

## Performance Optimization

**Drixen Alexander Mawuntu<sup>1</sup>, Muhammad Isa Indrawan<sup>2</sup>**

Universitas Pembangunan Panca Budi, Indonesia

\*Correspondence Email: [isaindrawan@dosen.pancabudi.ac.id](mailto:isaindrawan@dosen.pancabudi.ac.id)

### Abstract

This research was conducted to determine the influence of organizational culture and Employee Engagement on Employee Performance with Organizational Commitment as a Moderating Variable at the BPJS Employment Office, Medan City Branch and Sumbagut Regional Office. Organizations, both companies and government institutions, in carrying out their activities certainly need human resources that support efforts to achieve the goals set by the organization. The success of an agency/organization is not only determined by the facilities it has, but also the availability of reliable human resources. The results of this research are as follows: Organizational culture has a positive and significant effect on employee performance with an original sample value of 0.226 and an ap value of 0.015. Employee Engagement has a positive and significant effect on Employee Performance with an original sample value of 0.025. Organizational Commitment has a positive and significant effect on Employee Performance with an original sample value of 0.457 and ap value of 0.003. Organizational culture's influence on employee performance is moderated by organizational commitment with an original sample value of -0.218 and ap value of 0.045. Employee Engagement influences employee performance, moderated by Organizational Commitment with an original sample value of 0.098 and ap value of 0.228.

**Keywords:** Organizational Culture, Employee Engagement, Organizational Commitment, Employee Performance.

## INTRODUCTION

Every organization needs human resources who are physically and mentally healthy, have a good mentality, discipline, enthusiasm, abilities and expertise that are in accordance with the challenges and needs of the world of work. Therefore, companies must maintain their employees because employees are one of the company's important assets. Achieving the goals of a company or government institution has many elements that are important in fulfilling them, including the organizational culture applied in the company or government institution. The resources that have been available if not managed properly will not achieve the planned goals, so that in essence organizational culture is an inseparable part of the internal environment of the organization because the diversity of cultures in an organization is as much as the number of individuals in the organization. Each individual who is part of an organization has a different culture, because they have different cultural backgrounds, but all these differences will be merged into one in a culture, namely organizational culture, to become a group that works together to achieve organizational goals as previously agreed upon, but in the process it is possible that there are individuals who can accept it and also those who cannot accept it, which may be contrary to the culture they have. In addition to organizational culture, the employee engagement factor is one of the things considered by management. Employee engagement emerged as an effort to develop previous concepts such as employee job satisfaction, employee commitment, and employee organizational behavior. Having employees who are actively involved in the company indicates that the company has

a positive work climate. Organizational commitment is often associated with the state in which an employee siding with a particular organization and its goals and desires to maintain membership in the organization. The following are some definitions of organizational commitment according to experts. Organizational commitment is an important behavioral dimension that can be used to assess the tendency of employees to remain as members of the organization. Organizational commitment is a person's relatively strong identification and involvement with the organization.

### **Formulation of the problem**

1. Does Organizational Culture have a positive and significant influence on the Performance of BPJS Ketenagakerjaan Employees at the Medan City Branch and the North Sumatra Regional Office?
2. Does Employee Engagement have a positive and significant effect on the Employee Performance of BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office?
3. Does Organizational Commitment have a positive and significant effect on the Performance of BPJS Ketenagakerjaan Employees at the Medan City Branch and the North Sumatra Regional Office?
4. Does Organizational Culture have a positive and significant effect on Employee Performance moderated by Organizational Commitment at BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office?
5. Does Employee Engagement have a positive and significant effect on Employee Performance moderated by Organizational Commitment at BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office?

### **Research purposes**

1. To determine and analyze the influence of Organizational Culture on Employee Performance at BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office.
2. To find out and analyze the influence of Employee Engagement on Employee Performance at BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office.
3. To find out and analyze the influence of Organizational Commitment on Employee Performance at BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office.
4. To find out and analyze the Organizational Culture that has a positive and significant influence on Employee Performance moderated by Organizational Commitment at BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office.
5. To find out and analyze Employee Engagement has a positive and significant effect on Employee Performance at BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office.

## LITERATURE REVIEW

### Employee performance

Company performance can also be said to be good if there is a match between the workload given to each employee and the abilities possessed by the employee (Wibowo, 2016). Employee performance is the work achievement or work results, both in quality and quantity, achieved by an employee per unit of time period in carrying out his work duties in accordance with the responsibilities given to him. A company that has good performance if the company can achieve the company's goals.

### Employee Performance Indicators

According to Wibowo, (2016:) performance indicators are:

- a. Objective
- b. Standard
- c. Feedback.
- d. Tools or means
- e. Competence
- f. Motive
- g. Opportunity

### Organizational culture

Organizational culture is a habit that has been going on for a long time and is used and applied in work activities as one of the drivers to improve the quality of work of employees and company managers (Edison, 2016). According to Sedarmayanti (2017) organizational culture is an effective framework consisting of attitudes, values, norms of attitudes, and shared expectations experienced by members of the organization.

### Organizational Culture Indicators

According to Edison (2016), the indicators of organizational culture are:

1. Member Self Awareness.

Organizations consciously work to gain satisfaction from their work, develop themselves, obey the rules, and offer high quality products and services.

2. Member Aggression

Organizations set challenging but realistic goals. They establish work plans and strategies to achieve those goals and work on them enthusiastically.

3. Member Personality

Be respectful, friendly, open and sensitive to group satisfaction and pay close attention to aspects of customer satisfaction, both internal and external customers (every internal part must serve, not be served).

4. Member Performance

The organization has values of creativity, fulfilling quality, standard, and efficiency.

5. Team Member Orientation

The organization carries out good cooperation, as well as effective communication and coordination with the active involvement of members which in turn results in high satisfaction and shared commitment.

### ***Employee Engagement***

Employees who have high engagement are usually described as having high enthusiasm, energy, and loyalty, as well as strong commitment and pride in the organization. Employee engagement cannot be separated from the performance of the organization/company because employees are the driving force of the company itself (Febriansyah & Ginting, 2020). Employee Engagement is part of the subject of human resource management in organizational practices because it is considered to have an impact on the results, services, and operations of the organization. Employee engagement is defined as a positive state related to work that is characterized by enthusiasm, dedication, and absorption (Turner, 2020). Employee engagement is an important factor for the success of an institution or company and can provide a competitive advantage for the company.

### **Employee Engagement Indicators**

According to Febriansyah & Ginting (2020) it is as follows:

1. Growth is an opportunity for an employee to learn and grow.
2. Teamwork is feeling part of a team.
3. Management and support is having a feeling of success with their work, such as the opportunity to do their best.
4. Basic needs are needs that they must fulfill if they work, such as expectations.

### **Organizational Commitment**

According to Wibowo (2017) organizational commitment is the desire of some workers to remain members of the organization. Organizational commitment is a condition in which an employee has loyalty to the organization where he works so that the employee can identify himself as part of the organization and mobilize all his abilities in the hope of achieving the company's goals.

### **Organizational Commitment Indicators**

According to Wibowo (2017), indicators of organizational commitment are:

1. *Affective commitment* is an emotional complement and belief in the values of the organization.
2. *Continuance commitment*, is a feeling of residual economic value with the organization. Employees may have a commitment to an employer because they are well paid and feel they would hurt their family if they left their job.
3. *Normative commitment* is an obligation to remain in an organization for moral or ethical reasons. Employees who start a new initiative may stay with an employer because leaving would leave the employer in dire straits.

## Conceptual Framework

The conceptual framework in this research is as follows:

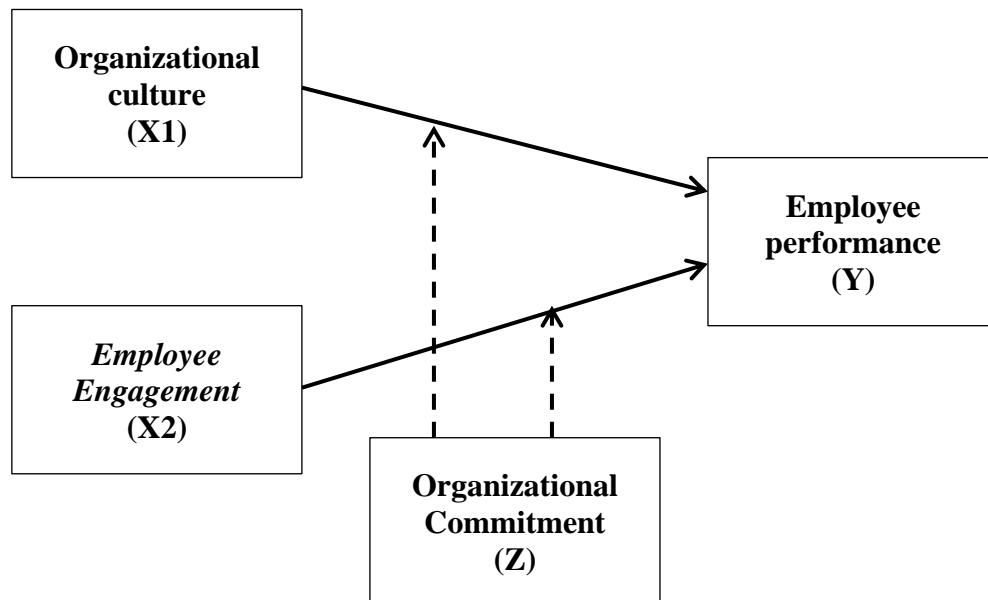


Figure 1. Conceptual Framework  
Source: Processed Data (2024)

## Research Hypothesis

- H1: Organizational Culture has a positive and significant effect on the Performance of BPJS Ketenagakerjaan Employees at the Medan City Branch and the North Sumatra Regional Office.
- H2: Employee Engagement has a positive and significant effect on the performance of BPJS Ketenagakerjaan employees at the Medan City Branch and the North Sumatra Regional Office.
- H3: Organizational Commitment has a positive and significant effect on the Employee Performance of BPJS Ketenagakerjaan, Medan City Branch and North Sumatra Regional Office.
- H4: Organizational Culture has a positive and significant effect on Employee Performance moderated by Organizational Commitment at BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office.
- H5: Employee Engagement has a positive and significant effect on Employee Performance moderated by Organizational Commitment at BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office.

## METHOD

### Types of research

The type of research is the form and procedure of research used, this research uses associative and quantitative research types, this method is used in research that has 2 or more

variables. This research is used to determine the influence of dependent and independent variables and their intervening variables. According to Ghozali (2016), associative research aims to determine the influence or relationship between two or more variables.

### **Research Population**

According to Ghozali (2016) population is the sum of all objects or individual units observed in the study. The population in this study were all employees of BPJS Ketenagakerjaan Medan City Branch and North Sumatra Regional Office totaling 70 people.

### **Samples and Sampling Techniques**

According to Sugiyono, (2017) a sample is a part of a population that is a source of data in a study, where the population is part of the number of characteristics possessed by the population. The sampling technique according to Sugiyono, (2017) is a sampling technique, to determine the sample to be used. Therefore, the sample used as research material is all the population in the organization, namely 70 employees and the research technique used is the saturated sampling technique.

### **Place and Time of Research**

This research is located at the BPJS Ketenagakerjaan Regional Office of Sumbagut / Medan located at Jalan Kapten Pattimura No. 334 Floor II, Medan 20153. This research began in July - October 2024.

### **Method of collecting data**

According to Sugiyono (2017) a questionnaire is a method of collecting data by providing written questions and statements to respondents to be answered. While secondary data comes from books and websites related to the problem to be discussed to be used as a guideline in research.

### **Data source**

The data sources used by researchers are primary data sources where the data will be collected directly via questionnaires. According to Sugiyono (2017), primary sources are data that directly provide data to data collectors.

### **Data Analysis Methods**

According to Imam Ghozali (2016) the PLS method is able to describe latent variables (not directly measurable) and is measured using indicators. Researchers use Partial Least Square because this study examines each existing indicator so that researchers can calculate the data in detail.

In statistical analysis of data using the PLS method. Here are the PLS method analysis techniques:

1. Outer model analysis

According to Husein (2015) outer model analysis is carried out to ensure that the measurements used are suitable for measurement (valid and reliable). There are several calculations in this analysis:

- a. Convergent validity is the factor loading value on the latent variable with its indicators. The expected value is  $> 0.7$ .
- b. Discriminant validity is the crossloading value of factors that are useful for determining whether a construct has adequate discriminant. The method is to compare the value of the intended construct which must be greater than the value of the other construct.
- c. Composite reliability is a measurement that if the reliability value is  $> 0.7$  then the construct value has a high reliability value.
- d. Average Variance Extracted (AVE) is the average variance which is at least 0.5.
- e. Cronbach alpha is a calculation to prove the results of composite reliability where the minimum value is 0.6.

## 2. Inner model analysis

In this model analysis is to test the relationship between latent constructs. There are several calculations in this analysis R Square is the coefficient of determination on endogenous constructs. According to Chin (1998) in Sarwono (2015) explains "the criteria for the limits of the R square value in three classifications, namely 0.67 as substantial; 0.33 as moderate and 0.19 as weak".

## 3. Hypothesis testing

In his book Husein (2015) hypothesis testing can be seen from the t-statistic value and probability value. For hypothesis testing, namely by using statistical values, then for alpha 5% the t-statistic value used is 1.96. So the criteria for accepting or rejecting the hypothesis are  $H_a$  is accepted and  $H_0$  is rejected when the t-statistic  $> 1.96$ . To reject or accept the hypothesis using probability,  $H_a$  is accepted if the p value  $< 0.05$ .

# RESULTS AND DISCUSSION

## Research Test

The test results show that there are four variables in the model that will be used in the research, as shown below:

### Evaluation of measurement model (outer model)

#### *Convergent Validity*

In this test, the loading factor limit value is 0.7 and the AVE limit value is 0.5, above which value is considered valid. The indicator is said to be valid if the value is  $> 0.7$  in explaining the construction variable. The structural model of this study can be seen in the following figure.

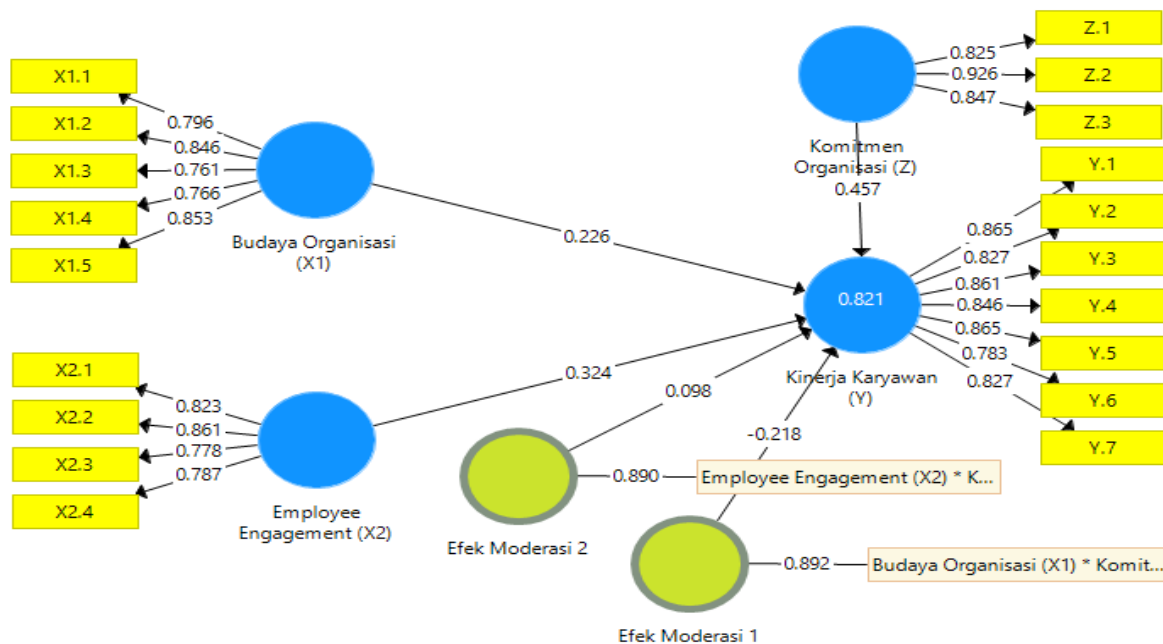


Figure 2. Research Model

Smart PLS output for loading factor gives the results in the following table: Outer Loadings In this study there is an equation and the equation consists of two equations.

$$Y = b_1X_1 + b_2Z + b_3X_1Z + e_1$$

$$Y = 0.226 X_1 + 0.457Z - 0.218 X_1Z + e_1$$

$$Y = b_2X_2 + b_3Z + b_4X_2Z + e_2$$

$$Y = 0.324X_2 + 0.457 Z + 0.098X_2Z + e_2$$

Table 1. Outer Loadings/Cross Loading

Organizational Culture (X1)	Employee Engagement (X2)	Employee Performance (Y)	Organizational Commitment (Z)
0.796			
0.846			
0.761			
0.766			
0.853			
	0.823		
	0.861		
	0.778		
	0.787		
		0.865	
		0.827	
		0.861	
		0.846	



		<b>0.865</b>	
		<b>0.783</b>	
		<b>0.827</b>	
			<b>0.825</b>
			<b>0.926</b>
			<b>0.847</b>

Source: Smart PLS 3.3.3.

In table 1, the value of each variable shows that the indicators in each variable have a value above 0.7, meaning that each aspect of the indicator has a value above 0.7 so that the data is considered valid for further research.

### *Discriminant Validity*

Discussion will be conducted regarding the findings of the discriminant validity test in this section. The cross loading value is used to test the discriminant validity. If the cross loading value on an indicator exceeds the value of another variable, it indicates discriminant validity. The cross loading value for each indicator is as follows:

**Table 2. Discriminant Validity**

	Organizational Culture (X1)	Employee Engagement (X2)	Employee Performance (Y)	Organizational Commitment (Z)
X1.1	0.796	0.668	0.611	0.617
X1.2	<b>0.846</b>	0.678	0.690	0.601
X1.3	0.761	0.677	0.619	0.639
X1.4	0.766	0.704	0.650	0.641
X1.5	0.853	0.783	0.682	0.744
X2.1	0.786	<b>0.823</b>	0.688	0.773
X2.2	0.806	<b>0.861</b>	0.834	0.807
X2.3	0.595	0.778	0.693	0.731
X2.4	0.634	0.787	0.651	0.670
Y.1	0.747	0.749	<b>0.865</b>	0.760
Y.2	0.733	0.732	0.827	0.700
Y.3	0.745	0.856	0.861	0.847
Y.4	0.630	0.715	0.846	0.658
Y.5	0.698	0.789	<b>0.865</b>	0.829
Y.6	0.639	0.685	0.783	0.629
Y.7	0.530	0.657	0.827	0.653
Z.1	0.705	0.755	0.693	0.825
Z.2	0.747	0.861	0.823	<b>0.926</b>
Z.3	0.644	0.771	0.743	0.847

Source: Smart PLS 3.3.3.

Based on table 2, the cross loading of each variable has a loading factor value that is greater than the cross loading value and a high loading factor between variables, so this test is considered valid in terms of discriminant validity, so that the next research stage can be carried out.

### Composite reliability

In composite reliability analysis, the reliability value of each variable is examined. Research is considered reliable if the variable value is more than 0.60, but not reliable if the value is below 0.60 to 0.7. There are several evaluation blocks that can determine the reliability and validity of research, such as Coanbach alpha, composite reliability, and AVE values listed in the table below.

**Table 3. Construct Reliability and Validity**

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Organizational Culture (X1)	0.864	0.902	0.649
Moderation Effect 1	1,000	1,000	1,000
Moderation Effect 2	1,000	1,000	1,000
Employee Engagement (X2)	0.829	0.886	0.661
Employee Performance (Y)	0.930	0.944	0.705
Organizational Commitment (Z)	0.834	0.901	0.752

Source: Smart PLS 3.3.3.

In table 3, it can be seen that all variable values in the Cronbach alpha column are greater than 0.7, indicating high data reliability for each variable. It is known that the composite reliability column has a value greater than 0.6, indicating that each variable is considered reliable because the data is above 0.6. It must be checked in the AVE column whether each variable has a value above 0.7, indicating the validity of the data by AVE. All variable values in the Cronbach alpha, reliability, and AVE columns are above 0.7 and 0.6, so they are considered reliable and valid.

### Inner Model Analysis

Inner model evaluation is conducted to ensure the strength and accuracy of the basic model created. Some markers considered in the primary model assessment are the stages of examination carried out.

### Coefficient of Determination (R2)

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

**Table 4. R Square Results**

	R Square	Adjusted R Square
<b>Employee Performance (Y)</b>	0.821	0.807

Source: Smart PLS 3.3.3.

There is an r square value of 0.821 with a percentage of 82.1%, meaning that the influence of Organizational Culture and Employee Engagement on employee performance is 0.821 or 82.1%, the rest is in other variables.

### Hypothesis Testing

After determining the inner model, the next step is to determine the relationship between idle build and the data in this case. Statistical analysis in this case study is done by looking at T-Statistics and P-Values. Speculation is used to find out whether the T-Insights value is  $> 1.96$  and P-Values  $< 0.05$ . Here is the impact of the Impact Road Coefficient slowly:

**Table 5. Results of the Moderation Hypothesis**

	Original Sample (O)	T Statistics (  O/STDEV  )	P Values	Results
<b>Organizational Culture (X1) -&gt; Employee Performance (Y)</b>	0.226	2,186	<b>0.015</b>	<b>Accepted</b>
<b>Moderation Effect 1 -&gt; Employee Performance (Y)</b>	-0.218	1,696	<b>0.045</b>	<b>Accepted</b>
<b>Moderation Effect 2 -&gt; Employee Performance (Y)</b>	0.098	0.747	<b>0.228</b>	<b>Rejected</b>
<b>Employee Engagement (X2) -&gt; Employee Performance (Y)</b>	0.324	1,960	<b>0.025</b>	<b>Accepted</b>
<b>Organizational Commitment (Z) -&gt; Employee Performance (Y)</b>	0.457	2,784	<b>0.003</b>	<b>Accepted</b>

Source: Smart PLS 3.3.3.

The results of the hypothesis above are as follows:

1. Organizational Culture has a positive and significant effect on Employee Performance with an original sample value of 0.226 and p values of 0.015. This means that if organizational culture increases, employee performance will also increase, conversely, if it decreases, employee performance will decrease.
2. Employee Engagement has a positive and significant effect on Employee Performance with an original sample value of 0.025. This means that if Employee Engagement increases, employee performance will increase, conversely if it decreases, employee performance will decrease.
3. Organizational Commitment has a positive and significant effect on Employee Performance with an original sample value of 0.457 and p values of 0.003. This means that if organizational commitment increases, employee performance will increase, conversely, if it decreases, employee performance will decrease.

4. Organizational Culture influences Employee Performance moderated by Organizational Commitment with an original sample value of -0.218 and p values of 0.045. This means that commitment is a moderating variable but organizational commitment weakens organizational culture on employee performance.
5. Employee Engagement has an effect on Employee Performance moderated by Organizational Commitment with an original sample value of 0.098 and p values of 0.228. This means that commitment is not a moderating variable in the second moderation effect because it is unable to have a significant effect.

## **CLOSING**

### **Conclusion**

1. Organizational Culture has a positive and significant effect on Employee Performance with an original sample value of 0.226 and p values of 0.015.
2. Employee Engagement has a positive and significant effect on Employee Performance with an original sample value of 0.025.
3. Organizational Commitment has a positive and significant effect on Employee Performance with an original sample value of 0.457 and p values of 0.003.
4. Organizational Culture influences Employee Performance moderated by Organizational Commitment with an original sample value of -0.218 and p values of 0.045.
5. Employee Engagement has an effect on Employee Performance moderated by Organizational Commitment with an original sample value of 0.098 and p values of 0.228.

### **Suggestion**

1. It is hoped that this research will be used as input for the organization so that it can be better than before.
2. Organizations must build a good and healthy organizational culture for the development of employee and organizational performance.
3. The organization must involve all employees and other staff in the organization.
4. It is hoped that this research can be used as reference material for further research.
5. It is hoped that this research can help new researchers and be used as a companion to other research with almost the same title.

## **REFERENCES**

- Djunaedi, A., Subiyakto, A., & Fetrina, E. (2017). Sistem Pendukung Keputusan Penilaian Kinerja Pegawai (Studi Kasus : Pt . Pln (Persero Distribusi Jakarta Raya Area Pondok Gede)). *Jurnal Sistem Informasi*, 10(1), 37–44.
- Ginting H, Febriansyah H. *Copenhagen Psychosocial Questionnaire (COPSOQ) III Omnibus Survei Faktor-Faktor Psikososial di Tempat Kerja*. 1st ed. Jakarta: Prenadamedia Group; 2020.
- Ghozali. (2016). *Structural Equation Modeling Metode Alternatif dengan Partial Least Square (PLS)*. Semarang: Universitas Diponegoro

- Kreitner, Robert dan Angelo Kinicki. 2014. *Perilaku Organisasi*. Edisi 9. Buku 1. Jakarta: Salemba Empat.
- Poltak Sinambela dan Sarton Sinambela. 2019. *Manajemen Kinerja Pengelolaan Pengukuran, dan Implikasi Kinerja*. Depok: RajaGratindo Persada.
- Robbins, Stephen P & Judge, Timothy A. 2013. *Organizational Behavior Edition 15*. New Jersey: Pearson Education
- Robinson et. al, (2004). *The Drivers of Employee Engagement Report 408*. UK: Institute for Employment Studie
- Sedarmayanti. 2017. *Sumber Daya Manusia dan Produktivitas Kerja*. Bandung: Mandar Maju.
- Singarimbun, M dan S. Effendi (Editor). 1989. *Metode Penelitian Survei*. LP3S, Jakarta
- Sugiyono. (2017). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung : Alfabeta, CV.
- Turner, D. P. (2020). *Sampling Methods in Research Design*. *Headache*, 60, 8-12. <https://doi.org/10.1111/head.13707>
- Wibowo, Endro dan Hardi Utomo. (2016). *Pengaruh Keselamatan Kerja dan Kesehatan Kerja Terhadap Kinerja dengan Kepuasan Kerja Sebagai Variabel Intervening*, Vol.9 No.17.