ORGANIZATIONAL CULTURE, ORGANIZATIONAL JUSTICE, EMPLOYEE PERFORMANCE, ORGANIZATIONAL COMMITMENTS IN BALI PROVINCE INCOME AREA

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ABSTRACT

Performance is the result of real work achieved by someone in carrying out the tasks given to him according to the criteria and objectives set by the organization. This study aims to determine the relationship between organizational culture, organizational justice and organizational commitment to employee performance in the Regional Revenue Board of Bali Province. The population used in this study were all employees at the Regional Revenue Board of Bali Province. The sampling method (sampling) in this study is proportionate sampling or sampling proportionally to each employee. Sample in this study amounted to 74 people. The data analysis technique used is Partial Least Square (PLS) using Smart PLS software.

The results of the study show that organizational culture and organizational justice have a significant positive influence on organizational commitment and employee performance. The results of this study also confirm the partial mediating role of organizational commitment in the relationship between organizational culture and organizational justice. Organizational justice has a dominant influence on employee performance through organizational commitment as a mediating variable.

Keywords: Organizational culture, organizational justice, organizational commitment and employee performance

I. INTRODUCTION

One of the factors that influence employee performance is organizational culture. Moeljono (2005: 21) defines organizational culture is a system of values that are believed by all members of the organization that are studied, applied and developed on an ongoing basis to function as a package system and can be used as a reference for behaving in an organization to achieve the stated company goals.

Organizational culture is a system of shared meanings shared by members of an organization that distinguishes the organization from other organizations (Robbins, 2008: 88). Organizational culture is a system of values obtained and developed by the organization and the basic patterns of habits and philosophies of its founders, which are formed into rules that are used as guidelines in thinking and acting in achieving organizational goals. A culture that grows to be strong can drive the organization towards better development.

Maulani, et al. (2013) states that there is an influence between organizational culture on employee performance has been proven. The opinion expressed by Tjahjadi (2001) reveals that a strong organizational culture will show a clear orientation for employees to carry out their duties. Weak organizational culture tends to result in employees not having a clear Qibla so that they choose to walk on their own which results in organizational performance being not optimal. So it can be concluded if a strong culture will have an impact on organizational performance and good personality on employees or employees. Whereas Ojo (2009) revealed that organizational culture
must be developed to support continuous employee performance improvement based on awareness of the quality of work of the employees themselves.

Organizational culture in addition to being a factor capable of influencing employee performance in theory and empirical studies can be concluded that organizational culture variables affect organizational commitment. So that the variable organizational commitment in this study acts as an intermediary or intervening variable between organizational culture and organizational justice on employee performance.

According to Robbins and Judge (2015) states that organizational culture has a relationship with organizational commitment. A good or strong reflection of organizational culture in an organization can be seen from the decline in employee turnover. Harmony of goals achieved between employees and the organization through organizational culture will build an organizational commitment in employees.

Organizational culture problems found in the Regional Revenue Agency of Bali Province include not being able to build interaction or adaptation well in work units such as the lack of a sense of togetherness or cooperation between contract employees and permanent employees so that it looks less optimal coordination between employees, other than that employees are less obedient to rules such as frequent absences of work or there are still some employees who do not obey the rules or norms that have been determined by the agency, do not carry out the task in accordance with their responsibilities or ignore the vision and mission set by the agency, causing performance to decline.

From the description above states that organizational culture has a significant effect on employee performance, while the results of research presented by Raka (2003) state that organizational culture does not directly influence employee performance. Ghani (2006) conducted a study with the results of the study stating that organizational culture did not have a significant positive effect on employee performance.

II. LITERATURE REVIEW

Satisfaction of the community to get services provided by the Regional Revenue Agency of Bali Province is very much determined by the performance of employees, but the level of absenteeism is still high, disobedience to the regulations, not working hours will have an impact on performance decline so that the services felt by the community very low. Based on this, performance supporting components are needed to improve employee performance including organizational culture, organizational justice, and organizational commitment.

Based on the previous explanation, there are still inconsistencies in the results of research on the influence of organizational culture and organizational justice on employee performance mediated by organizational commitment at the Bali Provincial Revenue Agency. This can be seen from the results of the study put forward by Raka (2003) stating that organizational culture does not directly influence employee performance. Ghani (2006) conducted a study with the results of the study stating that organizational culture did not have a significant positive effect on employee performance.

In addition to organizational culture, another factor that can affect employee performance is organizational justice. In accordance with the results of the study stated by Hidayah and Haryani (2013) shows that distributive justice variables affect the performance of BMT Hudatama Semarang employees and procedural justice affect the performance of BMT Hudatama Semarang employees. While Nugraheni and Wijayanti’s research (2009), distributive justice variables have more influence on performance than procedural justice variables.

Another factor that is able to influence employee performance is organizational commitment, this is in accordance with the results of the study put forward by Aris and Ghozali (2006) stating the factor of organizational commitment to the company is carried out with the aim of improving employee performance. The higher the commitment of employees or employees towards the organization can improve employee performance. Kristanto, (2015) stated organizational commitment had a significant positive effect on employee performance, while Maulani et al. (2013) revealed that there is a significant influence of organizational commitment on employee performance.

This study will explain the role of organizational culture and organizational justice in determining employee performance. In addition, this study will also examine the role of mediating
organizational commitment in determining the influence of organizational culture on employee performance and organizational justice on employee performance.

III. RESEARCH METHOD

This research approach is designed to answer the research questions that have been formulated and the objectives to be achieved, through hypothesis testing. The research design is the whole process needed in planning and conducting research (Nazir, 2013: 84). This research is an explanatory research (confirmatory research or confirmatory research) is a research that aims to analyze the relationship between one variable with another variable (Ferdinand, 2014).

In this study the questionnaire as the main research instrument was designed in this study to explain (explanation) the relationship of the variables studied, namely organizational culture, organizational justice, organizational commitment and employee performance.

IV. RESEARCH RESULT

Result

Convergent Validity

Organizational culture variables with indicators of Engagement (X1.1), Consistency (X1.1), Adaptability (X1.1), Mission (X1.1), have outer loadings values greater than 0.5 (> 0.5) which means that organizational culture meets the requirements of convergent validity. Adaptability (X1.1) is the strongest indicator of organizational culture variables because it has the largest outer loadings value, 0.976. This indicates that the Adaptability indicator (X1.1) is able to reflect the organizational culture variables as a whole.

Organizational justice variables measured by distributive justice indicators (X2.1), procedural justice (X2.2), interpersonal justice (X2.3), informational justice (X2.4), have outer loadings values greater than 0.5 (> 0.5) which means that organizational justice meets the requirements of convergent validity. Informational justice (X2.4) is the strongest indicator of the organizational justice variable because it has the greatest outer loadings value of 0.820. This indicates that informational justice (X2.4) is able to reflect the overall organizational justice variable.

The variable organizational commitment measured by indicators of affective commitment (Y1.1), ongoing commitment (Y1.2), normative commitment (Y1.3), has an outer loadings value greater than 0.5 (> 0.5) which means that variable organizational commitment meets the requirements of convergent validity. Affective commitment (Y1.1), is the strongest indicator of organizational commitment variable because it has the greatest outer loadings value, 0.831. This indicates that affective commitment (Y1.1) is able to reflect the organizational commitment variable as a whole.

Employee performance variables with indicators of Quality of Work (Y2.1), Timing (Pomptnees) (Y2.2), Initiative (Y2.3), Capability (Y2.4), Communication (Communication) (Y2.5), has an outer loadings value greater than 0.5 (> 0.5) which means that the employee performance
variable meets the requirements of convergent validity. Quality of work indicator (Y2.5), is the strongest indicator of employee performance variables because it has the greatest outer loadings value of 0.784. This indicates Quality of work (Y2.5), able to reflect performance variables employee as a whole.

**Discriminant Validity**

All four variables have AVE values above 0.5 and √AVE values are greater than the correlation coefficient between one variable with other variables, so it can be concluded that the data in this study have good discriminant validity.

**Composite Reliability**

All variables meet the composite reliability because it has a value above 0.70 that meets the reliable criteria.

**Hypothesis Testing**

Hypothesis 1 states that organizational culture has a positive effect on organizational commitment. The results of the parameter coefficient test between organizational culture and organizational commitment showed a positive and significant relationship with a coefficient value of 0.386 and a T-statistic value of 3.889. The t-statistic value is above the critical value of 1.96 so that (H1) organizational culture has a positive effect on organizational commitment, meaning the better the organizational culture will increase the commitment of the employee.

Hypothesis 2 states that organizational justice has a positive effect on organizational commitment. The results of the parameter coefficient test between organizational justice and organizational commitment showed a positive and significant relationship with a coefficient value of 0.352 and a T-statistic value of 2.938. The t-statistic value is above the critical value of 1.96 so that (H2) organizational justice has a positive effect on organizational commitment, which means the better application of organizational justice will increase the commitment of employees.

Hypothesis 3 states that organizational culture has a positive effect on employee performance. The results of the parameter coefficient test between organizational culture on employee performance showed a negative and significant relationship with a coefficient value of 0.315 and a T-statistic value of 2.396. The t-statistic value is above the critical value of 1.96 so that (H3) organizational culture has a positive effect on employee performance, which means the better the culture in the existing organization, the better the performance of the employee.

Hypothesis 4 states that organizational justice has a positive effect on employee performance. The results of the parameter coefficient test between organizational justice and employee performance showed a positive and insignificant relationship with a coefficient value of 0.441 and a T-statistic value of 3.017. The t-statistic value is above the critical value of 1.96 so that (H4) organizational justice has a positive effect on employee performance, which means the better application of organizational justice, the better the performance of the employee.

Hypothesis 5 states that organizational commitment has a positive effect on employee performance. The results of the parameter coefficient test between organizational commitment to employee performance showed a positive and significant relationship with a coefficient value of 0.241 and a T-statistic value of 1.971. The t-statistic value is above the critical value of 1.96 so that (H5) organizational commitment has a positive effect on employee performance, which means the better the existing organizational commitment will improve the performance of the employee.

Organizational commitment is able to mediate the indirect influence of organizational culture (X1) on employee performance (Y2). These results are shown from the mediation tests carried out appear c, d and a effect has a significant value. The results of this test determine that organizational culture (X1) can affect employee performance (Y2), through organizational commitment (Y1), can be proven empirically. Other information that can be conveyed is the mediating effect of organizational commitment variables (Y1), on the indirect influence of
organizational culture (X1) on employee performance (Y2). is partial mediation. Based on this it can be concluded that the better the organizational commitment with a good organizational culture, can also improve performance. employee at Bali Province Regional Revenue Agency This finding is a clue that the organizational commitment variable (Y1) not as a variable determining the influence of organizational culture (X1) on employee performance (Y2).

Organizational commitment is able to mediate positively and significantly on the indirect effect of organizational justice (X2) on employee performance (Y2). These results are shown from the mediation tests conducted showing that the effects of c, a and d have significant values. The results of this test determine that organizational justice (X2) can affect employee performance (Y2) through organizational commitment (Y2), can be proven empirically. Based on this it can be concluded that the better the existing organizational commitment with the application of good organizational justice can also improve the performance of employees at the Bali Provincial Revenue Agency. Other information that can be conveyed is the mediating effect of the Commitment variable (Y1) on the indirect influence of organizational justice (X2) on employee performance (Y2). is partial mediation. This finding is a clue that the variable Organizational Commitment (Y1) is not a determinant variable influencing organizational justice (X2) on employee performance (Y2).

Discussion

The results of testing the hypothesis states that organizational culture has a positive effect on organizational commitment, this means that the better the existing organizational culture will increase the commitment of employees to work. Organizational culture as measured by indicators of involvement (X1.1), consistency (X1.2), adaptability (X1.3), mission (X1.4) can increase organizational commitment. The results of this study are in line with research from Sari, and Wtjaksono, 2013, The Effect of Organizational Culture on Organizational Commitment through Employee Job Satisfaction. The results showed that organizational culture influences organizational commitment. Mustikasari, (2014).

Hypothesis testing results state that organizational events have a positive and significant effect on organizational commitment, this means that the better the application of organizational justice in the Bali Provincial Revenue Agency, the organizational commitment will increase from employees to work. Organizational justice as measured by distributive justice indicators (X2.1), procedural justice (X2.2), interpersonal justice (X2.3), informational justice (X2) can increase organizational commitment.

The results of testing the hypothesis states that organizational culture has a positive and significant effect on employee performance, this means that the better organizational culture that exists in the Regional Revenue Agency of the Province of Bali, it will improve employee performance. Organizational culture as measured by indicators of involvement (X1.1), consistency (X1.2), adaptability (X1.3), mission (X1.4) can improve employee performance. Another finding in this study is that organizational commitment is able to mediate the relationship between organizational culture and employee performance. The better the existing organizational culture and balanced with organizational commitment, will be able to improve employee performance.

The results of testing the hypothesis states that organizational events have a positive and significant effect on employee performance, this means that the better the application of existing organizational justice will improve the performance of the employee to work. Organizational justice as measured by distributive justice indicators (X2.1), procedural justice (X2.2), interpersonal justice (X2.3), informational justice (X2) can improve performance than employees at the Bali Provincial Revenue Agency. Another finding in this research is the organizational commitment to be able to mediate the effect of organizational justice on employee performance. The better the application of organizational justice and balanced with organizational commitment will be able to improve employee performance.

Hypothesis testing results state that organizational commitment has a positive and significant effect on employee performance, this means that the better organizational commitment in the Regional Revenue Agency of Bali Province will improve the performance of employees to work. Organizational commitment as measured by indicators of affective commitment (Y1.1), ongoing
commitment (Y1.2), normative commitment (Y1.3) can improve employee performance. The results of this study are in line with research from Winarja, et., Al. 2018.

Organizational culture that prioritizes adaptability can improve employee performance at the Bali Provincial Revenue Agency, this is reflected in improving employee performance achievements in the quality of their work. However, organizational culture has not been able to be the basis for employees to commit to the organization to improve performance.

Organizational justice that prioritizes informational justice can improve the performance of employees in the Bali Provincial Revenue Agency, however organizational justice that can improve employee performance will be more decisive if used as a basis for employees to commit. In other words, employees will be committed to work for the Regional Revenue Agency of the Province of Bali based on the sense of fairness they receive in working will provide greater results on significant achievements.

V. CONCLUSIONS AND RECOMMENDATIONS

Conclusions

Based on the discussion of research results, it can be concluded that the influence of organizational culture variables, organizational justice on employee performance with organizational commitment as mediating variables are:

1. Organizational culture has a significant positive effect on organizational commitment, this means that the better the existing organizational culture will increase the organizational commitment of the Regional Revenue Agency of the Province of Bali. Vice versa, the worse the existing organizational culture, the lower the organizational commitment of the Bali Provincial Revenue Agency.

2. Organizational justice has a significant positive effect on organizational commitment, this means that the better application of existing organizational justice will increase organizational commitment in the Bali Provincial Revenue Agency. Vice versa, the worse the application of organizational justice, the lower the organizational commitment of the Bali Provincial Revenue Agency.

3. Organizational culture has a significant positive effect on employee performance, this means the better the existing organizational culture will improve the performance of employees at the Regional Revenue Agency Bali province. Vice versa, the worse the existing organizational culture will also decrease the performance of these employees.

4. Organizational justice has a significant positive effect on employee performance, this means that the better application of existing organizational justice will improve employee performance at the Bali Provincial Revenue Agency. Vice versa, the worse the application of organizational justice, the employee's performance will also decrease.

5. Organizational commitment has a significant positive effect on employee performance, this means the better the existing organizational commitment will improve employee performance at the Bali Provincial Revenue Agency. Vice versa, the worse the existing organizational commitment, the employee's performance will also decrease.

Recommendations

Based on the conclusions above, the suggestions that can be submitted in this study are as follows:

1. In optimizing employee performance at the Provincial Revenue Board of Bali, they should pay more attention and improve the implementation of better employee performance. Therefore, efforts are needed to build and develop employee performance by prioritizing organizational culture on adaptability where this is not in accordance with reality in the field where the mission gets the highest average value. Thus the organizational culture of the Bali Provincial Revenue Agency is inadequate. The results of this study provide input to agencies to further improve adaptability and continue to pursue the mission, involvement and consistency so that employee performance increases.

2. In optimizing the performance of employees at the Provincial Revenue Agency of Bali Province, they should pay more attention and improve informational justice, therefore efforts should be made to improve organizational justice where this is not in accordance with the reality that occurs in the field, employees are more responding to indicators of interpersonal justice shown with the highest average value. Thus, organizational justice in the Regional Revenue Agency of Bali Province is inadequate. The results of this study provide input to
agencies to further enhance informational justice while continuing to seek interpersonal justice, distributive justice and procedural justice in order to improve employee performance.

3. In improving the performance of employees at the Regional Revenue Agency of Bali Province, it should pay more attention to the quality of work than employees. Where this is not in accordance with reality on the ground, the timeliness indicator gets the highest average value. The results of this study provide input to agencies to further improve the quality of work while continuing to work on timeliness, initiative, ability, and communication in order to improve employee performance better.

REFERENCES


