

The influence of organizational culture and job satisfaction on performance with organizational commitment as an intervening variable (Case Study on district region revenue Labuhan Batu)

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Abstract: This study aims to determine whether organizational culture and job satisfaction affect employee performance through organizational commitment as an intervening variable at the Labuhanbatu District Revenue Agency. The study was conducted on 52 employees using a saturated sampling technique. The results obtained in this study indicate 1) there is a significant influence between organizational culture on organizational commitment, 2) there is a significant effect between job satisfaction variables on organizational commitment, 3) there is a significant influence between organizational commitment variables on performance, 4) there is a significant effect between organizational culture variables on performance, 5) there is a significant influence between job satisfaction variables on performance, 6) organizational commitment variables cannot affect organizational culture variables on performance, 7) organizational commitment variables can affect job satisfaction variables on performance.

Keywords: Organizational culture ; Job satisfaction ; Organizational commitment ; Performance.

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1. INTRODUCTION

According to Hessel (2007) the factors that influence employee performance are motivation, organizational culture, compensation, leadership, job satisfaction, discipline, work environment and organizational commitment. Performance is the result of carrying out a job both physically/materially and non-physically/non-materially (Nawawi, 2005). According to Cokroaminoto (2007) employee performance refers to the ability of employees to carry out all the tasks that are their responsibility. Luthans (2005) defines organizational commitment as an attitude that shows employee "loyalty" and is an ongoing process of how an organization's members express their concern for the success and goodness of their organization. Employee performance is generally influenced by two factors, namely internal and external factors (Ismail in Taurisa, 2012). Culture is a complex combination of assumptions, behavior, stories, myths, metaphors and various other ideas that become one to determine what it means to be a member of a particular society (Stoner, 2002). Job satisfaction can be defined as a pleasant or unpleasant emotional state in which employees perceive their work (Handoko 1992 in Soedjono 2005). Employees who are satisfied with their work and perceive their work as something fun will have good performance.

This study aims to analyze whether organizational culture and job satisfaction affect employee performance through organizational commitment as an intervening variable at the Labuhanbatu District Revenue Agency.

To do this, our study is organized as follows: Section I will be devoted to the presentation of the literature review on organizational culture, job satisfaction, organizational commitment and performance. In the second section, we will focus on the analysis of the results of the econometric estimation. The third section will be dedicated to the economic interpretation of the estimated coefficients. Finally, in the last section, we will try to draw the main conclusions.

2. LITERATURE REVIEW

In research conducted by Debora Jublianty Anniversary, Putiri B.Katili and Shanti K.Anggraeni (2015) showed that organizational culture and job satisfaction have a positive effect on organizational performance and commitment and after modification, it is concluded that job satisfaction has the most influence strong commitment to the organization. The research conducted by Muhammad Fauzi, Moch Mukeri Warso and Andi Tri Haryono (2016), Maya Kharishma, Sri Lestari Prasilowati and Eka Avianti Ayuningtyas (2019) also show the same thing where all variables affect one another.

In addition, the results of Frans Sudirjo's (2015) analysis show that organizational culture and leadership style influence job satisfaction, job satisfaction influences organizational commitment, organizational culture influences employee performance, leadership style influences employee performance and organizational culture, job satisfaction and style leadership through organizational commitment influences performance. The results of Dian Kristianto's research (2011) show that job satisfaction has an effect on performance, job satisfaction has an effect on organizational commitment, organizational commitment has an effect on performance.

2.1. Empirical analysis

The research was conducted at the Regional Revenue Agency of Labuhanbatu Regency which is located at Jalan Gose Gautama No. 069 Rantauuprpat. Meanwhile, the research was conducted from October 2022 to January 2023.

According to Sugiyono (2018) Population is a generalized area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. The sample is part of the number and characteristics possessed by the population. The population in this study are all permanent employees (PNS) at the Labuhanbatu Regency Regional Revenue Agency, which were recorded in December 2022, totaling 52 people. The sampling technique in this study was a saturated sample

The data collection techniques used are:

1. List of questions (Questionnaire), by making a list of questions in the form of a questionnaire addressed to employees.
2. Documentation studies, by collecting company/agency data related to research purposes.

The hypothesis of this research is:

H1: Organizational culture has a significant effect on organizational commitment.

H2: Job satisfaction has a significant effect on organizational commitment.

H3: Organizational culture has a significant effect on performance.

H4: Job satisfaction has a significant effect on performance.

H5: Organizational commitment has a significant effect on performance.

H6: Organizational culture has a significant effect on performance through organizational commitment.

H7: Job satisfaction has a significant effect on performance through organizational commitment.

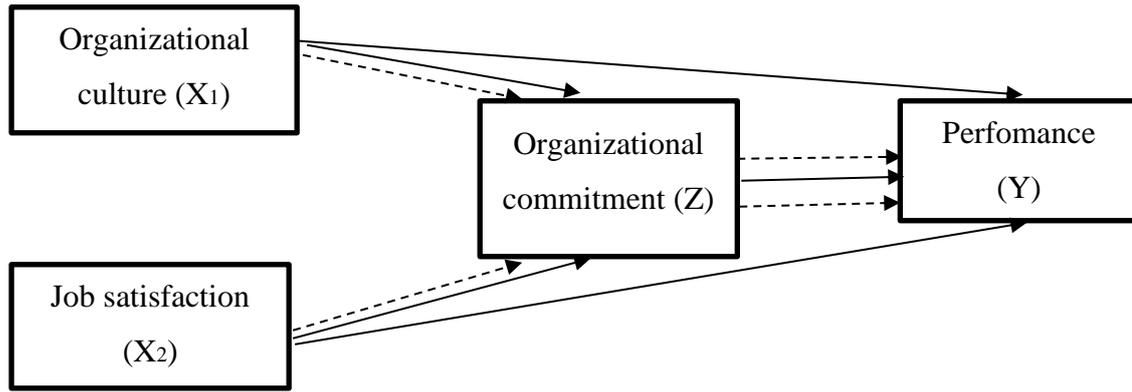


Figure 1 : Conceptual Framework

2.2. Model specification

Testing the mediation hypothesis can also be carried out with a procedure developed by Sobel and known as the Sobel test (Sobel test). The Sobel test is carried out by testing the strength of the indirect influence X to Y through Z, as follows:

$$Z = \frac{ab}{\sqrt{(b^2SE_a^2 + a^2SE_b^2)}}$$

Where:

a = regression coefficient of the independent variable on the mediating variable

b = regression coefficient of the mediating variable on the dependent variable

SEa = standard error of estimation from the influence of the independent variable on the mediating variable

SEb = standard error of estimation of the effect of the mediating variable on the dependent variable

2.3. Estimation results

Sub Model II Hypothesis Test

Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	42,591	7,680		5,546	,000
Organizational culture	,103	,121	,124	2,851	,039
Satisfaction	,275	,179	,271	2,542	,030
Organizational commitment	,127	,203	,114	2,627	,034

a. Dependent Variable: Performance

Source : Primary data is processed, 2022

In the table, the t statistical test is obtained, as follows:

1. Organizational commitment with a probability level of 0.534. Thus it can be concluded that $P = 0.034 < \alpha = 0.05$, so accept the hypothesis that the organizational commitment variable has a significant effect on performance.
2. Organizational culture with a probability level of 0.716. Thus it can be concluded that $P = 0.039 < \alpha = 0.05$, so accept the hypothesis that organizational culture has a significant effect on performance.
3. Job satisfaction with a probability level of 0.002. Thus it can be concluded that $P = 0.030 < \alpha = 0.05$, so accept the hypothesis that the job satisfaction variable has a significant effect on performance.

Sobel test

The following are the results of the Sobel test with organizational culture variables on performance through organizational commitment.

$$t = \frac{0.218 \times 0.114}{\sqrt{(0.114^2 \times 0.082^2) + (0.218^2 \times 0.203^2)}}$$

$$t = \frac{0.218 \times 0.114}{\sqrt{0.0000873851 + 0.0019584165}}$$

$$t = \frac{0.0006176219}{0.0020458016}$$

$$t = 0.301$$

From the results of the calculation of the sobel test above, it obtained a t value of 0.301, so that the t value was obtained $0.301 > t$ table 2.851, it can be concluded that the organizational commitment variable is capable of not being able to mediate the relationship between the influence of organizational culture on performance.

The following are the results of the Sobel test with the variable job satisfaction on performance through organizational commitment.

$$t = \frac{0.578 \times 0.114}{\sqrt{(0.114^2 \times 0.101^2) + (0.578^2 \times 0.203^2)}}$$

$$t = \frac{0.578 \times 0.114}{\sqrt{0.00013257219 + 0.01376726755}}$$

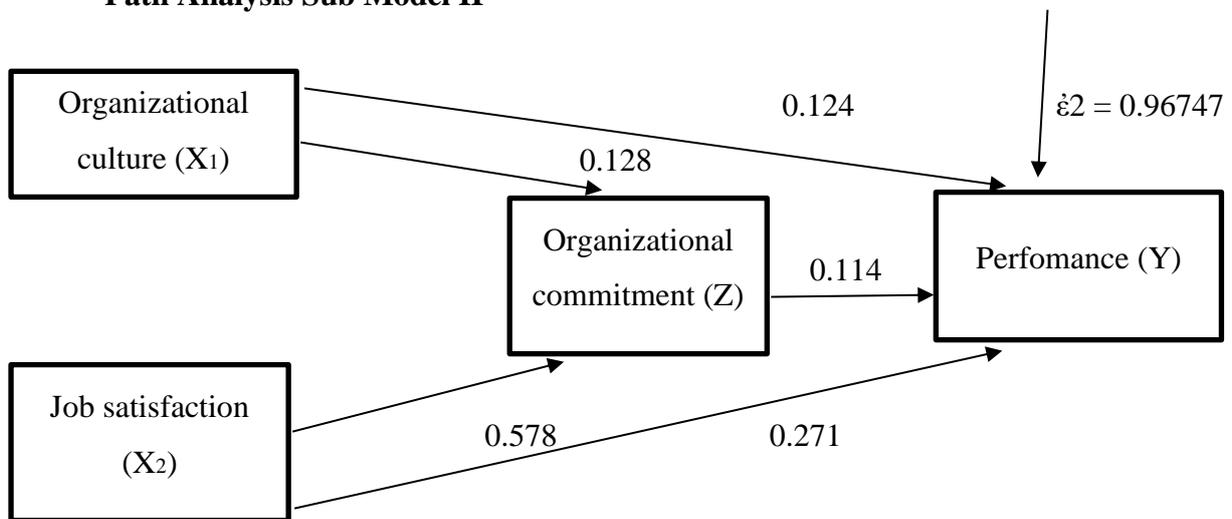
$$t = \frac{0.065892}{0.01389983974}$$

$$t = 4.740$$

From the results of the calculation of the sobel test above, a t value of 4,740 is obtained, so that the t value is $4,740 > t$ table 2,542. It can be concluded that the organizational commitment

variable is able to mediate the relationship between the effect of Job Satisfaction on performance.

Path Analysis Sub Model II



$$Y = 0,124 X1 + 0,271 X2 + 0,114 Z$$

The results of the analysis show that the direct influence of organizational culture (X1) on performance (Y) is 0.124. Meanwhile, the indirect effect of organizational culture (X1) on performance (Y) through organizational commitment (Z), is $0.218 \times 0.114 = 0.126$. Then the total effect given by the organizational culture variable (X1) on performance (Y) is the direct effect plus the indirect effect, namely $0.124 + 0.126 = 0.25$. Based on the calculation results above, it can be seen that the direct effect value is 0.218 and the indirect effect is 0.126, which means that the direct effect value is greater than the indirect effect value. These results indicate that indirectly the organizational culture variable (X1) through organizational commitment (Z) has no significant effect on performance (Y).

The results of the analysis show that the direct effect of job satisfaction (X2) on performance (Y) is 0.271. Meanwhile, the indirect effect of job satisfaction (X2) on performance (Y) through organizational commitment (Z), is $0.578 \times 0.114 = 0.065$. Then the total effect given by the variable job satisfaction (X2) on Performance (Y) is the direct effect plus the indirect effect, namely $0.271 + 0.065 = 0.366$. Based on the calculation results above, it can be seen that the direct effect value is 0.271 and the indirect effect is 0.065, which means that the direct effect value is greater than the indirect effect value. These results indicate that indirectly the variable job satisfaction (X2) through organizational commitment (Z) has no significant effect on performance (Y).

3. ECONOMIC INTERPRETATION OF RESULTS

3.1. The relationship between organizational culture and organizational commitment

Organizational culture has a positive and significant effect on organizational commitment at the Regional Revenue Board of Labuhanbatu Regency. The organizational culture variable has a regression coefficient value of 0.218 and has a unidirectional effect, which means that each addition or increase in the value of one unit score of the organizational culture variable will add to the value of the organizational commitment of the employees of the Labuhanbatu Regional Revenue Agency by 0.218 per one unit score. This is supported by research conducted by Frans Sudirjo (2016).

3.2. The relationship between job satisfaction and organizational commitment

The job satisfaction variable has a positive and significant effect on organizational commitment at the Labuhanbatu Regency Regional Revenue Agency. The job satisfaction variable has a regression coefficient value of 0.578 and has a unidirectional effect, which means that each addition or increase in the value of one unit score for the job satisfaction variable will add to the organizational commitment value of the employees of the Labuhanbatu Regional Revenue Agency by 0.578 per one unit score. This is in line with research conducted by Muhammad Fauzi, Moch Mukeri Warso and Andi Tri Haryono (2016).

3.3. The relationship between organizational commitment and performance

The organizational commitment variable has a positive and significant effect on performance at the Labuhanbatu Regency Regional Revenue Agency. The organizational commitment variable has a regression coefficient value of 0.114 and has a unidirectional effect, which means that each addition or increase in the value of one unit score of the organizational commitment variable will increase the performance value of the Labuhanbatu Regency Regional Revenue Agency employees by 0.114 per one unit score. The findings of this study are supported by research conducted by Debora Jublianty Anniversary, Putiri B. Katili and Shanti K. Anggraeni (2019).

3.4. The relationship between organizational culture and performance

Organizational culture variables have a positive and significant effect on performance at the Regional Revenue Board of Labuhanbatu Regency. The organizational culture variable has a regression coefficient value of 0.124 and has a unidirectional effect, which means that each addition or increase in the value of one unit score of the organizational culture variable will add to the Performance value of the Labuhanbatu District Revenue Agency by 0.124 per one unit

score. The results of this study are in accordance with research conducted by Maya Kharishma, Sri Lestari Prasilowati and Eka Avianti Ayuningtyas (2019).

3.5. The relationship between job satisfaction and performance

The job satisfaction variable has a positive and significant effect on employee performance at the Regional Revenue Agency of Labuhanbatu Regency. The job satisfaction variable has a regression coefficient value of 0.114 and has a unidirectional effect, which means that each addition or increase in the value of one unit score for the job satisfaction variable will add to the performance value of the Labuhanbatu Regency Regional Revenue Agency employees by 0.114 per one unit score. This is in accordance with research conducted by Layli Dwi Lestari (2022).

3.6. The relationship between organizational culture and organizational commitment

Organizational culture through organizational commitment has an influence on the performance of employees of the Labuhanbatu Regency Regional Revenue Agency. The results showed that organizational commitment has a role in mediating the influence of organizational culture on performance.

3.7. The relationship between job satisfaction towards organizational commitment

Job satisfaction through organizational commitment has an influence on the performance of employees of the Labuhanbatu Regency Regional Revenue Agency. The results showed that organizational commitment has no role in mediating the effect of job satisfaction on performance.

4. CONCLUSION

At the end of this study, we can draw the conclusion that firstly, if organizational culture and job satisfaction has a positive and significant effect on organizational commitment, these conditions can increase organizational commitment. Secondly, job satisfaction and organizational commitment has a positive and significant effect on performance, these conditions can increase employee performance. And the last, the influence of organizational culture on the performance will be smaller if it is carried out through organizational commitment. Otherwise, the effect of job satisfaction on the performance will be greater if it is carried out through organizational commitment.

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