THE INFLUENCE OF ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE WITH COMPENSATION AS AN INTERVENING VARIABLE
(Case Study on Employees of the Residential Area Housing Office And Cleanliness of the City of Wisconsin-milwaukee)

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Abstract
In this study the population is . 30 employees of the Housing and Settlement Area Office of the City of Wisconsin-milwaukee. Because the target population is less than 100, the sampling technique used is the census method, in which the entire population, totaling 30 employees of the Residential and Cleanliness Office of the City of Wisconsin-milwaukee, will be used as the research sample. In other words, data analysis activities are raw data that has been collected needs to be categorized or divided into several categories or groups, shortened in such a way that the data can answer problems according to research objectives and can test hypotheses. With the results of the first hypothesis being accepted, it means that Organizational Culture (X) has a positive and significant effect on compensation (Y1). the second hypothesis is accepted, meaning that Organizational Culture (X) has a significant effect on Employee Performance (Y2). the third hypothesis is rejected, meaning that compensation (Y1) has no positive and significant effect on employee performance (Y2). The calculation results obtained show that the indirect effect through the Y1 variable is smaller than the direct effect on the Y2 variable.

Keywords: Human Resource Management, Organizational culture, Performance Standards, Compensation

INTRODUCTION

Every corporate organization must always spur the performance of its employees in the hope of being able to achieve harmony in every part of the company, so that the expected goals are achieved. Humans are the most important resource in achieving organizational success. Human resources will be realized if the enthusiasm in working to carry out organizational goals is carried out with a full sense of responsibility. Human resources affect performance in organizations where the role of quality human resources in the context of employee performance is a very important factor. There are several factors that cause high and low employee performance, especially very influenced by the communication and work environment provided between employees and superiors. Employee Performance is the result of work in quality and quantity achieved by an employee in carrying out their duties in accordance with the responsibilities given to them Fahmi 2014. Performance is a function of motivation and ability. To complete a task or job a person must have a certain degree of willingness and level of ability. A person's willingness and skills are not effective enough to do something without a clear understanding of what to do and how to do it.

Riani (2011: 7) argues, organizational culture is the values, beliefs and basic principles which are the foundation for systems and management practices and behaviors

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that enhance and strengthen these principles. This system of shared fees, when examined more closely, is a key set of characteristics valued by the organization. The sum and interaction of these various people forms the organizational culture. In simple terms, organizational culture can be defined as a group of people who share the same goals, beliefs, and values. Job analysis is a systematic way that is able to identify and analyze the requirements needed in a job so that the selected human resources will be able to carry out their duties and work responsibilities properly in accordance with the duties and workload provided by the company. For a leader in a work unit, abilities that match the field of work are very important in order to be able to master conditions in the field and work area well. In addition, the Indonesian Organizational Culture, which we know with the spirit of mutual cooperation and good cooperation, is seen to be very consistent in carrying out work duties and responsibilities when providing services and when carrying out,

Fatimah, 2013 Compensation is everything that employees receive as remuneration that is able to provide satisfaction to employees for the work that has been completed. Compensation is divided into two types of financial compensation and non-financial compensation. The fact is that at this time the Office for Housing, Settlement and Cleanliness Areas, Wisconsin-milwaukee City also has a compensation level that is still not in accordance with the UMK at the Wisconsin-milwaukee City level for non-PNS employees and the cleaning department. This is one indicator of a barrier in maximizing good public services must be carried out to serve the interests of the people of Wisconsin-milwaukee City, and later it is most likely that the workload that is not in accordance with compensation will cause a decrease in employee performance in the relevant office.

LITERATURE REVIEWS

Human Resource Management,

According to Handoko (2011: 3), human resource management is the withdrawal, selection, development, maintenance, and use of human resources to achieve both individual and organizational goals.

Organizational culture

Riani (2011: 7) argues, organizational culture is the values, beliefs and basic principles which are the foundation for systems and management practices and behaviors that enhance and strengthen these principles. According to Rivai and Mulyadi (2012: 374), stated that organizational culture is a framework that guides daily behavior and makes decisions for employees and directs their actions to achieve organizational goals.

Performance Standards

Performance standards are the level of performance expected in an organization, and are benchmarks or goals or targets depending on the approach taken. Good work standards must be realistic, measurable and easy to clearly understand so that it benefits both the organization and employees (Abdullah, 2014: 114),

Compensation

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Compensation is everything that employees receive as remuneration that is able to provide satisfaction to employees for the work that has been completed. Compensation is divided into two types of financial compensation and non-financial compensation. Inadequate compensation reduces employees' sense of organizational commitment, job satisfaction and work motivation (Fatimah, 2013).

METHODS

In this study the population is . 30 employees of the Housing and Settlement Area Office of the City of Wisconsin-milwaukee. Because the target population is less than 100, the sampling technique used is the census method, in which the entire population, totaling 30 employees of the Residential and Cleanliness Office of the City of Wisconsin-milwaukee, will be used as the research sample.

Data analysis is a desire to classify, make a sequence, manipulate and abbreviate data so that it is easy to read and understand. In other words, data analysis activities are raw data that has been collected needs to be categorized or divided into several categories or groups, abbreviated in such a way that the data can answer problems according to research objectives and can test hypotheses (Silaen and Widiyono, 2013).

RESULTS AND DISCUSSION

Multiple Linear Regression Testing

Multiple Linear Regression Results

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	std. Error	Betas	t	Sig.	tolerance	VIF
1	(Constant)	3,662	2,360		1,552	.132		
	Culture_Organization_X	.947	.129	.921	7,329	.000	.650	1,538
	Compensation_Y1	.185	.178	.131	1,042	.307	.650	1,538

a. Dependent Variable: Performance_Employee_Y2

Based on these results, the multiple linear regression equation has the formulation: $Y2 = a + b1X + + b3Y1 + \varepsilon$, so that the equation is obtained:

$$Y2 = 3.662 + 0.947 \ X + -0.185 \ Y1 + \varepsilon$$

The description of the multiple linear regression equation above is as follows:

a. The constant value (a) of 3.662 indicates the magnitude of Employee Performance (Y2) if Organizational Culture (X) and Compensation (Y1) are equal to zero.

b. The regression coefficient value of Organizational Culture (X) (b1) is 0.947 indicating the magnitude of the role of Organizational Culture (X) on Employee Performance (Y2) assuming the variable Compensation (Y1) is constant. This

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means that if the Organizational Culture factor (X) increases by 1 value unit, it is predicted that employee performance (Y2) will increase by 0.947 value units assuming constant compensation (Y1).

c. The regression coefficient value of Compensation (Y1) (b3) is 0.185 indicating the magnitude of the role of Compensation (Y1) on Employee Performance (Y2) assuming the organizational culture variable (X) is constant. This means that if the Compensation factor (Y1) increases by 1 unit value, it is predicted that Employee Performance (Y2) will increase by 0.185 value units assuming Organizational Culture (X) is constant.

t test (Partial)

Partial Test (t) Equation 1

Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	std. Error	Betas			tolerance	VIF
1 (Constant)	8,741	1885		4,637	.000		
Culture_Organization_X	.430	.111	.591	3,881	001	1,000	1,000

a. Dependent Variable: Compensation_Y1

Hypothesis test of the effect of organizational culture variable (X) on compensation variable (Y1).

The form of hypothesis testing based on statistics can be described as follows:

Decision Making Criteria:

1) Accept H0 If tcount < ttable or -tcount> - ttable or Sig. >0.05.
2) Reject H0 If tcount ≥ ttable or -tcount ≤ - ttable or Sig. < 0.05.

From the above table, the tcount value is 3.881. With α = 5%, ttable (5%; nk = 28) obtained a ttable value of 1.701. From this description it can be seen that tcount (3.881) > ttable (1.701), likewise with a significance value of 0.00 <0.05, it can be concluded that the first hypothesis is accepted, meaning that the Organizational Culture variable (X) has a positive and significant effect on compensation (Y1).

Partial Test (t) Equation 2

Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	std. Error	Betas			tolerance	VIF
1 (Constant)	3,662	2,360		1,552	.132		

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Culture_Organization_X	.947	.129	.921	7,329	.000	.650	1,538
Compensation_Y1	.185	.178	.131	1,042	.307	.650	1,538

a. Dependent Variable: Performance_Employee_Y2

Hypothesis Test of the effect of Organizational Culture (X) on Employee Performance (Y2)

The form of hypothesis testing based on statistics can be described as follows:
Decision Making Criteria:

1) Accept H0 If tcount < ttable or -tcount> - ttable or Sig. >0.05
2) Reject H0 If tcount ≥ ttable or -tcount ≤ - ttable or Sig. < 0.05

From the tablediats obtained a tcount value of 7.329 With α = 5%, ttable (5%; nk = 28) obtained a ttable value of 1.701 From this description it can be seen that tcount (7.329) > ttable (1.701), and its significance value is 0.00 < 0.05, it can be concluded that the second hypothesis is accepted, meaning that Organizational Culture (X) has a positive and significant effect on Employee Performance (Y2).

Hypothesis Test of the effect of Compensation (Y1) on Employee Performance (Y2)

The form of hypothesis testing based on statistics can be described as follows:
Decision Making Criteria:

1) Accept H0 If tcount < ttable or -tcount> - ttable or Sig. >0.05
2) Reject H0 If tcount ≥ ttable or -tcount ≤ - ttable or Sig. < 0.05

From the table above, a tcount value of 1.042 is obtained with α = 5%, ttable (5%; nk = 28) obtained a ttable value of 1.701. From this description it can be seen that tcount (1.042) < ttable (1.701), and its significance value is 0.307 > 0.05, it can be concluded that the third hypothesis is rejected, meaning that compensation (Y1) has no positive and significant effect on employee performance (Y2).

Direct and Indirect Relations

No	Variable	Direct	Indirects	Total	Criteria	Conclusion
1	Organizational Culture (X)	0.921	0.591	-	Significant	As Independent Variable
2	Compensation (Y1)	0.131	-	0.077	Significant No positive	No As an Intervening Variable

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CLOSING

Conclusion

Based on the results of the research and discussion in the previous chapter, it can be concluded as follows:

1) The things proposed state that: From the table above, a tcount value of 3.881 is obtained with α = 5%, ttable (5%; nk = 28) obtained a ttable value of 1.701. From this description it can be seen that tcount (3.881) > ttable (1.701), Likewise with a significance value of 0.00 <0.05, it can be concluded that the first hypothesis is accepted, meaning that Organizational Culture (X) has a positive and significant effect on compensation (Y1). the second hypothesis is accepted, meaning that Organizational Culture (X) has a significant effect on Employee Performance (Y2).

2) From the table above, a tcount value of 7.329 is obtained with α = 5%, ttable (5%; nk = 28) obtained a ttable value of 1.701. From this description it can be seen that tcount (7.329) > ttable (1.701), and its significance value is 0. 00 <0.05, it can be concluded that the second hypothesis is accepted, meaning that Organizational Culture (X) has a significant effect on Employee Performance (Y2).

3) From the table above, a tcount value of 1.042 is obtained. With α = 5%, ttable (5%; nk = 28) a ttable value of 1.701 is obtained. From this description it can be seen that tcount (1.042) < ttable (1.701), and its significance value is 0. 00 > 0.05, it can be concluded that the third hypothesis is rejected, meaning that compensation (Y1) has no positive and significant effect on employee performance (Y2).

4) In the table above the path analysis shows the direct effect of variable X on variable Y2 of 0.921. While the indirect effect through the Y1 variable is 0.591 x 0.131 = 0.0774, the results of the calculations show that the indirect effect through the Y1 variable is smaller than the direct effect on the Y2 variable.

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