4	0,669	0,123	Valid
	KP5	0,670	0,123	Valid
	KP6	0,637	0,123	Valid
	KP7	0,704	0,123	Valid
	KP8	0,640	0,123	Valid
	KP9	0,706	0,123	Valid
	KP10	0,691	0,123	Valid
	KP11	0,735	0,123	Valid
	KP12	0,741	0,123	Valid
	KP13	0,762	0,123	Valid
	KP14	0,826	0,123	Valid
	KP15	0,801	0,123	Valid
	KP16	0,768	0,123	Valid

Organizational culture	BO1	0,708	0,123	Valid
	BO2	0,757	0,123	Valid
	BO3	0,847	0,123	Valid
	BO4	0,747	0,123	Valid
	BO5	0,752	0,123	Valid
	BO6	0,744	0,123	Valid
	BO7	0,720	0,123	Valid
	BO8	0,750	0,123	Valid
	BO9	0,755	0,123	Valid
Job satisfaction	KK1	0,623	0,123	Valid
	KK2	0,709	0,123	Valid
	KK3	0,639	0,123	Valid
	KK4	0,720	0,123	Valid
	KK5	0,724	0,123	Valid
	KK6	0,724	0,123	Valid
	KK7	0,624	0,123	Valid
	KK8	0,702	0,123	Valid
	KK9	0,690	0,123	Valid
	KK10	0,678	0,123	Valid
	KK11	0,699	0,123	Valid
	KK12	0,495	0,123	Valid
	KK13	0,618	0,123	Valid
	KK14	0,569	0,123	Valid
	KK15	0,583	0,123	Valid
	KK16	0,603	0,123	Valid
	KK17	0,622	0,123	Valid
	KK18	0,586	0,123	Valid
Organizational Commitment	KO1	0,611	0,123	Valid
	KO2	0,600	0,123	Valid
	KO3	0,639	0,123	Valid
	KO4	0,693	0,123	Valid
	KO5	0,668	0,123	Valid
	KO6	0,627	0,123	Valid
	KO7	0,744	0,123	Valid
	KO8	0,599	0,123	Valid
	KO9	0,418	0,123	Valid
	KO10	0,328	0,123	Valid
	KO11	0,473	0,123	Valid
	KO12	0,498	0,123	Valid
	KO13	0,618	0,123	Valid

Source: SPSS 24 output processed by researchers (2020)

Based on the results of the validity test in the table above, it is known that all r count values are more significant than r table (r count> 0.123). Thus, it might be stated that the items used in this study are valid.

Reliability Test

The reliability test was carried out by one shot (one-time measurement) using the SPSS 24 software through the Cronbach Alpha value test. A variable is said to have a high level of reliability if the value of the Cronbach Alpha coefficient (α)> 0.70 (Ghozali, 2016). The results of this research reliability test are presented in the table below.

Table 5. Reliability Test Results

Variable	Cronbach Alpha	Cut off value	Results
Employee Performance	0,933	0,70	Reliable
Organizational culture	0,918	0,70	Reliable
Organizational Commitment	0,833	0,70	Reliable

Source: SPSS 24 output processed by researchers (2020)

The table above shows that all variables used in this study have a Cronbach Alpha (α) value greater than 0.7. Thus it can be said that the variables in this study are reliable. Based on the results of the validity and reliability testing described above, it can be concluded that all statement items used in this study have been tested for validity and reliability so that the research instrument is suitable for use as a research measurement tool.

Structural Analysis Equation Model (SEM)

The following are models and tables that show the results of hypothesis testing in research using SEM-PLS.

Figure 2. Structural Model

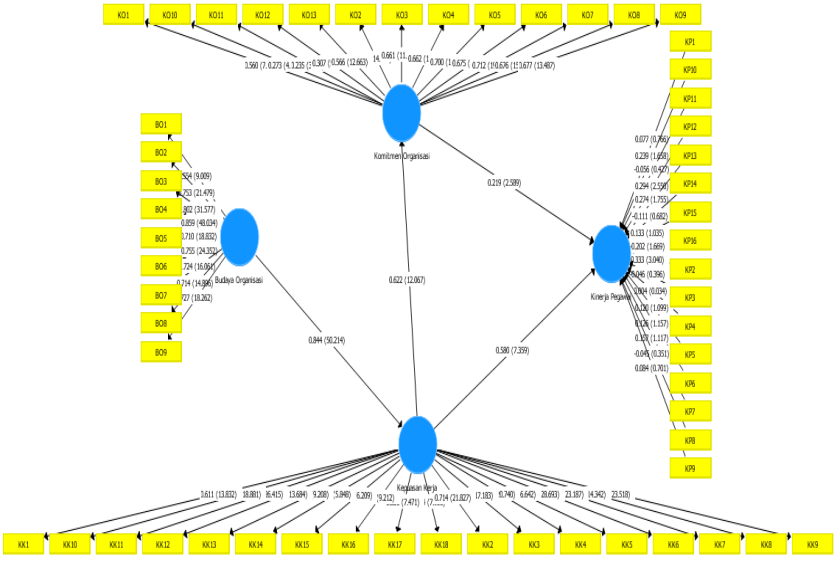


Table 6. Hypothesis Test Results

	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
Organizational culture -> Employee Performance	0,844	50,214	0,000
Employee Performance -> Job satisfaction	0,580	7,359	0,000
Employee Performance -> Organizational Commitment	0,622	12,067	0,000
Organizational Commitment -> Job satisfaction	0,219	2,589	0,010

Source: SmartPLS 3.2 output processed by researchers (2020)

The results of hypothesis testing using Smart PLS 3.2 software can be seen as follows:

First Hypothesis (H1)

Based on the table above, the results of testing the first hypothesis on organizational culture variables on job satisfaction produce the t-statistics value of 50.214> t-table of 1.970, and a P-value of 0.000 <0.05. Thus H1 is accepted, so it can be concluded that organizational culture variables affect job satisfaction.

Second Hypothesis (H2)

Based on the table above, the results of testing the second hypothesis on the variable job satisfaction on organizational commitment produce the t-statistics value of 12.067> t-table of 1.970, and a P-value of 0.000 <0.05. Thus H2 is accepted, so it can be concluded that job satisfaction variables affect organizational commitment.

Third Hypothesis (H3)

Based on the table above, the results of testing the third hypothesis on the job satisfaction variable on employee performance produce the t-statistics value of 7.359> t-table of 1.970, and a P-value of 0.000 <0.05. Thus H3 is accepted, so it can be concluded that the job satisfaction variable affects employee performance.

Fourth Hypothesis (H4)

Based on the table above, the results of testing the fourth hypothesis on the variable organizational commitment to employee performance produce the t-statistics value of 2.589> t-table of 1.970, and a P-value of 0.010 <0.05. Thus H4 is accepted, so it can be concluded that the variable organizational commitment affects employee performance.

4. Conclusion

1. Organizational culture has a significant positive effect on job satisfaction. It means that the better or positive the organizational culture that is formed in the company, the higher the employee's job satisfaction.
2. Job satisfaction has a significant positive effect on organizational commitment. It means that the more satisfied employees are with their work, the more committed employees will be to the company.
3. Job satisfaction has a significant positive effect on employee performance. It means that employees who are satisfied with their work, the higher the employee's performance.
4. Organizational commitment has a significant positive effect on employee performance. It means that the higher the commitment of employees to the company, the higher the employee's performance.

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