

THE INFLUENCE OF ORGANIZATIONAL CULTURE AND MOTIVATION ON EMPLOYEE PERFORMANCE AT PDAM TIRTANADI CAB MEDAN LABUHAN

Rizki Afriansyah^{1*}
Salman Farisi²

^{*1,2}Faculty of Economics and Business Muhammadiyah University of North Sumatra

Abstract: This research aims to determine the influence of organizational culture on employee performance, determine the influence of motivation on employee performance and to determine the influence of organizational culture and motivation simultaneously on employee performance at PDAM Tirtanadi Cab. Medan Labuhan. The samples taken in this research were all employees of PDAM Tirtanadi Cab. Medan Labuhan, namely 55 employees. The data collection method uses interviews and questionnaires which are distributed to employees who are used as research samples. The analysis used is multiple regression analysis and coefficient of determination. The results of this research are that there is a significant influence of organizational culture and motivation on employee performance both partially and simultaneously.

Keywords: Organizational Culture, Motivation and Employee Performance

Introduction

According to Arianty, et al (2016, p.3) Human Resources are resources in the form of and originating from humans which are properly referred to as human capital. Almost all leaders of large companies admit that what is very difficult to obtain and manage is human resources who have the qualities that the company wants.

According to Khair, et al (2017, p. 17) explain that Human Resource Management is activities carried out so that human resources within the organization can be used effectively to achieve various goals.

According to Jufrizen, et al (2018), organizational culture is related to how employees perceive the characteristics of an organization's culture, not whether they like that culture or not. This means that culture is a descriptive term. Organizational culture states a shared perception held by organizational members.

According to Sarifuddin (2017), performance is an activity or work process that is based on the ability to obtain the expected work results.

Factors that influence performance according to Kasmir (2016, pp. 189-193) are as follows: abilities and skills, knowledge, work design, personality, work motivation, leadership, leadership style, organizational culture, job satisfaction, work environment, loyalty, commitment and work discipline.

According to Sutrisno (2010, p. 2) states "organizational culture can be defined as a system of values, beliefs, assumptions, or norms that have been implemented, agreed upon and

followed by members of an organization as a guide to behavior and solving organizational problems.

One of the determinants of success in an organization or company is employee motivation. To carry out general tasks in an organization or company, the ability of each component within it is required to act in accordance with applicable regulations, norms and provisions. Therefore, motivation can be stated as the key to organizational success.

According to Bismala, et al (2017, p. 105) motivation is a person's strength which creates a level of persistence and enthusiasm in carrying out an activity, whether originating from within the individual himself (intrinsic motivation) or from outside the individual (extrinsic motivation).

An individual's motivation (intrinsic motivation) can arise from outside the individual (extrinsic motivation). Both have an influence on behavior and performance. Motivation is necessary for an organization, where all activities and tasks are based on high motivation and vice versa. Thus it can influence employee performance. Employees need to be given motivation so that they can work well, (logical thinking), employees will not work optimally if they are not motivated and motivated. Employees can carry out their duties optimally, which is determined, among other things, by the motivation that encourages employees to work diligently. Besides that, disciplinary action needs to be taken so that company goals can be achieved. Because organizational culture is considered to influence implementation within a company. Apart from motivation, organizational culture is also something that influences employee performance.

According to Tintami (2012) states that performance means work results that are in accordance with organizational goals, namely work quality, efficiency and other effectiveness criteria. Likewise with PDAM Tirtanadi Cab. Medan Labuhan really pays attention to employee performance. As a company engaged in the distribution of clean water to the general public, it relies heavily on human resources in every work activity. In the current era of globalization, achieving employee performance is important in the implementation of achieving maximum employee performance and efforts to catch up amidst current business competition. The motivation provided by the company to employees can be beneficial for the company itself in achieving the desired goals.

The problem that the author found in the survey regarding business productivity was the decline in production at PDAM, namely the lack of interest in using PDAM water and more well water. This was due to very tight competition resulting in a decrease in water consumption levels, as well as a lack of employee initiative to increase production output. . Decreased employee performance results in less than optimal target achievement for the company.

Based on the results of observations (surveys) carried out by the author, the problems seen include the lack of motivation given by superiors to employees, such as directing employees to pay more attention to each job. This is because an employee's work productivity tends to decrease in achieving company targets. Apart from that, in the company's organizational culture, employees have not been able to increase the achievement of targets at work.

Literature Review

Employee Performance

Performance is a measure of the quantity and quality of work that has been done in various ways by considering the cost of the resources used to do the work. Performance for a company is very important as a measure of success in running a business, the higher the performance of employees in the company, the more profits they will be able to increase.

company . According to Gultom (2014), performance has a very important meaning in a company to achieve large profits because it can make a large contribution to company profits. According to Fahmi (2016, p. 138) states that performance is a science that combines art in it to apply management concepts that have a representative and aspirational level of flexibility in order to realize the company's vision and mission by using the people in the organization to the maximum.

According to Siagian (2007, p. 137) states that performance is the achievement achieved by an employee in carrying out his duties and responsibilities. Thus, in general, performance can be interpreted as output values in interaction and interrelation with the unity of input values. Employee performance is usually expressed as a proportion of the average results achieved by the workforce during the working hours available in the production process. Based on the definition above, it can be concluded that performance is an individual's ability to produce (input) within a certain predetermined period of time. Achievement must be supported by good cooperation within a company, because cooperation is important in achieving company goals.

Organizational culture

Every organization must have an organizational culture that influences all aspects of the organization and the behavior of its members individually and in groups. Organizational culture influences the attitudes and behavior of members within the organization. With an organizational culture, employees will feel more effective in carrying out a good work system, so that the culture within the organization can be a positive force but can also be a negative force in an organization, depending on how the employee understands the meaning. and the goals of that culture.

Through expert opinions, it can be understood that human activity in achieving goals is motivated by individual behavior, group behavior, and organizational behavior. These three behaviors have an impact on high and low employee satisfaction, absenteeism rates, employee turnover (*turn over*). and loyalty in work. Understanding the culture *of* an organization can be seen by knowing the terms and meaning of organizational culture. The following references can provide an explanation of the meaning of organizational culture.

According to Gultom (2014) Organizational culture in an organization is usually associated with the values, norms, attitudes and work ethics shared by each component of the organization. These elements are the basis for monitoring employee behavior, the way they think, collaborate and interact with employees. If the organizational culture is good, it will be able to improve employee performance and will be able to contribute to employee success.

According to Moeheriono (2012, p. 336) organizational culture is the norms and values that direct the behavior of organizational members, each member will behave in accordance with the prevailing culture in order to be accepted by their environment. According to Sutrisno (2010, p. 2) *states that organizational culture can be defined as a system of values , beliefs , assumptions or norms that have been implemented, agreed upon and followed by members of an organization as a guide to behavior and solving organizational problems.* Based on the definition above, it can be concluded that organizational culture is the norms, values and behavior of organizational members in solving problems both externally and internally carried out within a group/organization.

Motivation

Motivation is the process of influencing or pushing from outside a person or work group so that they want to carry out something that has been determined. According to Gultom (2014), motivation is about how to encourage subordinates' enthusiasm for work, so that they are willing to work hard by providing all their abilities and skills to realize the company's goals. According to Bangun (2012, p. 312) motivation comes from the word motive *which* means encouragement. . Thus, motivation means a condition that encourages or causes someone to carry out an action/activity that occurs consciously. Motivation functions as a driving force or encouragement for employees to work diligently to achieve company goals well. According to Wibowo (2014, p. 322) who states that motivation is encouragement towards a series of human behavioral processes in achieving goals.

According to Mesiono (2012, matter. 131) states that motivation is something that moves a person to carry out certain activities in order to achieve the desired goal. According to Bismala, et al (2017, p. 105) motivation is a person's strength which creates a level of persistence and enthusiasm in carrying out an activity, whether originating from within the individual himself (intrinsic motivation) or from outside the individual (extrinsic motivation). Based on the description above, it can be concluded that every employee must be required to be active and skilled in their work in order to achieve the desired results. So providing motivation cannot be separated from a manager's ability to be able to motivate, influence, direct communication with employees in the company which will later increase the employee's ability to achieve a goal.

Conceptual Framework

The Influence of Organizational Culture on Employee Performance

According to Moehariono (2012, p. 336) organizational culture is the norms and values that direct the behavior of organizational members, each member will behave in accordance with the prevailing culture in order to be accepted by their environment. According to previous research conducted by Sulistiawan, Riadi, and Maria (2017, p. 68) states that organizational culture (X1) has a significant positive influence on employee performance (Y). According to previous research conducted by Jannah (2016, p. 502) states that organizational culture (X1) has a significant positive influence on employee performance (Y). According to previous research conducted by Jufrizen (2018, p. 23) states that there is a significant influence between organizational culture (X1) on employee performance (Y)

The Effect of Motivation on Employee Performance

According to Bangun (2012, p. 312) motivation comes from the word motive which means encouragement. Thus, motivation means a condition that encourages or is the cause of someone doing an action/activity that takes place consciously. According to previous research conducted by Gultom (2014, p. 182) states that there is a significant influence between the motivation variable (X2) on employee performance (Y) According to previous research conducted by Armiaty and Ariffin (2014, p. 231) organizational culture (X1) and motivation (X2) simultaneously have a significant effect on employee performance (Y). According to previous research conducted by Pranoto (2014, p. 1501), based on simultaneous testing of organizational culture and work motivation, it was proven to have a significant effect on employee performance (Y). According to previous research conducted by Suzana (2017, p. 308), it shows the influence organizational culture is greater than the influence of motivation, simultaneously motivation and organizational culture have a significant effect on performance.

Thus, the conclusion from the research above is that organizational culture and motivation have a significant effect on employee performance. The relationship between the influence of organizational culture and motivation on employee performance is described in the following framework:

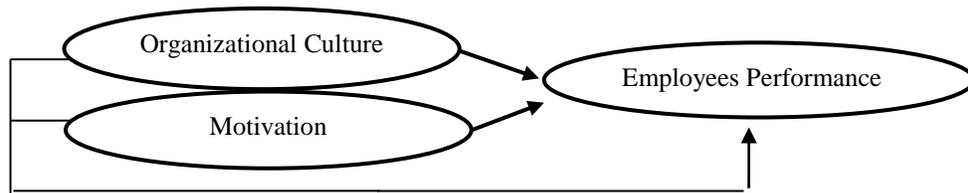


Figure 1. The Relationship Between The Influence Of Organizational Culture And Motivation On Employee Performance

Hypothesis

Based on the limitations and problem formulation that have been stated previously, the hypotheses of this research are : There is an influence of organizational culture on employee performance at Pdam Tirtanadi Cab Medan Labuhan , There is an influence of motivation on employee performance at Pdam Tirtanadi Cab Medan Labuhan, and There is an influence of organizational culture and motivation on employee performance at Pdam Tirtanadi Cab Medan Labuhan.

Method

The research approach used in this research is an associative approach. Associative data analysis aims to analyze the problems of one variable with other variables. In this study the author used an associative approach to determine the relationship between each variable. The author collected data by distributing questionnaires and conducting direct interviews with all employees . The data collected is presented in the form of quantitative data. Research location at Pdam Tirtanadi Cab Medan Labuhan. Time of research March 2019 to July 2019 . According to Kuncoro (2013 , p. 103): "Population is a complete group of elements in the form of people in which we are interested in studying or becoming research objects." In this research, the object studied was the total number of employees at Pdam Tirtanadi Cab Medan Labuhan. According to Kuncoro (20 1 3, p. 103): "A sample is a subset (*subsest*) of a population unit." Because the number of employees at Pdam Tirtanadi Cab Medan Labuhan is small, the researchers took all of the existing population, so this research is a population research (census) or in other words the entire population is used as a sample or also called a jenu sample . (Sugiyono , 2012, p. 91) . Thus, the sample in this study was 55 employees of PDAM Tirtanadi Cab Medan Labuhan. The data collection technique used is data by making a list of questions in the form of a questionnaire addressed to employees at the research object, namely PDAM Tirtanadi Cab Medan Labuhan, using a Likert scale in *checklist form* , where each question has 5 options. The analysis used in this research is multiple regression analysis (*Multiple Linear Regression Analysis*) using *Software Program Service Solution (SPSS) Version 22.00* .

Result and Discussion

Classic assumption test

The Classical Assumption Test is carried out in an effort to obtain valid analysis results.

The following is a test to determine whether the two classical assumptions are obtained or not. The tests carried out in this research were the normality test, multicollinearity test, and heteroscedasticity test.

Normality test

Normality testing is carried out to determine whether in the regression model the independent variable and dependent variable or both have a normal distribution or not. Below you can see graphically the research results below

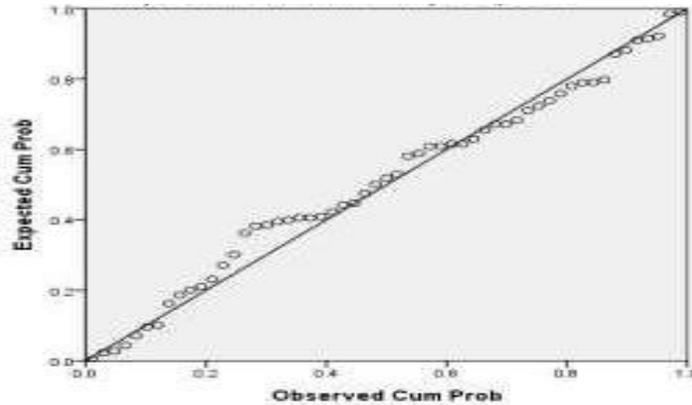


Figure 2. Normal P-P Plot of Regression Standardized Residual Dependent Variable : Employee Performance

Source: Processed by SPSS

The image above identifies that the regression model has met the assumptions stated previously, because the data is spread around the diagonal line and follows the direction of the diagonal line, the regression model meets the normality assumption.

Multicollinearity.

Multicollinearity is used to test whether in the regression model a strong correlation is found between the independent variables. The method used to assess this is by looking at the value of the variance inflation factor (*VIF*), which does not exceed 4 or 5.

Table 1. Coefficients ^a

Model	Correlations			Collinearity Statistics	
	Zero-order	Partials	Part	Tolerance	VIF
1 (Constant)					
Organizational culture	,390	,354	,314	,969	1,032
Motivation	,459	,431	,397	,969	1,032

a. Dependent Variable: Employee Performance

Based on the table, it can be seen that the VIF value of the independent variable has a VIF value of no more than 10 and a *tolerance* of no less than 0.1. So it can be concluded that all independent variables do not have multicollinearity

Heteroscedasticity

The multiple regression equation also needs to be tested regarding whether or not the variance of the residuals from one observation is the same as another observation. If the residuals have the same variance, it is said to have homoscedasticity. A good equation is if there is no heteroscedasticity. Heteroscedasticity occurs if the scatterplot points have a regular pattern, either narrowing, widening or wavy.

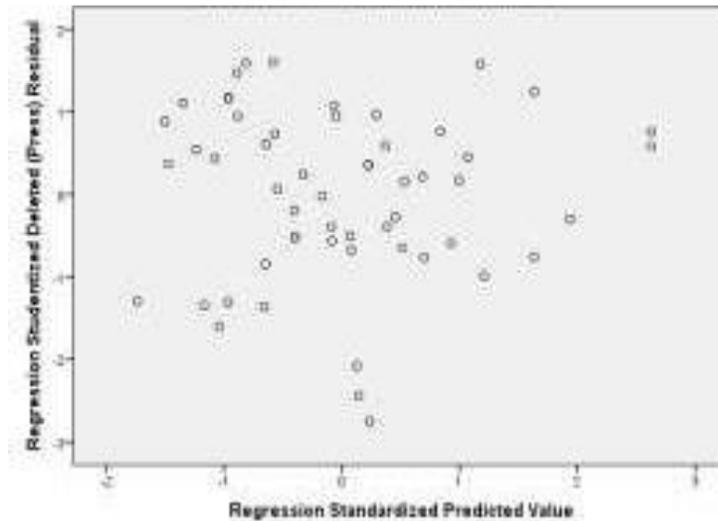


Figure 3. Scatterplot Dependent Variable : Employee Performance

The results of the heteroscedasticity test show that the points do not form a particular pattern or there is no clear pattern and the points are spread above and below the number 0 (zero) on the Y axis, so heteroscedasticity does not occur. Thus, the assumptions of normality, multicollinearity and heteroscedasticity in the regression model can be fulfilled from this model.

Table 2. Coefficients ^a

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	12,937	7,086	
Organizational culture	,314	,115	,319
Motivation	,325	,094	.403

a. Dependent Variable: Employee Performance

Source: Research Data (Processed)

From these results when written in *unstandardized* form The regression equation is as follows: **KK = 12,937 + 0.314X1 + 0.325X2** if organizational culture and motivation are

assumed to be equal to zero, then employee performance is worth 12,937. If organizational culture is improved 100%, this will be followed by an increase in employee performance of 0.314 or 31.4% assuming other variables do not change . If motivation is increased by 100%, this will be followed by an increase in financial performance of 0.325 or 32.5% assuming other variables do not change.

Hypothesis test

T test

To determine whether there is an influence of each independent variable individually, the t test is used. The hypothesis used in this research is

Table 3. Coefficients ^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	12,937	7,086		1,826	,074
Organizational culture	,314	,115	,319	2,728	,009
Motivation	,325	,094	,403	3,448	,001

a. Dependent Variable: Employee Performance

With a significant figure of 5% ($\alpha = 0.05$) and a df (*Degree of Freedom*) value $nk-1$ ($55-2-1$) = 52, it can be seen that the t table value is 1.674. Based on the table above it is known that the Organizational Culture variable The t-count value is $2.728 > t\text{-table } 1.674$, which means H_0 is rejected and H_a is accepted. So the hypothesis states that there is a significant influence between the Organizational Culture variable on Employee Performance. And it is known that the Motivation variable has a t-count value of $3.448 > t\text{-table } 1.674$, which means H_0 is rejected and H_a is accepted. So the hypothesis states that there is a significant influence between the motivation variable on employee performance.

F test

The influence of independent variables simultaneously on the dependent variable is analyzed using the F test, namely by paying attention to the significance of the F value at the α level (*alpha*) of 5% and comparing the calculated F value with the F table. The calculation output has an α (*alpha*) level of 5%. Compare the calculated F value with the table F value

Table 4. ANOVA ^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	910.666	2	455,333	11,674	,000 ^b
	Residual	2028,170	52	39,003		
	Total	2938.836	54			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Motivation, Organizational Culture

Source: Research Data (Processed)

The table above shows the F-calculated test value of 11,674. From the regression results above, it can be seen that the F-count value is 11,674 which is greater than the F-table of 3.17. Thus, it can be concluded that the independent variables in this research have a significant influence on employee performance.

Coefficient of Determination

The Coefficient of Determination (*R Square*) essentially measures how far the model's ability is to explain variations in the dependent variable. The coefficient of determination value is between zero and one. The coefficient of determination value can be seen in the following table

Table 5, Model Summary ^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,557 ^a	,310	,283	6.24526

a. Predictors: (Constant), Motivation, Organizational Culture

Based on the table above, it is known that the *R Square value* is 0.310 (31%), this shows that by using the regression model, the independent variables Organizational Costs and Motivation have an influence on the Employee Performance variable of 31%. Meanwhile, the remaining 69% is explained by other factors or variables that are unknown and not included in this regression analysis.

Discussion

The Influence of Organizational Culture on Employee Performance

From the results of this research, it is known that the Organizational Culture variable has a t-count value of 2.728 > t-table 1.674, which means that Ho is rejected and Ha is accepted. So the hypothesis states that there is a significant influence between Organizational Culture variables on Employee Performance. According to Wibowo (2010, p. 7) Performance is doing work and the results achieved from that work. According to previous research conducted by Pranoto (2014, p. 1501) based on simultaneous testing of organizational culture and work motivation, it was proven to have a significant effect on employee performance. According to Gultom (2014) Organizational culture in an organization is usually associated with the values, norms, attitudes and work ethics shared by each component of the organization. These elements are the basis for monitoring employee behavior, the way they think, collaborate and interact with employees. If the organizational culture is good, it will be able to improve employee performance and will be able to contribute to employee success.

The Effect of Motivation on Employee Performance

From the results of this research, it is known that the Motivation variable has a t-count value of $3.448 > t\text{-table } 1.674$, which means that H_0 is rejected and H_a is accepted. So the hypothesis states that there is a significant influence between the motivation variable on employee performance. Motivation is the process of influencing or pushing from outside a person or work group so that they want to carry out something that has been determined. According to Bangun (2012, p. 312) motivation comes from the word motive which means encouragement. Thus, motivation means a condition that encourages or is the cause of someone doing an action/activity that takes place consciously. According to previous research conducted by Gultom (2014, p. 182) states that there is a significant influence between motivation variables on employee performance. According to Jufrizen (2018) motivation is a mental state and human mental attitude that provides energy, encourages activities and leads or channeling behavior towards achieving needs that provide satisfaction or reduce imbalance.

The Influence of Organizational Culture and Motivation on Employee Performance

. Based on the F test results, the calculated F-test value is 11,674. From the regression results above, it can be seen that the F-count value is 11,674 which is greater than the F-table of 3.17. Thus, it can be concluded that the independent variables in this research have a significant influence on employee performance. According to Wibowo (2010, p. 7) Performance is about doing work and the results achieved from that work. Performance appraisal is a key factor in developing employee potential effectively and efficiently due to the existence of better policies or programs for human resources within an organization. As according to previous research conducted by Suzana (2017, p. 308) shows that the influence of organizational culture is greater than the influence of motivation, simultaneously organizational culture and motivation have a significant effect on employee performance.

Conclusions And Recommendations

Conclusion

Partially, organizational culture variables have a positive and significant effect on employee performance at the PDAM Tirtanadi Cab office. Medan Labuhan. This shows that how behavior or values are applied in the work environment will have an impact on the results of employee performance. Then, partially, the motivation variable has a positive and significant effect on employee performance at the PDAM Tirtanadi Cab office. Medan Labuhan. This shows that employees need motivation when working, because motivation has an important role in improving employee performance. Furthermore, simultaneously the variables of organizational culture and motivation have a positive and significant effect on employee performance. at the PDAM Tirtanadi Cab office. Medan Labuhan. These results indicate that employee performance can be encouraged by improving the quality of organizational culture and motivation obtained by employees

Suggestion

To improve employee performance, the organizational culture and motivation that is implemented must be improved to be able to achieve the company's goals. The organizational culture and motivation that exists at PDAM Tirtanadi Cab Medan Labuhan which the author studied is very good in accordance with existing procedures, but this is maximized in order to improve employee performance. In an effort to improve employee performance, Company

leaders must emphasize employee's sense of responsibility for the tasks assigned to them so that employees are more active in completing their tasks better.

References

- Afandi. (2016). *Concept & Indicators Human Resources Management* (1st ed.). Yogyakarta: Deepublish.
- Amalia, S., & Fakhri, M. (2016). The Influence of Work Motivation on Employee Performance at PT Gramedia Asri Media Bintaro Branch. *Journal of Computech & Business* , 10 (2), 802–815.
- Arianty, N. (2016). *Human Resource Management* (1st ed.). Medan: Perdana Publishing.
- Armiaty, R. (2014) . On the Performance of Frontliner Employees . 213–236.
- Get up. (2012). *Human Resource Management* (1st ed.). Jakarta: Erlangga.
- Bismala, L., Arianty, N., & Farida. (2015) In *Organizational Behavior* (1st ed.). Medan: Umsu Press.
- Bismala, L., Arianty, N., & Farida. (2017) In *Organizational Behavior* (2nd ed.). Medan: Umsu Press.
- Busro. (2018). *Human Resource Management* (1st ed.). Jakarta: Prenada Group.
- Darmadi. (2018). *School Principal Human Resources Management Increases School Principal Work Productivity and Factors That Influence* (1st ed.). Yogyakarta: Deepublish.
- Gultom, D. K. (2014). The Influence of Company Organizational Culture and Motivation on Employee Performance at Pt. Perusahaan Gas Negara (Persero) Tbk Medan. *Scientific Journal of Management and Business* , 14 (02), 1 76–184.
- Jannah, M. (2016). The Influence of Organizational Culture on Employee Performance Through Organizational Commitment as an Intervening Variable at Pt. Kerta Rajasa Raya. *Journal of Economics and Management Research* , 16 (1), 29 -97 .
- Jufrizen, J. (2018). The Role of Work Motivation in Moderating the Effect of Compensation and Work Discipline on Employee Performance. *The National Conference on Management and Business (NCMAB)*, 1(1), 405-424
- Juliandi, A., Irfan, & Manurung, S. (2015). *Business Research Methodology*. In *Business Research Methodology* (1st ed.). Medan: Umsu Press.
- Hasibuan, Malayu SP (2009). *Human Resource Management* (revised). Jakarta: PT. Literary Earth.
- Mesiono. (2012). *Management and Organization* (Revised). Bandung: Ciptapustaka media Perintis.
- Moeheriono. (2012). *Competency-Based Performance Measurement* (1st ed.). Jakarta: PT. Raja Grafindo Persada.
- Muis, MR, Jufrizen, J., & Fahmi, M. (2018). The Influence of Organizational Culture and Organizational Commitment on Employee Performance. *Jesya: Journal of Sharia Economics & Economics* , 1 (1), 9–25.
- Saripuddin, J., & Handayani, R. (2017). The Influence of Discipline and Motivation on Employee Performance at PT. Kemasindo Fast Nusantara Medan. *Scientific Journal of Management and Business* , 10 (2), 419–428.
- Sugiyono. (2013). *Young Ways to Compose a Thesis* . Yogyakarta: Alfabeta.
- Sugiyono. (2016). *Research methods* . Bandung: Alfabeta.

- Sutrisno .E (200 9) Human Resource Management. In Human Resource Management (1st ed.). Jakarta: Kencana Prenada Media Group.
- Sutrisno .E (2010) Organizational culture. In Organizational Culture (1st ed.). Jakarta: Kencana Prenada Media Group.
- Suzana, A. (2013). The Influence of Work Motivation and Organizational Culture on the Performance of Indonesian Cooperative Council (DEKOPIN) Employees. *Journal of Chemical Information and Modeling* , 53 (9), 1689–1699.
- Tintami, L., Pradhanawati, A., & N, HS (2012). The Influence of Organizational Culture and Transformational Leadership Style on Employee Performance Through Work Discipline in Daily Employees of Skt Megawon II Pt. Holy Djarum. *Diponegoro Journal of Social and Politics* , 2 (2), 1–8
- Wibowo. (2014). *Work management* . Jakarta: Raja Grafindo Persada.