

Cultural organization, working environment, compensation, and employee performance: the commitment of organization as intervening variable

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ABSTRACT

This study aims to find the effect of the independent variables on the dependent variable through intervening variables. The population in this study was 529 people, all permanent employees of PT. Kedaton Mulia Primas. The results of data management using the slovin formula can be concluded that the number of samples in this study is part of the number of permanent employees of 84 people. There are five types of variables that will be used in this study organizational culture (X1), work environment (X2), compensation (X3), performance (Y) and organizational commitment (Z). This research uses SEM analysis and Smart PLS version 3.0 application. Partial Least Square (PLS) with a quantitative approach through distributing questionnaires with 65 statements of indicators can be seen from the AVE value Organizational culture $0.624 > 0.5$ Valid, Work environment $0.581 > 0.5$ valid, Compensation $0.702 > 0.5$ valid, Employee Performance $0.702 > 0.5$ valid, and Organizational Commitment $0.656 > 0.5$ valid, so overall there is a positive effect between variables.



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INTRODUCTION

In a company or organization, employees are very important assets because without employees, the company or organization will be difficult to achieve its goals. The ability of an individual to do his job depends on what they have done and they get, so that employee performance will affect the level of employee productivity, where work productivity will affect the level of success or progress of the organization.

PT. Kedaton Mulia Primas is a company engaged in palm oil, established in 2008 which is located at JL. Lintas Muara Tembesi-Sarolangun, Durian Luncuk Village, Batin XXIV District, Batang Hari Regency, Jambi Province. PT KMP has its own plantation and palm oil mill with a capacity of 30 tons/hour, land area of 28.63 (ha) and farmer's land ownership of 2-6 ha is only 80% for 6-10 only 20% (2.86 ha/perpetani) Farmer Acceptance Standard Rp.41,600,000 ha/year, Total Production (kg) 1,305,528, Crude Palm Oil Price Rp.9,700/kg, Palm Kernel Price Rp. 6.157/kg, Fresh Fruit Bunches Rp. 1,600 Kg and Age of palm 7-8 years Production above the standard 26 tons/ha/year.

According to Barry Phegan, 2013 organizational culture is widely known as the foundation of management systems and activities in every organization. Organizational culture is seen as shared values and behavioral norms that are believed and adhered to by members of the organization. In a

company, it is still often found that there are employees who often arrive late for work and are absent from work, there are some employees who do not follow the rules correctly, employees who are passive towards work, employees who are not on time in completing their work and there are still some employees who are not working properly. employees who leave work during working hours without valid information. This means that the organizational culture created by the company has not been realized by its employees, only in writing but not in practice. PT Kedaton Mulia Primas can be seen from the level of absenteeism that goes up and down and the lack of awareness of employees.

According to Anorogo and Widiyanti (2012:29) the work environment can be categorized into two things, namely the non-physical and physical work environment. namely an employee's desire for work for adequate pay, security, work, hope, economically, opportunities for advancement, wise leadership, and cohesive colleagues. The non-physical work environment greatly affects employee job satisfaction where if the circumstances or situations around employees are conducive to work, colleagues are easy to work with and the relationship with superiors is good, employees will enjoy their work and can improve performance in that place. Meanwhile, PT Kedaton Mulia's situation Primas Accident rates for workers are increasing and the relationship between superiors and subordinates is in disagreement regarding the existence of a warning letter given by the company.

According to Hasibuan (2012:62) the amount of compensation reflects the status, recognition and level of fulfillment of needs enjoyed by employees and their families. A timely compensation system will have a fairly good effect on employee satisfaction. Compensation given to employees is very important, because the size of the compensation is a measure of the level of employee performance, so if the compensation system provided by the company is fair enough for employees, it will motivate employees to do their jobs better and be more responsible for each task assigned. organization. Compensation is constrained by the minimum wage in Jambi Province where there are also employees who receive salaries below the UMP standard.

Another thing that affects employee performance is organizational commitment. Organizational commitment is an attitude that shows employee loyalty and an ongoing process of how an organization member expresses their concern for the success and goodness of their organization (Fauzi, 2016: 3). Employees with high commitment can be expected to show optimal performance. Based on the description of the background and previous research, the authors are interested in re-examining the variables that affect employee performance, namely "The Influence of Organizational Culture, Work Environment and Compensation on Employee Performance through Organizational Commitment as an Intervening Variable"

LITERATURE REVIEW

Employee Performance

Gibson, Donnelly, and Ivancevich (1994) that performance refers to the level of success in carrying out tasks and the ability to achieve the goals that have been set, as a behavior or activity displayed by a person in relation to company tasks. Performance is the result achieved or something done in the form of products or services provided by a person or group of people, thus performance can be seen from two sides, namely individuals and organizations (Laniwidyanti, 2010:217). Bernardian and Russel (1995) in Laniwidyanti (2010:217) propose six primary criteria that can be used to measure performance: 1) Quality, is the degree to which the process or results of implementing activities are close to perfection or close to the expected goals. 2) Quantity is the amount produced, for example the number of rupiah, the number of units. 3) Timeliness, is the degree to which an activity is completed at the desired time by taking into account the coordination of other outputs and the time available for other activities. 4) Cost effectiveness, is the extent to which the use of organizational resources (human, financial, technological, material) is maximized to achieve the highest price or reduction of losses from each unit of resource use. 5) Need for supervision, is the degree to which a worker can carry out a job function without requiring the supervision of a supervisor to prevent undesirable actions. And 6) Interpersonal

impact, is the degree to which employees maintain self-esteem, good name and cooperation among co-workers and subordinates.

Organizational Culture

According to Kreitner and Kinicki (2001) Organizational culture is the values that are considered important and believed to be true by every member of the company to be used in solving external and internal problems that occur within the company. Spencer and Spencer (1993: 15), Organizational Culture can be divided into two categories, namely: 1) Internal: unites all members, relates and cooperates with each other, develops a shared identity, can work together effectively and efficiently, and communicates within the organization. 2) External: unifying goals and reaching agreement with outsiders, organizational cultural values help respond quickly to consumer needs or reduce competition with outsiders, and culture binds employees to come together and unite to create a common organizational community

Work Environment

According to Sedarmayanti in (Wulan book 2012:119) an employee is able to carry out his activities well, so that an optimal result is achieved, if it is supported by an appropriate working environment condition. An environmental condition is said to be good or appropriate if humans can carry out their activities optimally, healthy, safe, and comfortable. The work environment in a company needs to be considered, this is because the work environment has a direct influence on employees. According to Sedarmayati (2012) the indicators of the work environment are as follows, namely: 1) Physical Work Environment: air circulation, lighting and lighting, music in the workplace, cleanliness, safety in the workplace, 2) Non-Physical Work environment: relationships with superiors, relationships with fellow co-workers, relationships with subordinates.

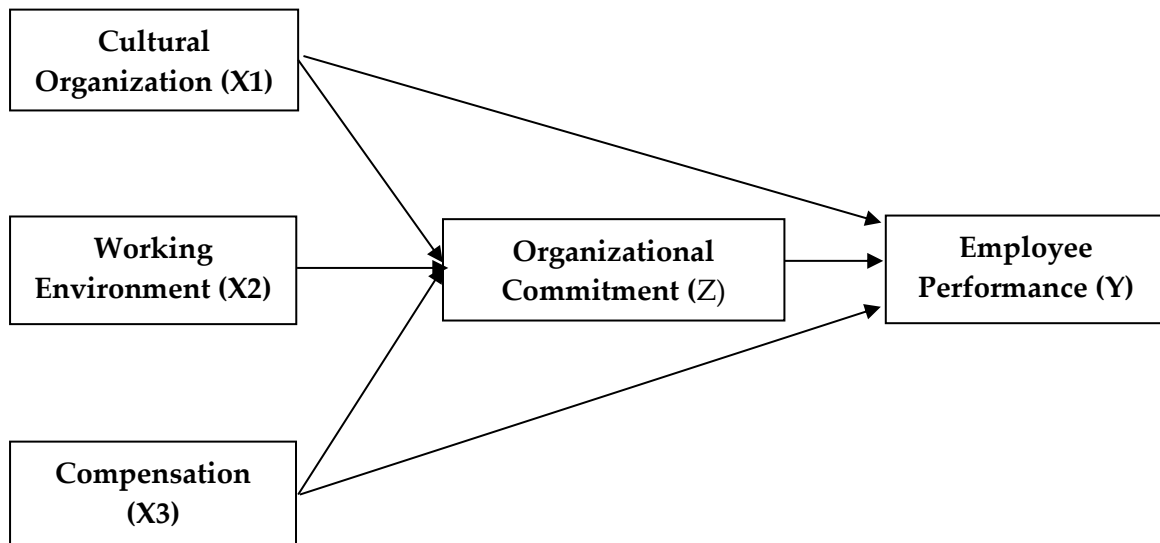
Compensation

According to Wilson Bangun (2012) compensation is something that employees receive for the services they contribute to their work. They donate what they think is valuable, both labor and knowledge. A worker as a bearer of goods feels that their physical strength is something that is valuable for them to contribute to their work. Something valuable for employees is the knowledge and skills possessed as a basis for claiming their rights as workers. According to Veithzal Rivai (2012) Compensation is based on two categories, namely: 1) Financial Compensation: salary, remuneration in the form of money received by employees as a consequence of their position as an employee, bonuses, lump sum payments given for meeting performance targets, incentives are direct rewards paid to employees because their performance exceeds the specified standard, 2) Non-Financial Compensation: insurances, benefits, and severance pay or pensions.

Organizational Commitment

According to Allen and Meyer 2001, organizational commitment is emotional attachment, identification and involvement of individuals with the organization and the desire to remain a member of the organization (personal characteristics of workers, job characteristics, work experience). Mubarak (2016:4) defines organizational commitment as an attitude that reflects employee loyalty to the organization and a continuous process in which members of the organization express their concern for the organization and its success and continuous progress.

Research Framework



Hypothesis

- H1 = There is an influence of organizational culture on employee performance through organizational commitment as an intervening variable
- H2 = There is an influence of the work environment on employee performance through organizational commitment as an intervening variable
- H3 = There is an effect of compensation on employee performance through organizational commitment as an intervening variable.
- H4 = There is an influence of organizational culture, work environment and compensation on employee performance through organizational commitment as an intervening variable.

METHOD

This study will use a quantitative and descriptive approach, because the data obtained from the results of events that have already taken place, so that researchers only reveal facts based on the measurement of symptoms that already exist in respondents (Suharsimi, 2010). Quantitative research is a research method based on the philosophy of positivism, which is used to examine certain populations or samples (Sugiyono, 2017). This study aims to find the effect between the independent variables of organizational culture, work environment, and compensation on the dependent variable, namely employee performance through organizational commitment as an intervening variable.

The place or location of this research was conducted at PT. Kedaton Mulia Primas is located on the Sarolangun-Jambi causeway, Durian Luncuk Village, Batin XXIV District, Batang Hari Regency, Jambi City. The research was carried out for 6 months starting from December 2020 to May 2021. The variables of this study consisted of the independent variable (X), the dependent variable (Y) and the intervening variable (Z) each variable, namely: X1 Organizational Culture, X2 Environment Work, X3 Compensation, Y Employee Performance, and Z Organizational Commitment. The population of this study was 529 people, all permanent employees of PT. Kedaton Mulia Primas, but after using the slovin formula, a sample of 84 people was obtained.

This research instrument uses a Likert scale. Data collection techniques through observation, distributing questionnaires to employees, and interviews. Questionnaires that have been made previously must be validated and instrument reliability. The data analysis technique used is Structural Equation Modeling (SEM) with Smart PLS software. The blueprint for this research is as follows:

Table 1. Research Blueprint

| No | Variable | Dimension | Indicator | Scale |
|----|---|---|--|------------------|
| 1 | Organizational Culture (X1) (Robbins,2008) | <ol style="list-style-type: none"> 1. Innovation and risk taking 2. Attention to detail 3. Result Orientation 4. Individual orientation 5. Team orientation 6. Aggressiveness 7. Stability | <ol style="list-style-type: none"> 1. Involve members in decision making 2. Freedom to innovate 3. Expressing ideas 1. The boss conveys the organizational goals in detail 2. Detailed lesson plan information 3. Instructions on the work to be done 4. Do the job right. 1. Evaluate work results regularly. 2. Able to meet predetermined targets. 3. Meet the work standards that have been set. 1. Created harmonious relationship between co-workers. 2. Creating a harmonious relationship between leaders and members. 3. There is a bonus for a job well done. 1. Members put the interests of the group first. 2. There is camaraderie among team members 3. There is coordination between one group and another. 4. There is coordination between team members 1. Organizations are able to foster the spirit of organizational members 2. Cultivate a sense of competition to achieve achievement 3. Motivating organizational members to achieve achievements 1. Work procedures are set by the organization 2. Work standards that have been set by the organization 3. Organizations provide job-related information | Scale Likert 1-5 |
| 2 | Environment Work (X2) (Sedarmayanti 2017) | <ol style="list-style-type: none"> 1. Physical Environment | <ol style="list-style-type: none"> 1. Air Circulation 2. Lighting and Lighting 3. Music at work 4. cleanliness 5. Safety at work | Scale Likert 1-5 |

| | | | | |
|---|---|--|---|------------------|
| | | 2. Non-Physical Environment | 1. Relationship with superiors 2. Relationships with co-workers 3. Relationship with subordinates | |
| 3 | Compensation (X3) (Veithzal Rivai 2012) | 1. Financial Compensation 2. Non-Financial Compensation | 1. Salary 2. Bonus 3. Incentive 1. Insurances 2. Allowances 3. Severance pay or pension | Scale Likert 1-5 |
| 4 | Employee performance (Y) (Mangkunegara 2012) | 1. Working quantity 2. Quality of work 3. Work experience 4. Personal qualities 5. Cooperation | 1. Work result 2. The volume of work that can be completed 1. Accuracy 2. Neatness 3. Accuracy at work 1. Knowledge of work 2. Responsibilities at work 3. Cooperation 1. Appearance 2. Personality 3. Attitude 4. Leadership 5. Integrity 6. Social skills 1. Collaboration with co-workers 2. Collaboration with superiors 3. Cooperation with subordinates | Scale Likert 1-5 |
| 5 | Organizational Commitment (Z) (Allen Meyer 2002) | 1. Effective commitment 2. Continuing Commitment 3. Normative Commitment | 1. There is a sense of belonging to this organization 2. Proud to be a part of this organization 3. Proud to work in this organization 4. Happy when you can spend your career 1. Needs work done right now 2. Comfortable doing the work given by the organization 3. Motivated to get compensation for work done 1. There is a sense of satisfaction with the work that has been given by the organization 2. Can work according to organizational expectations 3. There is a strong desire to remain part of the organization | Scale Likert 1-5 |

| | | | | |
|--|--|--|---|--|
| | | | 4. Take responsibility for the work assigned by this organization | |
|--|--|--|---|--|

RESULT AND DISCUSSION

In this study, the respondents selected were employees of PT Kedaton Mulia Primas, amounting to 84 people. The amount is obtained from the calculation of the sampling and can be concluded through the slovin formula the researcher took 84 permanent employees. This study aims to analyze the relationship between the characteristics of the respondents studied with employee performance through organizational commitment as an intervening variable. Respondents covering three aspects, namely gender, age and years of service. The characteristics of respondents can be described as follows:

Characteristics by Gender

Based on gender, respondents can be grouped as in the following table:

Table 2. Respondents by Gender

| No. | Gender | Frequency | Percentage |
|---------------|--------|-----------|--------------|
| 1. | Man | 58 | 69% |
| 2. | Women | 26 | 31% |
| Amount | | 84 | 100 % |

Source: primary data processed (2021)

Based on table 2, it can be seen that the largest number of respondents were male respondents, namely 58 people or 69% and female respondents were 26 people or 31%. So it can be said that the average employee of PT. Male-dominated Kedaton Mulia Primas in Jambi city. Characteristics of respondents based on gender are classified into two, namely male and female. With the number of respondents as many as 84 people.

Characteristics by Age

Based on age, respondents can be grouped as in the following table:

Table 3. Respondents by Age

| No. | Age | Frequency | Percentage |
|---------------|---------|-----------|--------------|
| 1 | 22 - 25 | 13 | 15,5 % |
| 2 | 26 - 30 | 21 | 25 % |
| 3 | 31 - 35 | 28 | 33,3 % |
| 4. | 36 - 40 | 10 | 11,9 % |
| 5. | > 41 | 12 | 14,3 % |
| Amount | | 84 | 100 % |

Source: primary data processed (2021)

Based on table 3, it can be seen that the largest number of respondents are respondents aged between 31-35 years, namely 28 people or 33.3%. While respondents aged 22-25 years were 13 people or 15.5%, respondents aged 26-30 years were 21 people or 25%, respondents aged 36-40 years were 10 people or 11.9%, and the rest were aged more than 41 years as many as 12 people or 14.3% only. So it can be said that the average employee of PT. KedatonMulia Primas is 31-35 years old. Characteristics of respondents based on age are divided into 5 categories, ranging from 22-25 years, 26-30 years, 31-35 years, 36-40 years, and over 41 years. With respondents as many as 84 people.

Characteristics Based on Working Period

Based on the period of service, respondents can be grouped as in the following table:

Table 4. Respondents Based on Working Period

| No. | Years of service | Frequency | Percentage |
|---------------|------------------|-----------|--------------|
| 1. | 4 month - 2 year | 18 | 21,4 % |
| 2. | 2 year - 5 year | 27 | 32,1 % |
| 3. | 5 year - 8 year | 13 | 15,5 % |
| 4. | 8 year - 12 year | 17 | 20,2 % |
| 5. | > 12 year | 9 | 10,7 % |
| Amount | | 84 | 100 % |

Source: primary data processed (2021)

Based on table 4, it can be seen that the largest number of respondents are respondents whose tenure is between 2 - 5 years, namely as many as 27 people or 32.1%. While respondents who worked 4 months – 2 years a year were 18 people or 21.4%, respondents who worked 5-8 years were 13 people or 15.5%, respondents who worked 8-12 years were 12 people or 20.2%, and the rest of the respondents whose tenure was over 12 years were 9 people or 10.7% only. So it can be said that the average working period of PT. Kedaton Mulia Primas, which is between 2 – 5 years. The characteristics of respondents based on years of service of employees are divided into 5 categories, ranging from 4 months – 2 years, 2-5 years, 5-8 years, 8-12 years, and more than 12 years. With respondents as many as 84 people.

Validity and Reliability Test Results

Based on the calculation results, the validity test shows that the variables of Organizational Culture, Organizational Commitment, Work Environment, Compensation, and Employee Performance were carried out on 20 respondents to employees, all per item indicator. Can be declared valid and positive value because $r_{count} > r_{table}$ (> 0.444). While the reliability test can be seen that the correlation between the work environment variable scores (X2) the value of the Cronbach Alpha coefficient is 0.935 and $n = 20$ $r_{table} 0.444$ for a significant level = 5% means the variable $r_{count} 0.935 > r_{table} 0.444$ then the questionnaire as a measurement tool in this study has met the requirements of reliability. So that it can be used as a measuring tool for further analysis at PT Kedaton Mulia Primas Durian Luncuk Kotas Jambi. The score of the compensation variable (X3) the value of the Cronbach Alpha coefficient is 0.686 and $n = 20$ $r_{table} 0.444$ for a significant level = 5% meaning the variable $r_{count} 0.686 > r_{table} 0.444$ then the questionnaire as a measurement tool in this study has met the reliability requirements. So that it can be used as a measuring tool in the next analysis. Employee performance (Y) the value of the Cronbach Alpha coefficient is 0.922 and $n = 20$ $r_{table} 0.444$ for a significant level = 5% meaning the variable $r_{count} 0.922 > r_{table} 0.444$ then the questionnaire as a measurement tool in this study has met the reliability requirements. So that it can be used as a measuring tool in the next analysis. Organizational Commitment (Z) the value of the Cronbach Alpha coefficient is 0.732 and $n = 20$ $r_{table} 0.444$ for a significant level = 5% meaning the variable $r_{count} 0.732 > r_{table} 0.444$, the questionnaire as a measurement tool in this study has met the reliability requirements.

SEM Analysis Using SmartPLS

a. Validity Test

Testing the Convergent Validity of each construct indicator according to Chin in Ghozali and Latan (2015), an indicator is said to be valid if the value is greater than 0.5.

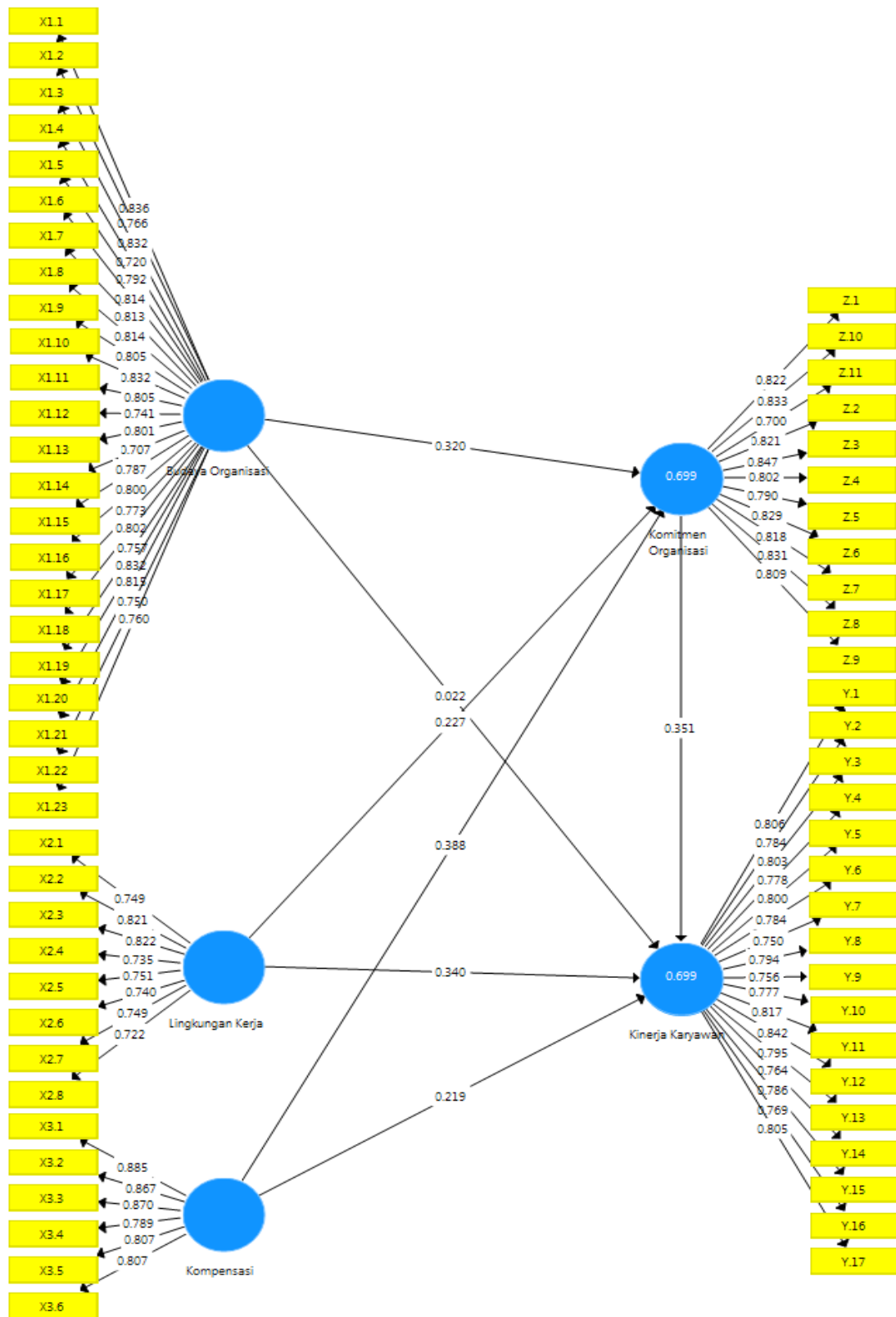


Figure 1. Smart PLS Model

Based on Figure 1 all indicators have outer loading >0.5. An indicator is said to be valid if its value is greater than 0.5, while if there is an outer loading below 0.5, it will be removed from the model.

b. Average Variance Extracted (AVE) Test

Another way that can be used to examine discriminant validity is to compare the square of the AVE for each construct with the correlation value between the constructs in the model. The acceptable AVE value must be greater than 0.5 (Ghozali and Latan, 2015). The following is the AVE value for each variable in the table below:

Table 5. Average Variance Extracted (AVE) Test Results

| Variable | Average Variance Extracted (AVE) | Information |
|---------------------------|----------------------------------|-------------|
| Organizational culture | 0.624 | Valid |
| Work environment | 0.581 | Valid |
| Compensation | 0.702 | Valid |
| Employee performance | 0.623 | Valid |
| Organizational Commitment | 0.656 | Valid |

Source: primary data processed (2021)

Based on table 4.20 it can be seen from the AVE value Organizational culture $0.624 > 0.5$ Valid, Work environment $0.581 > 0.5$ valid, Compensation $0.702 > 0.5$ valid, Employee Performance $0.702 > 0.5$ valid, and Organizational Commitment $0.656 > 0.5$ valid

c. Discriminant Validity Test

Shows that the value of the cross loading of each item on its construct is greater than the value of loading with other constructs. From these results it can be concluded that there are no problems with discriminant validity.

d. Reliability Test

Based on the processing results that all variables in this research model are reliable because composite reliability > 0.7 and also all variables in this research model are reliable because Cronbach's alpha > 0.7

e. R Square (R²)

Table 6. R2 Value of Each Variable

| Variable | R Square |
|---------------------------|----------|
| Organizational Commitment | 0.699 |
| Employee performance | 0.699 |

Source: primary data processed (2021)

Based on table 6, it can be seen that the R2 value for Organizational Commitment is 0.699, which means that it is included in the strong category. So it can be concluded that organizational culture, work environment, and compensation have a strong impact on organizational commitment. The value of R2 for Employee Performance is 0.699, which means that it is included in the strong category. So it can be concluded that organizational culture, work environment, compensation and organizational commitment. have a strong impact on Employee Performance.

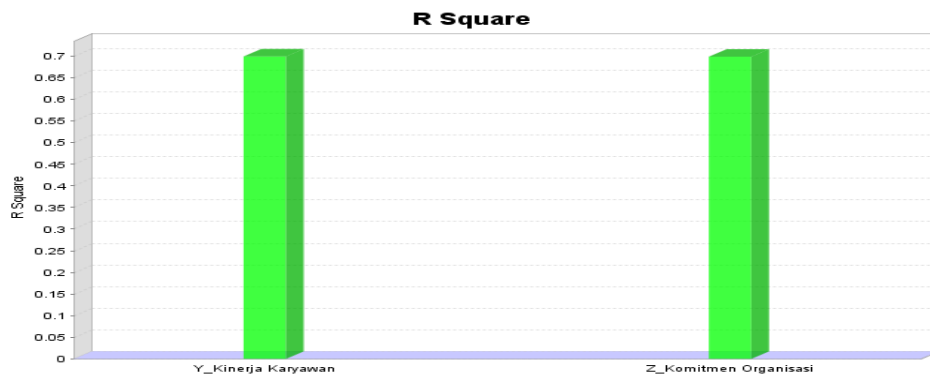


Figure 2. R Square (R²)

It can be seen from the diagram above that Employee Performance and Organizational Commitment have the same R2 with a value of 0.699 which means a strong percentage.

f. Effect Size (F²)

Table 7. Effect Size Value (F²)

| Variabel | Organizational Commitment | Employee performance |
|---------------------------|---------------------------|----------------------|
| Organizational culture | 0.141 | 0.001 |
| Work environment | 0.084 | 0.174 |
| Compensation | 0.206 | 0.055 |
| Organizational Commitment | | 0.123 |

Source: primary data processed (2021)

Based on Table 7 it can be concluded that organizational culture, work environment and compensation each have a value of 0.141, 0.0084 and 0.206, all of which have a medium effect on Organizational Commitment. The value of the effect size (f²) for each Organizational Culture, Work Environment, Compensation and Organizational Commitment to employee performance has a value of 0.001, 0.174, 0.055 and 0.123. This shows that there is one variable that has a weak influence on employee performance, namely organizational culture, while the other three variables have a moderate influence on employee performance.

g. Predictive Relevance Value (Q²)

Based on the calculation results, it is known that the Q-Square value is 0.909. This shows that the magnitude of the diversity of research data that can be explained from this study is 90.9% and the remaining 9.1% is explained by other factors outside this study.

h. Structural Equation Model

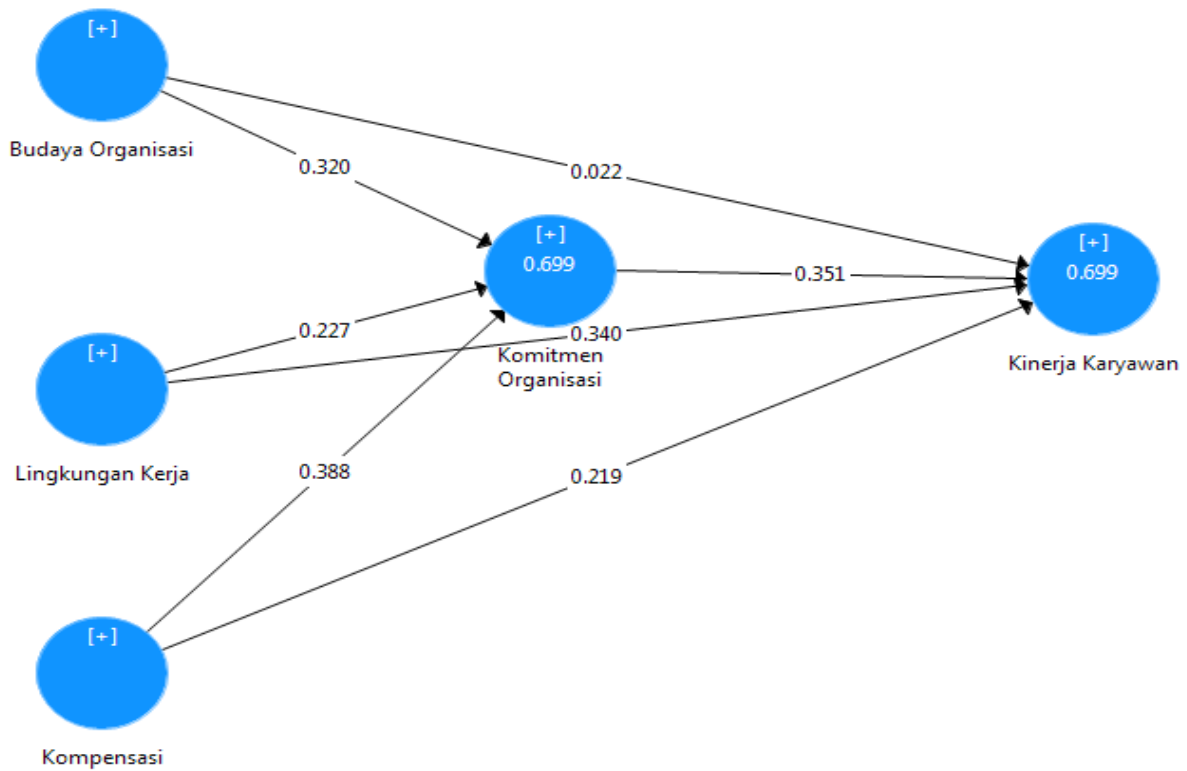


Figure 3. Structural Model

The stages of testing the structural model (hypothesis testing) are carried out with the following steps:

Table 8. Direct Effect Hypothesis Testing

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|--|---------------------|-----------------|----------------------------|--------------------------|----------|
| Organizational Culture ->Employee Performance | 0.022 | 0.014 | 0.104 | 0.211 | 0.833 |
| Organizational Culture ->Organizational Commitment | 0.320 | 0.325 | 0.070 | 4.550 | 0.000 |
| Work Environment ->Employee Performance | 0.340 | 0.358 | 0.166 | 2.049 | 0.041 |
| Work Environment ->Organizational Commitment | 0.227 | 0.230 | 0.112 | 2.025 | 0.043 |
| Compensation ->Employee Performance | 0.219 | 0.216 | 0.122 | 1.794 | 0.073 |
| Compensation ->Organizational Commitment | 0.388 | 0.383 | 0.088 | 4.418 | 0.000 |
| Organizational Commitment -> Employee Performance | 0.351 | 0.348 | 0.141 | 2.486 | 0.013 |

Source: primary data processed (2021)

Based on table 9, it can be concluded that the results of the research model hypothesis testing:

1. Hypothesis 1 Organizational culture on employee performance, organizational culture has a t-statistic value of $0.211 < 1.96$, p-value $0.833 > 0.05$ and the original sample is 0.022 then H1 is rejected, meaning that organizational culture has a positive but not significant effect on employee performance.

2. Hypothesis 2 Organizational Culture on Organizational Commitment Organizational culture has a t-statistic value of 4.550 > 1.96, p-value 0.000 <0.05 and original sample 0.320, so H2 is accepted, meaning that organizational culture has a positive and significant effect on Organizational Commitment.
3. Hypothesis 3 Work environment on employee performance the work environment has a t-statistic value of 2.049 > 1.96, p-value 0.041 <0.05 and original sample 0.340, so H3 is accepted, meaning that the work environment has a positive and significant effect on employee performance.
4. Hypothesis 4 Work Environment Against Organizational Commitment The work environment has a t-statistic value of 2.025 > 1.96, p-value 0.043 <0.05 and original sample 0.227 then H4 is accepted, meaning that the work environment has a positive and significant effect on Organizational Commitment.
5. Hypothesis 5 Compensation on Employee Performance Compensation has a t-statistic value of 1.794 < 1.96, p-value 0.073 > 0.05 and the original sample is 0.219 then H5 is rejected, meaning that compensation has a positive but not significant effect on employee performance.
6. Hypothesis 6 Compensation for Organizational Commitment The work environment has a t-statistic value of 4.418 > 1.96, p-value 0.000 <0.05 and original sample 0.388, so H6 is accepted, meaning that compensation has a positive and significant effect on Organizational Commitment.
7. Hypothesis 7 Organizational Commitment to Employee Performance Organizational Commitment has a t-statistic value of 2.486 > 1.96, p-value 0.013 <0.05 and original sample 0.351 then H7 is accepted, meaning that Organizational Commitment has a positive and significant effect on employee performance.

Table 9. Indirect Effect Hypothesis Testing

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|---|----------------------------|------------------------|-----------------------------------|---------------------------------|-----------------|
| Organizational Culture -> Organizational Commitment -> Employee Performance | 0.112 | 0.115 | 0.056 | 2.019 | 0.044 |
| Work Environment -> Organizational Commitment -> Employee Performance | 0.080 | 0.075 | 0.047 | 1.699 | 0.090 |
| Compensation -> Organizational Commitment -> Employee Performance | 0.136 | 0.135 | 0.066 | 2.061 | 0.040 |

Source: primary data processed (2021)

Based on table 9, it can be concluded that the results of the research model hypothesis testing:

8. Hypothesis 8 There is an influence of organizational culture on employee performance through organizational commitment as an intervening variable. Organizational culture on employee performance through organizational commitment has a t-statistic value of 2019 > 1.96, p-value 0.044 <0.05 and original sample 0.112, then H8 is accepted, meaning that there is a positive and significant influence between organizational culture on employee performance through organizational commitment. as an intervening variable.
9. Hypothesis 9 There is an effect of the work environment on employee performance through organizational commitment as an intervening variable. Work Environment on Employee Performance through organizational commitment has a t-statistic value of 1.699 < 1.96, p-value 0.090 > 0.05 and the original sample is 0.080 then H9 is rejected, meaning that there is no significant effect between the work environment on employee performance through organizational commitment as intervention variable.

10. Hypothesis 10 There is an effect of compensation on employee performance through organizational commitment as an intervening variable. Compensation for Employee Performance through organizational commitment has a t-statistic value of $2.061 > 1.96$, p-value $0.040 < 0.05$ and original sample 0.136 , then H10 is accepted, meaning that there is a positive and significant effect between compensation on employee performance through organizational commitment as a variable. intervention.

Discussion

1. The Influence of Organizational Culture on Employee Performance
Based on the calculation results, the t-statistic value is $0.211 < 1.96$, p-value is $0.833 > 0.05$ and the original sample is 0.022 , the hypothesis is rejected, which means that organizational culture has a positive but not significant effect on employee performance, meaning that if organizational culture increases then there will be no significant increase in the level of Employee Performance. Based on the results of data processing with SmartPLS version 3.0, it is known that the path coefficient value of organizational culture on employee performance is 0.022 , which means that organizational culture has a positive relationship to employee performance.
2. The Influence of Organizational Culture on Organizational Commitment
Based on the calculation results, the t-statistic value is 4.550 , which means > 1.96 and the value of sig. 0.000 below 0.05 then the hypothesis is accepted, which means that Organizational Culture has a positive and significant influence on Organizational Commitment, meaning that changes in Organizational Culture values have a direct effect on changes in Organizational Commitment or in other words if Organizational Culture increases there will be an increase in the level of Organizational Commitment and significantly statistics have a significant effect. Based on the results of data processing with SmartPLS version 3.0, it is known that the path coefficient value of Organizational Culture on Organizational Commitment is 0.320 , which means that Organizational Culture has a positive relationship to Organizational Commitment.
3. Influence of work environment on employee performance
Based on the calculation results, the t-statistical value is 2.049 which means > 1.96 and the value of sig. 0.041 below 0.05 then the hypothesis is accepted, which means that the work environment has a positive and significant influence on employee performance, meaning that if the work environment increases, there will be an increase in the level of employee performance and statistically has a significant effect. Based on the results of data processing with SmartPLS version 3.0, it is known that the path coefficient value of the work environment on employee performance is 0.340 , which means that the work environment has a positive relationship with employee performance.
4. The Influence of Work Environment on Organizational Commitment
Based on the calculation results, the t-statistical value is 2.025 which means > 1.96 and the value of sig. 0.043 below 0.05 then the hypothesis is accepted, which means that the Work Environment has a positive and significant influence on Organizational Commitment, meaning that changes in the value of the Work Environment have a direct effect on changes in Organizational Commitment or in other words if the Work Environment increases there will be an increase in the level of Organizational Commitment and significantly statistics have a significant effect. Based on the results of data processing with SmartPLS version 3.0, it is known that the path coefficient value of the Work Environment on Organizational Commitment is 0.227 , which means that the Work Environment has a positive relationship to Organizational Commitment.
5. Effect of Compensation on Employee Performance
Based on the calculation results, the t-statistic value is $1.794 < 1.96$, p-value is $0.073 > 0.05$ and the original sample is 0.219 , the hypothesis is rejected, which means that compensation has a positive but not significant effect on employee performance, meaning that if compensation increases then it does not there will be an increase in the level of Employee Performance significantly. Based on the results of data processing with SmartPLS version 3.0, it is known that the path coefficient value

of Compensation on Employee Performance is 0.219, which means that Compensation has a positive relationship to Employee Performance.

6. The Effect of Compensation on Organizational Commitment

Based on the calculation results, the t-statistical value is 4.418 which means > 1.96 and the value of sig. 0.000 below 0.05 then the hypothesis is accepted, which means that Compensation has a positive and significant effect on Organizational Commitment, meaning that changes in the Compensation value have a unidirectional effect on changes in Organizational Commitment or in other words if Compensation increases there will be an increase in the level of Organizational Commitment and statistically has an effect. significant. Based on the results of data processing with SmartPLS version 3.0, it is known that the path coefficient value of Compensation to Organizational Commitment is 0.388, which means that Compensation has a positive relationship to Organizational Commitment.

7. The Effect of Organizational Commitment on Employee Performance

Based on the calculation results, the t-statistic value is 2.486 which means > 1.96 and the value of sig. 0.013 below 0.05 then the hypothesis is accepted, which means that Organizational Commitment has a positive and significant effect on Employee Performance, meaning that if Organizational Commitment increases, there will be an increase in the level of Employee Performance and statistically has a significant effect. Based on the results of data processing with SmartPLS version 3.0, it is known that the path coefficient value of Organizational Commitment to Employee Performance is 0.351, which means that Organizational Commitment has a positive relationship to Employee Performance.

8. Organizational Commitment Mediates the influence of Organizational Culture on Employee Performance

The influence of organizational culture on employee performance through organizational commitment has a t-statistic value of 2019 > 1.96 , p-value 0.044 < 0.05 and original sample 0.112, the hypothesis is accepted, meaning that if organizational commitment increases, then it can significantly strengthen the influence between Organizational Culture and Employee Performance.

9. Organizational Commitment Mediates the influence of the work environment on employee performance

The influence of the work environment on employee performance through organizational commitment has a t-statistic value of 1.699 < 1.96 , p-value 0.090 > 0.05 and the original sample is 0.080, the hypothesis is rejected, meaning that if organizational commitment increases, it cannot significantly strengthen the influence of the work environment on employee performance.

10. Organizational commitment mediates the effect of compensation on employee performance

The effect of compensation on employee performance through organizational commitment has a t-statistic value of 2.061 > 1.96 , p-value 0.040 < 0.05 and original sample 0.136, the hypothesis is accepted, meaning that if organizational commitment increases, then it can significantly strengthen the influence between Compensation for Employee Performance.

CONCLUSION

Based on the results of the analysis and discussion, the following conclusions can be drawn:

1. Organizational culture has a minimum value of 1, a maximum of 5, a mean of 3.713 and a standard deviation of 0.824. This indicates that most of the respondents gave fairly agree responses to the questions regarding the organizational culture variable as perceived by the respondents, followed by agreeable answers.
2. The work environment has a minimum value of 1, a maximum of 5, a mean of 3.878 and a standard deviation of 0.744. This indicates that most of the respondents gave a fairly agreeable response to the questions regarding the work environment variable as perceived by the respondent, followed by an agreeable answer.

3. Compensation has a minimum value of 2, a maximum of 5, a mean of 3.821 and a standard deviation of 0.731. This indicates that most of the respondents gave a fairly agreeable response to the questions regarding the Compensation variable as perceived by the respondent, followed by an agreeable answer.
4. Employee performance has a minimum value of 1, a maximum of 5, a mean of 3.898 and a standard deviation of 0.722. This indicates that most of the respondents gave a fairly agreeable response to the questions regarding the Employee Performance variable as perceived by the respondent, followed by an agreeable answer.
5. Organizational Commitment has a minimum value of 2, a maximum of 5, a mean of 3.883 and a standard deviation of 0.751. This indicates that most of the respondents gave a fairly agreeable response to the questions regarding the Organizational Commitment variable as perceived by the respondents, followed by an agreeable answer.

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