

The Influence of Organizational Culture on Employees Performance at Cv. Putra Saleh Anugrah in District Samosir

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Abstract— This study aims to determine and analyze the influence of organizational culture on employee performance at Cv. Putra Saleh Anugrah of Samosir Regency. Data analysis method is used simple correlation analysis method, simple linear regression analysis and *t*-test. The population and sample of this research are all employees at Cv. Putra Saleh Anugrah in Samosir regency with the total number of sample were 25 employees. Based on research analysis, it was found that $r_{count} = (0,936) > r_{table} = (0,413)$, it concluded that there is a significant relationship between Organization Culture (*X*) with Employees' Performance (*Y*) at Cv. Putra of Saleh Anugrah of Samosir Regency. The regression equation is $Y = 0.299 + 1.184X$. The significance of variable correlation is equal to 12,724. Then the value is compared with t_{table} with the error rate 5% $df = n-2 = 23$. The value of $t_{table} = 2.069$. In accordance with the requirements of hypothesis testing that $t_{count} = (12.724) > t_{table} (2.069)$ it is concluded that Organizational Culture (*X*) has a positive and significant effect on Employee Performance (*Y*) at Cv. Putra Saleh Anugrah Samosir District, hence the research hypothesis accepted.

Keywords— Organizational culture, Employee Performance.

I. INTRODUCTION

Organizational culture is a system of spreading trust, and values that develop within an organization and direct the behavior of its members. Organizational culture can be an instrument of a major competitive advantage, in which an organizational culture supports an organizational strategy, and an organizational culture can answer or address environmental challenges quickly and appropriately. Organizational culture affects all aspects of organizational life such as affecting employees' task satisfaction. Organizational culture not only affects the members of the

organization in acting, but also how they communicate, and behave in working. Organizational culture is one factor that can affect employee performance. The linkage to performance can be seen that culture creates high motivation and job satisfaction within the employees that will ultimately make the employees work earnestly, responsibly, and they will work in accordance with the existing organizational culture values system. The organizational culture is very important to be socialized for every member of the organization to make them be a good member of the organization, so that they do not feel strange to the situation and culture owned by the organization. In this case, the member of the organization is the person who carries out a series of activities in the organization. The way an employee carries out a task affects its performance, and ultimately influences the performance of the organization in which he or she performs. Performance itself has various characteristics, such as productivity, cost efficiency, work-time efficiency, and quality of work. Mondy, et al states (1995), employee performance can be seen from time standards, productivity standards, and cost standards. This research, cost standard is not applied, because the field under study does not use the cost in the work systems. Referring to the introduction, the author is interested in conducting a research entitled "The Influence of Organizational Culture on Employee Performance at Cv. Putra of Saleh Anugrah in Samosir Regency.

The Problem of the Research

Based on the background, the research problem is formulates as follow; Does organizational culture influence on employee performance at Cv. Putra Saleh Anugrah in Samosir Regency?

The Objective of the Research

The objective of this study is to find out the influence of organizational culture on the employee performance at Cv. Putra Saleh Anugrah in Samosir Regency.

II. LITERATURE REVIEW

Some definitions of organizational culture by experts, according to: Moeljono (2003) states that *"budaya korporat atau budaya manajemen atau juga dikenal dengan istilah budaya kerja merupakan nilai-nilai dominan yang disebar luaskan didalam organisasi dan diacu sebagai filosofi kerja karyawan"* "corporate culture or management culture or also known as work culture, it is the dominant values that are disseminated within the organization and referred to as employee work philosophy. Susanto (1997) argued that *"budaya organisasi sebagai nilai-nilai yang menjadi pedoman sumber daya manusia untuk menghadapi permasalahan eksternal dan usaha penyesuaian integrasi ke dalam perusahaan sehingga masing-masing anggota organisasi harus memahami nilai-nilai yang ada dan bagaimana mereka harus bertindak atau berperilaku"* "organizational culture as the values that guide human resources to face the external problems and business adjustment integration into the company so that each member of the organization must understand the values that exist and how they should act or behave " Robbins (2002) defines *"bahwa sebuah sistem pemaknaan bersama dibentuk oleh warganya yang sekaligus menjadi pembeda dengan organisasi lain"* "organizational culture as a system of shared meanings embraced by the members which differentiate the organization from other organizations " in addition, Robbins (2002) says *"bahwa tiap karakteristik ini berlangsung pada suatu satu kesatuan dari rendah ketinggi"* "that each of these characteristics takes place on a single entity from a low to high". By assessing the organization based on its seven characteristics obtain a compelling picture of organizational culture. This picture forms the basis for shared feelings shared by members about the organization, how the affairs are resolved within, and the way members are expected to behave.

The Function of Organizational Culture

In adapting to the external environment and sustaining its survival, as well as in carrying out internal integration, the culture performs a number of functions to address organizational member issues to adapt to the external environment by strengthening the understanding of members of the organization, the ability to realize against the mission and strategy, goals, ways, size and evaluation.

Culture also serves to overcome internal integration issues by increasing the understanding and ability of the organization's members to speak, communicate, deal or internal consequent, its power and rules, the relationships of organizational members (employees), as well as rewards and sanctions (Schein, 1992). Culture can be used as a source of inspiration, pride and resources that are then directed to become a driving force so as to produce an ability to form value added. Culture as a pattern of behavior is a picture of behavior, the behavior of members of the organization into a pattern. Then the patterned behavior is inherited to their children and grandchildren. Culture can also be used as a substitute for formalization, in which, the rules of association among fellow members of the organization are formed because of the habits that are mutually agreed as the rules that are not written. By the culture, it can be used as a mechanism of adaptation to the changes taking place. Robbins (2002) explains *"fungsi budaya organisasi berperan menetapkan batasan, menetapkan perbedaan yang jelas antara satu organisasi dengan lainnya, dimana ini bisa membawa suatu rasa identitas bagi para anggota, sehingga budaya mempermudah timbulnya komitmen pada sesuatu yang lebih luas daripada kepentingan individu"* "the function of organizational culture has a role to set limits, establish clear distinctions between one organization and another, which can bring a sense of identity for members, so that culture facilitates commitment to something wider than individual interests. By culture, the social system in the member society of the organization becomes steady and becomes social glue that helps unify the organization by providing the right standards for what employees should say and do. Culture also serves as a mechanism of meaning and control that guides and shapes attitudes and behaviors of employees. The varieties of cultures and its distinctive features are formed due to the influences of beliefs, attitudes, social relationships and solidarity of its members, it creates a distinct and unique type of culture among organizations with each other, in research Goffe & Jones in Robbins (2002) identifies four unique of cultural types:

- a. Culture Network (high on social relations, low on solidarity)

This organization sees its members as friends and family. Members of the organization know and love to provide assistance to others and provide open information. The dominant negative aspect of this model of culture is the focus on friendship but gives the effect of tolerating low performance and the occurrence of political play.

- b. Wage culture (low on social relations, high on solidarity)

This organization is really focused on the goal. Members of the organization are required to be goal-oriented. They have to do everything quickly. Focus on objectives, in which objectives can reduce the political factor. The impact of this cultural treatment is the lack of humane treatment on members of low performing organizations.

- c. Culture Fragment (low on social relations, low on solidarity)

This organization is created individually. Commitment is an important factor placed on the first element in all members of the organization and on the job task. The member of organizations are required to be productive and oriented to the quality of work. The dominant impacts that occur in organizational culture like this are mutual criticism among members and less closely the relationships between members of the organization.

- d. Communal culture (high on social relations, high on solidarity)

Assessments on friendship and performance, the members of the organization have a feeling of belonging but remain focused on achievement. The leaders of this organizational culture are very inspiring and charismatic with a clear vision for the future of the organization, but in organizational culture like this, a charismatic leader produces more pupils than followers, so the working climate is the occurrence of worship of its leader.

So, there are two dimensions that underline the organizational culture, first called social relations (sociability) is a measurement of friendship. Social relationships relate to a high orientation on human relationships, team orientation, and focus on process rather than outcomes. While the second is called solidarity, it is a measurement on task orientation associated with high attention to detail and high aggressiveness.

Formation of Organizational Culture

According to Robbins (2002), the culture of the organization does not form by itself, but the organizational culture is derived from the philosophy of its founder, then the unique culture influences the criteria used to employ employees, all actions of top management determine the general climate of acceptable and unacceptable behavior, then, it is socialized, in which success rates are achieved in matching the values of new employees with the

organization in the selection and preference of top management.

Understanding Performance

Performance "*kinerja*" is a word in Indonesian from derived from the base word "*kerja*" that is translated to a foreign language of achievement or results. Performance in the organization is the answer to the success or failure of the organizational goals that have been established.

Performance can be interpreted as the importance of a job, the level of skill required, progress and degree of completion of a job (Panggabean, 2002: 74). Meanwhile, according to Mangkunegara (2000: 67) "*Kinerja adalah hasil kerja secara kualitas dan kuantitas yang dicapai oleh seseorang karyawan dalam melaksanakan tugasnya sesuai dengan tanggung jawab yang diberikan kepadanya*" "Performance is the result of a work in quality and quantity achieved by an employee in performing his duties in accordance with the responsibilities given to him".

According to Miner (1990), performance is how someone is expected to function and behave in accordance with the tasks assigned to him. Any expectation of how one should behave in carrying out a task implies a role in the organization. An organization, both governmental organizations and private organizations in achieving the objectives set out, must be through means in the form of an organization that is driven by a group of people who play an active role as actors in an effort to achieve the goals of the institution or organization concerned (Prawirosentono, 1999). Performance according to Irianto (Sutrisno, 2010) is the achievement that someone gained in doing the task. Hasibuan (2001: 34) argues that "*Kinerja adalah suatu hasil kerja yang dicapai seseorang dalam melaksanakan tugas tugas yang dibebankan kepadanya yang didasarkan atas kecakapan, pengalaman dan kesungguhan serta waktu*" "Performance is a result of work achieved by someone in carrying out tasks assigned to him based on skills, experience and seriousness and time". According to Rivai (2004: 309) "*Kinerja merupakan perilaku yang nyata yang ditampilkan setiap orang sebagai Kinerja karyawan yang dihasilkan oleh karyawan sesuai dengan perannya dalam perusahaan*" "Performance is a real behavior displayed by every people, as employee performance is generated by employees in accordance with its role in the company ". From the statements given, it can be concluded that the performance is the level of achievement of results associated with the vision carried by the organization or company.

Factors Affecting Performance

The quality of work of employees directly affects the performance of the organization. Achieving optimal employee contribution, management must understand in depth the strategy to manage measure and improve performance.

According Mangkunegara (2000: 27) there are several factors that affect performance:

a. Capability factor

Psychologically, the ability of employees consists of the potential ability (IQ) and the ability of reality (education). Therefore, employees need to place on work in accordance with his or her skill

b. Factors of motivation

Motivation is formed from the attitude of an employee in facing the work condition. Motivation is a condition that moves employees directed to achieve the purpose of work. Mental attitude is a mental condition that encourages someone to try to achieve maximum job potential. Based on the above definition, the author draws the conclusion that performance is the quality and quantity of an individual or team-work out put in a particular activity caused by the natural ability or ability derived from the learning process and the desire to perform.

Performance assessment

Performance appraisal is the process of measuring employee performance. Performance appraisal is an oversight of one's qualities, in which, it is an organization's process of evaluating or assessing employee performance. Performance appraisal generally covers both qualitative and quantitative aspects of job performance.

According to Mathis (2002:81) "*Penilaian kinerja adalah proses evaluasi seberapa baik karyawan mengerjakan pekerjaan mereka ketika dibandingkan dengan satu set standar dan kemudian mengkomunikasikan informasi tersebut*" "Performance assessment is the process of evaluating how well employees do their work compared to a set of standards and then communicating that information".

Performance assessment can occur in two ways:

a. Informally

b. Systematically

Informal assessments are conducted at any time in which the employer feels the daily working relationships between managers and employees that provide an opportunity for employee performance to be assessed. This assessment is communicated through conversations during work, at leisure, or during examination of specific administrative work at the workplace. An informal assessment is well worth using especially if time becomes the point. The

longer a feedback is delayed, the less likely it is to motivate a behavioral change. Frequent informal feedback to employees can also prevent surprises when formal appraisals are communicated.

According to Heidrahman and Suad Husnan (2000: 126) performance factors that need to be assessed are as follows:

a. The Quantity of Work

The number of work results in accordance with the existing working times, which need to be considered, not the routine results but how fast the work can be completed.

b. The Work quality

Quality of work based on established standards. Usually measured through accuracy, skills, and cleanliness of the work.

c. Reliability

Whether or not a dependable employee is able to meet or follow instructions, initiatives, caution, diligent, and cooperation.

d. Initiative

The ability to recognize problems and take corrective action, provide suggestions for upgrading and accepting solving responsibilities.

e. Diligent

Willingness to perform tasks without coercion and also as a routine.

f. Attitude

Employee behavior towards company, employer or co-worker.

g. Presence

The existence of employees in the workplace to work in accordance with the time / hours of work that has been determined.

The Benefits of Performance Assessment

From the employee's point of view, performance appraisals are useful for giving employees the information of how he/she has done the job and knowing his weaknesses, it also informs what to do next to change work behavior in order to estimate the likelihood of getting compensation, determining a salary increase, determining the sequence of employee dismissals, determining the virtues of rank and promotion, helping to plan the training program as well other more rising rewards in the future.

According to Tulus (2005:127) the point of view of the performance appraisal institution has four benefits:

- a. "To obtain a basis for promotional decision making, transfer, demotion or demotion and termination of employment.

- b. As a criterion for the validity of selection tools and training programs.
- c. To allocate rewards to employees.
- d. To ensure feedback for individuals who can support their development and careers and thereby ensure the effectiveness of institutions "

Performance Elements

According to Siswanto (2005: 194) the assessor should establish an assessment whereby the assessment criteria include in the elements of the performance:

- a. Cooperation
- b. Responsible
- c. Discipline
- d. Leadership
- e. Work quality

Hypothesis

Based on the problems formulated, the hypothesis is "Organizational culture has a positive and significant effect on employee performance at Cv. Putra of Saleh Anugrah in Samosir Regency.

III. RESEARCH METHODOLOGY

Sugiyono (2005: 72) Population adalah "wilayah generalisasi yang terdiri dari objek/subjek yang mempunyai kualitas dan karakteristik tertentu yang ditetapkan oleh peneliti untuk dipelajari dan kemudian ditarik kesimpulannya (generalization region consisting of objects / subjects that have certain qualities and characteristics set by researchers to be studied and then drawn conclusions) The population in this research is all employees at Cv. Putra Saleh Anugrah in Samosir regency with total number of sample was 25 employees. Sugiyono (2005: 83) "*Sampel adalah bagian dari jumlah dan karakteristik yang dimiliki oleh populasi tersebut* (The sample is part of the number and characteristics possessed by the population) Sample determination technique used in this research is saturated sampling technique. All members of the population are used as samples. So, the samples in this study were 25 employees. Data collection technique used was the observation and questionnaire. The method of analysis used was Simple Regression Analysis, Significance Analysis of product moment coefficient correlation (t-test).

IV. RESULT AND DISCUSSION

Correlation Coefficient Analysis

Calculation of correlation analysis was done by considering the questionnaire of each variable.

Table.1: Correlation Coefficient

		X	Y
Pearson Correlation	Y	1.000	.936
	X	.936	1.000
Sig. (1-tailed)	Y	.	.000
	X	.000	.
N	Y	25	25
	X	25	25

Based on table, comparing r_{count} for decision which r_{table} obtained equal = 0,413. Based on the above data then $r_{\text{count}} = (0.936) > r_{\text{table}} = (0,413)$ concluded that there is significant relationship between Organization Culture (X) on Employee Performance (Y) at Cv. Putra of Saleh Anugrah in Samosir Regency.

Simple Linear Regression Analysis

To analyze the influence of Organization Culture (X) on Employee Performance (Y) at Cv. Putra Saleh Anugrah Samosir regency, it is necessary to calculate the regression analysis. By using SPSS program version 16.0.

Table.2: Coefficients

Model	UC		SC	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	.299	2.466		.121	.905
Organization al culture	1.184	.093	.936	12.724	.000

- a. Dependent Variable:
Employee performance

Based on the table obtained a simple linear regression equation as follows:

$$Y = a + bX$$

$$= 0.299 + 1.184X$$

The above regression equation was explained that if Organizational Culture or $X = 0$, then the value of Employee Performance or $Y = 0.299$.

Hypothesis testing (t-test)

To test the hypothesis, t-test was used to know the extent of significance influence of variables. The result of hypothesis testing partially using SPSS version 16.0 as follows:

Based on the table. 2 above obtained variable correlation significance are equal = 12.724. Then the value was compared to r_{table} with the error rate 5% $df = n-2 = 23$. The

value of $t_{table} = 2.069$. In accordance with the terms of testing hypothesis that $t_{count} = (12,724) > t_{table} = (2.069)$ concluded that Organizational Culture (X) has a positive and significant influence on Employee Performance (Y) at Cv. Putra Saleh Anugrah in Samosir Regency. Research hypothesis is accepted.

V. CONCLUSION

After Analyzing data the following conclusions are derived.

- The data obtained from the questionnaires distributed to the sample of 25 people, it was obtained that the results $r_{count} = (0.936) > t_{table} = (0.413)$ concluded that there is a significant relationship between Organizational Culture (X) with Employee Performance (Y) at Cv. Putra of Saleh Anugrah of Samosir Regency.
- The regression equation is $Y = 0.299 + 1.184X$. The above regression equation explained that if Organizational Culture or $X = 0$ then the value of Employee Performance or $Y = 0.299$.
- The significance of variable correlation is equal to 12,724. Then the value is compared t_{table} with the error rate 5% $df = n-2 = 23$. The value of $t_{table} = 2.069$. In accordance with the requirements of hypothesis testing that $t_{count} = (12.724) > t_{table} = (2.069)$ can be concluded that Organizational Culture (X) has a positive and significant effect on Employee Performance (Y) at Cv. Putra Saleh Anugrah Samosir District, hence the research hypothesis is accepted.

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