

Determination of Employee Performance

Maryanto Purba¹, Kiki Farida Ferine²

Universitas Pembangunan Panca Budi, Indonesia

*Correspondence Email: maryantopurbajams@gmail.com

Abstract

Bad human resources will cause an organization to have big or small problems, this will definitely happen if human resources in the organization are low. Human Resources (HR) in general are productive individuals who work as drivers of an organization, both within institutions and companies who function as assets and must be trained and developed. The phenomenon that occurs at BPJS Ketenagakerjaan, Padang Sidempuan and Pematangsiantar branch offices, each branch has its own problems, but there are similarities between the mistakes of both organizations, namely a poor and toxic organizational culture that reduces employee performance, this culture makes employees less enthusiastic about working. Due to the lack of positive interaction between employees with each other, a culture of indifference also mushrooms in that place. Poor work causes employee performance to decline. This is due to a lack of work motivation and strict arrangements to change a toxic organizational culture into a positive organizational culture. in every job and communication. The results of this research are as follows: Organizational culture has a positive and significant effect on employee performance with a value of 0.398 and a significant value of 0.000. Organizational culture has a positive and significant effect on work motivation with a value of 0.896 and a significant value of 0.000. Work Motivation has a positive and significant effect on Employee Performance with a value of 0.542 and a significant value of 0.000. Organizational culture has a positive and significant effect on employee performance indirectly through work motivation with a value of 0.485 and a significant value of 0.000.

Keywords: Organizational Culture, Work Motivation, Employee Performance

INTRODUCTION

One of the internal factors that determines the success of an organization is organizational culture. Organizational culture has a very important role in an organization because organizational culture can perform a number of functions, such as: creating differences with other organizations, creating organizational identity, and facilitating the creation of broad commitment to common interests. A strong organizational culture will support the achievement of organizational goals in the areas of productivity, customer service and employee satisfaction, which are important company assets. A strong organizational culture will help the company provide certainty to all employees to develop together, grow and develop the company.

Availability of permanent workforce to occupy positions and at the right time in order to achieve the goals and various targets set. Employee performance in general is a manifestation of the work carried out by employees which is usually used as a basis or reference for evaluating employees in an organization. In carrying out its activities, companies must have goals to achieve, to achieve or realize these goals, each company must be clever in choosing strategies, especially human resource planning, which in essence is focused on certain steps taken by management. Good performance is a step towards achieving organizational goals, therefore, performance is also a determining means in achieving organizational goals so efforts need to be made to improve employee performance.

Work motivation, especially for employees, has motivation indicators as basic needs that must be met, such as the need for affiliation, power and achievement. So there are many basic activities carried out by the company to meet employee needs. Many efforts are involved by the company to increase the work motivation of the employees it employs, these things include compensation, work facilities, work atmosphere, career placement and even joint recreation to increase employee motivation for the company.

LITERATURE REVIEW

Employee performance

According to Sedarmayanti (2017), employee performance is the result of work given to a person or group of people in an organization in accordance with their respective authority and responsibilities in order to achieve organizational goals, legally, without violating the law, and in accordance with morals and ethics. . Furthermore, according to Afandi (2018), performance is the work result that can be achieved by a person or group of people in a company in accordance with their respective authority and responsibilities in an effort to achieve organizational goals illegally, without breaking the law and not conflicting with morals and ethics.

Employee Performance Indicators

According to Afandi (2018) employee performance indicators are as follows:

1. Quantity of work output All kinds of units of measurement related to the amount of work output that can be expressed in terms of numbers or other numerical equivalents.
2. Quality of work results All kinds of units of measurement related to the quality or qualities of work results which can be expressed in terms of numbers or other numerical equivalents.
3. Efficiency in carrying out tasks Various resources wisely and in a cost-effective manner.
4. Work discipline. Obedient to applicable laws and regulations.
5. Initiative The ability to decide and do the right thing without having to be told, able to find what should be done regarding something around you, trying to keep moving to do several things even though things feel increasingly difficult.
6. Accuracy: The level of suitability of work measurement results, whether the work has achieved its goals or not.
7. Leadership The process of influencing or giving an example by a leader to his followers in an effort to achieve organizational goals.
8. Honesty is a human trait that is quite difficult to implement.
9. Creativity A mental process involving the generation of ideas or involving the generation of ideas.

Organizational culture

According to Sedarmayanti (2016) organizational culture is a subjective aspect of what happens within the organization, such as values and norms that cover all or part of the business.

According to Edison, et al. (2016) organizational culture is a pattern of shared beliefs, behavior, assumptions and values. Organizational culture shapes the way members behave and interact and influences the way they work.

Organizational Culture Indicators

According to Edison, et al. (2016) stated indicators of organizational culture, which include:

1. Self-awareness
2. Aggressiveness
3. Personality
4. Performance
5. Team orientation

The following is an explanation of the theory above:

1. Self-awareness. Organization members consciously work to gain satisfaction from their work, develop themselves, obey the rules, and offer high quality products and services.
2. Aggressiveness. Organization members set challenging but realistic goals. They set work plans and strategies to achieve these goals and pursue them enthusiastically.
3. Personality. Members are mutually respectful, friendly, open and sensitive to group satisfaction and pay great attention to aspects of customer satisfaction, both internal and external customers (every internal part must serve, not be served).
4. Performance. Organization members have the values of creativity, fulfilling quality, quality and efficiency.
5. Team orientation. Organization members collaborate well, and carry out effective communication and coordination with the active involvement of members, which in turn results in high satisfaction and mutual commitment.

Work motivation

According to Sedarmayanti (2017) motivation is a force that encourages a person to carry out an action or not which is essentially positive or negative internally and externally, work motivation is something that creates encouragement/enthusiasm for work/enthusiasm for work. According to Hafidzi et al (2019) stated that motivation is the provision of driving force that creates enthusiasm for a person's work so that they are able to collaborate, work effectively and be integrated with all their efforts to achieve satisfaction. Motivation is the main thing that drives someone to work.

Work Motivation Indicators

According to Hafidzi et al (2019) motivation is the provision of driving force that creates enthusiasm for a person's work so that they are able to collaborate, work effectively and be integrated with all their efforts to achieve satisfaction. Motivation is the main thing that drives someone to work, there are several indicators of work motivation, namely:

1. Physical Needs, the need for supporting facilities that can be obtained at the workplace, for example supporting facilities to make it easier to complete tasks in the office.
2. Security needs, these needs for a sense of security, include a sense of physical security, stability, dependence, protection and freedom from threatening forces such as: fear, anxiety, danger.

3. Social needs, needs that must be met based on shared interests in society, these needs are met together, for example good interactions between people.
4. The need for esteem is the need for appreciation for what someone has achieved, for example the need for status, glory, attention, reputation.
5. The need for encouragement to achieve goals, the need for encouragement to achieve something desired, for example motivation from leaders.

Conceptual Framework

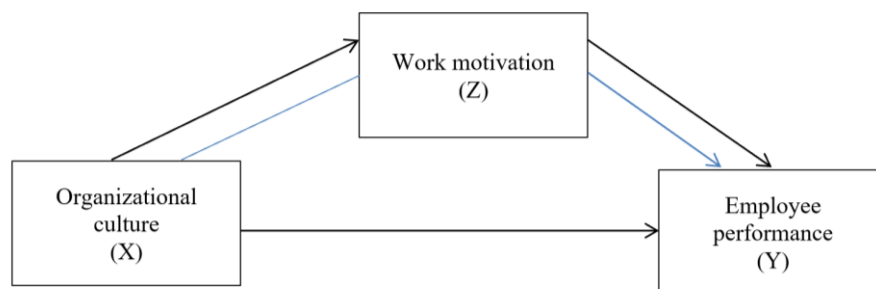


Figure 1. Conceptual Framework

Hypothesis

The hypothesis of this research is as follows:

- a. H1: Organizational culture has a positive and significant effect on work motivation at BPJS Employment of Padang Sidimpuan Branch Office and Pematang Siantar Branch
- b. H2: Organizational culture has a positive and significant effect on employee performance at BPJS Employment of Padang Sidimpuan Branch Office and Pematang Siantar Branch
- c. H3: Motivation has a positive and significant effect on employee performance at BPJS Employment of Padang Sidimpuan Branch Office and Pematang Siantar Branch
- d. H4: Organizational culture has a positive and significant effect on employee performance through Work Motivation at BPJS Employment Padang Sidimpuan Branch Office and Branches Pematang Siantar

Types of research

According to Sugiyono (2017) quantitative research methods can be interpreted as research methods that are based on the philosophy of positivism, used to research certain populations or samples, sampling techniques are generally carried out randomly, data collection uses research instruments, data analysis is quantitative/statistical, with the aim of testing the established hypothesis. This research uses a quantitative type of research. The basic method of data collection is a scientific approach to obtain data according to its intended use and objectives.

Population

The population of this study was 76 by counting 2 BPJS Employment branch offices in the Padang Sidimpuan Branch and the Pematang Siantar Branch with each number being Padang Sidimpuan with 38 employees while Pematang Siantar had 38 employees. According to Sugiyono

(2017), population is a generalization area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn.

Samples and Sample Techniques

According to Sugiyono (2017), what is meant by sample is part of the number and characteristics of the population. For this reason, samples taken from the population must be truly representative. This research will take all employee samples from the Padang Sidempuan Branch and Pematang Siantar Branch employees totaling 76 employees using a saturated sampling technique. The saturated sampling technique is a technique in which the entire population will be sampled. According to Sugiyono (2017), the meaning of saturated sampling is a sampling technique when all members of the population are sampled. This is done when the population is relatively small, less than 30, or the research wants to make generalizations with very small errors.

Data collection technique

Data collection techniques can be carried out by observation, questionnaires, documentation and a combination of the whole (Sugiyono: 2017). Primary data was obtained from researchers distributing questionnaires containing the Influence of Organizational Culture on Employee Performance with Work Motivation as an Intervening Variable at the BPJS Employment Padang Sidempuan and Pematang Siantar Branch Offices to respondents and collecting research results. In this study, researchers used a structured questionnaire, where the questionnaire in this study was distributed directly to respondents.

Place and Time of Research

This research was conducted at the BPJS Employment branch office at the Pematang Siantar Branch Office: Jl. Sakti Lubis No. 5 Timbang Galung, Pematang Siantar City and Padang Sidempuan Branch Office: Jl. Raja Inal Siregar No.20b, Batunadua Jae, Padangsidempuan Batunadua District, Padang Sidempuan City, North Sumatra 22733. which was carried out for 3 months

Analysis techniques

This research uses Structural Equation Modeling (SEM) using variance-based or component-based Partial Least Squares (PLS) to test hypotheses and provide a reliable (fit) model. According to Hussein (2015), the choice to use PLS is because, in business and management research, especially in the fields of marketing and human resources, which carry out perception measurements, it will be difficult to obtain normally distributed data. Therefore, by using the regression method, researchers will find it difficult to obtain a BLUE (Best Linear Unbiased Estimate) regression equation. One of the assumptions that often stumbling researchers is the assumption of normality. PLS uses the bootstrapping or random doubling method. Therefore the assumption of normality will not be a problem for PLS. Apart from being related to data normality, by carrying out bootstrapping, PLS research with small samples can still use PLS.

Hypothesis Testing

In the research hypothesized in this research, the bootstrap resampling method is used to determine the effect of exogenous construction on endogenous construction (γ) and endogenous construction on exogenous construction (β). Original samples, t-statistics, and p-values are some of the criteria that must be met to evaluate a hypothesis. The original sample values are used to determine the direction of hypothesis development; if the original sample shows a positive direction, then it shows a positive direction, and if it shows a negative direction, then it shows a negative direction. Next, t-statistics are used to determine significance.

If the hypothesis has a one-tile direction, the t statistic must be more than 1.64; if the hypothesis does not have a two-tile direction, then the t statistic must be greater than 1.96. Because all the hypotheses constructed in this study lack direction (two tiles), the t-statistic value for each hypothesis must be greater than 1.96. The next step is the p-value; This criterion is also used to reduce the significance of certain results. In this research, the p-value that must be met for the hypothesis to be accepted is less than 5% or less than 0.05. To declare a hypothesis acceptable, these two prerequisites must be met. If one or more of the above criteria is not met, then the hypothesis is rejected.

Path Analysis

This research uses a path analysis research model or path analysis in which variables will influence each other with independent and dependent variables as well as influencing variables which become connecting variables to strengthen the hypothesis or weaken the hypothesis indirectly. According to Sugiyono (2017) path analysis is part of the regression model which can be used to analyze the causal relationship between one variable and another variable. Path analysis is used using correlation, regression and paths so that it can be known to arrive at the intervening variable.

RESULTS AND DISCUSSION

Outer Model Analysis

Measurement model testing, or external model testing, can be used to specifically determine the relationship between latent variables and manifest variables. This test has convergent, discriminant and reliable properties.

1. Convergent Validity

A measurement model with convergent validity of reflexive indicators is demonstrated by the relationship between item/indicator scores and construct scores. As long as the research is still in the development stage, it is permissible to use indicators whose individual correlation values are higher than 0.7. Indicator values of 0.5 and 0.6 are still considered appropriate. External loading data shows that this indication is not substantial with loadings below 0.60. The research structural model is shown in the following figure:

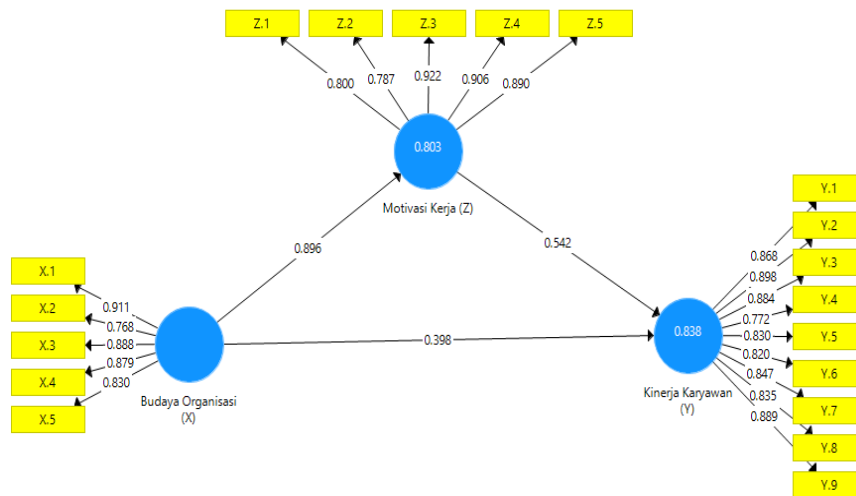


Figure 2. Outer Model
 Source: Smart PLS 3.3.3

There are 2 equations in the outer model, namely substructure equation 1 and substructure equation 2 and will be explained as follows:

Substructure 1

$$Z = b1X + e$$

$$Z = 0.896 X + 0.803$$

Substructure 2

$$Y = b2X + b3Z + e$$

$$Y = 0.398X + 0.542 Z + 0.838$$

Table 1. Outer Loadings

	Organizational Culture (X)	Employee performance (Y)	Work motivation (Z)
X.1	0.911		
X.2	0.768		
X.3	0.888		
X.4	0.879		
X.5	0.830		
Y.1		0.868	
Y.2		0.898	
Y.3		0.884	
Y.4		0.772	
Y.5		0.830	
Y.6		0.820	
Y.7		0.847	
Y.8		0.835	
Y.9		0.889	

Z.1			0.800
Z.2			0.787
Z.3			0.922
Z.4			0.906
Z.5			0.890

Source: Smart PLS 3.3.3

Table 1 above shows that factor loadings are valid if the indicator value is greater than 0.7. With this explanation, it can be seen that all indicators are more than 0.7, indicating the reliability of each construct indicator and the potential for further study.

2. Discriminate Validity

Next, a discriminant validity test was carried out. The purpose of this test is to find out whether the reflection indicator is a good measurement for a particular construct based on the hypothesis that an indicator has a strong relationship with that construct. The results of cross loading discriminant validity testing are presented in the following table.

Table 2. Discriminant Validity

	Organizational Culture (X)	Employee Performance (Y)	Work Motivation (Z)
X.1	0.911	0.815	0.856
X.2	0.768	0.805	0.690
X.3	0.888	0.732	0.755
X.4	0.879	0.664	0.734
X.5	0.830	0.750	0.786
Y.1	0.808	0.868	0.820
Y.2	0.793	0.898	0.826
Y.3	0.782	0.884	0.771
Y.4	0.687	0.772	0.695
Y.5	0.731	0.830	0.772
Y.6	0.753	0.820	0.700
Y.7	0.713	0.847	0.735
Y.8	0.722	0.835	0.765
Y.9	0.758	0.889	0.775
Z.1	0.741	0.721	0.800
Z.2	0.665	0.756	0.787
Z.3	0.812	0.814	0.922
Z.4	0.787	0.796	0.906
Z.5	0.848	0.786	0.890

Source: Smart PLS 3.3.3

In table 2 there is a cross loading table for each variable, so the explanation of discriminant validity is as follows: nfor the cross loading value of the organizational culture variable there is a value that is greater than the cross loading on other latent variables. Variable cross loading value; Employee performance has a cross loading value that is greater than the cross loading value on other latent variables. There is a cross loading value for the work motivation variable with a value that is greater than the cross loading value for other latent variables. So it can be determined that the results of this research are discriminantly valid.

3. Composite reliability

To determine the reliability value in the next test, an indicator block is used that evaluates the dependency of the composite construct. The construct value is considered reliable if the composite reliability value is more than 0.60. Variable construct values from the indicator block that measures the construct can be used to calculate reliability values using Cronbach's alpha in addition to testing composite reliability values. An item is considered credible if its Cronbach's alpha value is greater than 0.7. The following table displays the research variable construction loading values obtained through the use of the Smart PLS program:

Table 3. Construct Reliability and Validity

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Organizational Culture (X)	0.908	0.932	0.734
Employee Performance (Y)	0.952	0.959	0.723
Work Motivation (Z)	0.913	0.935	0.744

Source: Smart PLS 3.3.3

The construct value of all variables in table 3 is greater than 0.7, indicating the credibility of the Cronbach's alpha calculation. The build value in calculating composite reliability is greater than 0.6. This is also considered to be reliable, meaning that all variable constructs are considered reliable based on the reliability of the combined column. An additional method for evaluating discriminant validity is to look at the AVE value and the square root of AVE if one construct has a greater correlation than the other construct. Before the correlation test is carried out, the AVE value is considered valid if it is more than 0.7.

Inner Model Analysis

The structural model, also known as the internal model, is assessed to ensure its accuracy and reliability. Several indicators such as the following can be used to visualize the stages of structural model evaluation analysis:

1. Coefficient of Determination (R²)

Based on data processing carried out using the SmartPLS 3.0 program, the R Square value is obtained as follows:

Table 4. R Square Results

	R Square
Employee Performance (Y)	0.838
Work Motivation (Z)	0.803

Source: Smart PLS 3.3.3

There is an R square value in table 4 which is explained as follows: the R square value of the employee performance variable is 0.836 if changed to a percent value to 83.8%, meaning that the influence of organizational culture and work motivation is 83.8% and the rest is in other variables. The value of the work motivation variable is 0.803, if converted into a percent, the result is 80.3%, meaning the influence of organizational culture on work motivation is 80.3%, meaning the influence of organizational culture on work motivation is 80.3%. The R square value of the work motivation variable is 0.803. The influence of the organizational culture variable on work motivation is 80.3% and the rest is in other variables.

2. Goodness of Fit (GoF) Assessment

The goodness of fit of the model can be seen from the NFI fit figure ≥ 0.697 . Based on data cleaning completed using the SmartPLS 3 application, the Model Fit values were found as follows:

Table 5. Model Fit

	Saturated Model	Estimation Model
SRMR	0.067	0.067
d_ ULS	0.850	0.850
d_ G	1,160	1,160
Chi-Square	409,219	409,219
NFI	0.763	0.763

Source: Smart PLS 3.3.3

The NFI value of 0.763 indicates FIT, according to Table 6 of the PLS goodness of fit model analysis results. These findings support the assumption that the research model used in this study has a high goodness of fit and can be used well in evaluating research hypotheses.

3. Hypothesis Testing

After assessing the inner model, the next stage is to examine the proposed relationships between latent constructs in this research. This research's hypothesis testing

technique uses T-Statistics and P-Values. The hypothesis is considered accepted if the T-Statistics value is greater than 1.96 and the P-Value is less than 0.05. The following are the results of the direct influence path coefficient:

Table 6. Path Coefficients (Direct Influence)

	Original Sample (O)	T Statistics (O/STDEV)	P Values	Results
Organizational Culture (X) -> Employee Performance (Y)	0.398	4,166	0,000	Accepted
Organizational Culture (X) -> Work Motivation (Z)	0.896	46,239	0,000	Accepted
Work Motivation (Z) -> Employee Performance (Y)	0.542	5,711	0,000	Accepted

Source: Smart PLS 3.3.3

In table 6, the results of the direct influence of the explanation of this hypothesis are as follows:

1. Organizational culture has a positive and significant effect on employee performance with a value of 0.398 and a significant value of 0.000. This means that if the organizational culture is good, employee performance will increase, whereas if the organizational culture is bad, employee performance will decrease.
2. Organizational culture has a positive and significant effect on work motivation with a value of 0.896 and a significant value of 0.000. This means that if organizational culture improves, work motivation will increase. If organizational culture is not good, work motivation will decrease.
3. Work Motivation has a positive and significant effect on Employee Performance with a value of 0.542 and a significant value of 0.000. This means that if good motivation increases, employee performance will also increase, conversely, if good motivation decreases, employee performance will decrease.

Table 7. Path Coefficients (Indirect Influence)

	Original Sample (O)	T Statistics (O/STDEV)	P Values	Results
Organizational Culture (X) -> Work Motivation (Z) -> Employee Performance (Y)	0.485	5,629	0,000	Accepted

Source: Smart PLS 3.3.3

In table 7 the indirect influence will be explained as follows: Organizational Culture has a positive and significant influence on Employee Performance indirectly through Work Motivation with a value of 0.485 and a significant 0.000. This means that work motivation

is an intervening variable because it can indirectly influence organizational culture and employee performance.

CLOSING

Conclusion

1. Organizational culture has a positive and significant effect on employee performance with a value of 0.398 and a significant value of 0.000.
2. Organizational culture has a positive and significant effect on work motivation with a value of 0.896 and a significant value of 0.000.
3. Work Motivation has a positive and significant effect on Employee Performance with a value of 0.542 and a significant value of 0.000.
4. Organizational culture has a positive and significant effect on employee performance indirectly through work motivation with a value of 0.485 and a significant value of 0.000.

Suggestion

1. It is hoped that this research will be used as input for organizations to develop further and be able to correct organizational mistakes.
2. It is also hoped that this research will be useful for employees to improve employee performance to be even better.
3. Researchers hope that this research will be used as learning material for the future regarding organizational culture and motivation for employee performance.
4. For further research, it is hoped that this research will be used as reference material for new research with a similar title but with different models and calculations.

REFERENCES

- Afandi, P. (2018). *Manajemen Sumber Daya Manusia (Teori, Konsep dan Indikator)*. Riau: Zanafa Publishing.
- Edison, Emron., dkk. (2016) *Manajemen Sumber Daya Manusia*. Alfabeta. Bandung.
- Hafidzi. (2019). Pengaruh Motivasi Kerja Lingkungan Kerja Budaya Kerja Terhadap Kinerja Karyawan Dinas Sosial Kabupaten Jember. *Jurnal Penelitian Ipteks*. Vol. 4 No. 1.
- Hussein, A.S. (2015). *Penelitian Bisnis dan Manajemen Menggunakan Partial Least Square (PLS) dengan smartPLS 3.0*. Fakultas Ekonomi dan Bisnis Universitas Brawijaya.
- Riefky, M., & Hamidah, W. N. (2019). *Pemodelan SEM PLS pada Faktor-Faktor yang Mempengaruhi Kepuasan Layanan Mahasiswa Fakultas Ekonomi UNIPA Surabaya*.
- Sedarmayanti. 2016. *Manajemen Sumber Daya Manusia Reformasi Birokrasi Dan Manajemen Pegawai Negeri Sipil*. Bandung: PT. Refika Aditama.
- Sedarmayanti. (2017). *Perencanaan dan Pengembangan SDM untuk Meningkatkan Kompetensi, Kinerja dan Produktivitas Kerja*. PT Refika Aditama. Bandung.
- Sugiyono. (2017). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung : Alfabeta, CV.