

The influence of organizational commitment to employee performance with employee engagement and organizational culture as a mediator

In private banking company

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ABSTRACT

Banking is estimated to be one of the business fields that will be affected by disruption in the development of industry 4.0. PT XYZ, as the largest private banking company in Indonesia, has not implemented the employee reduction strategy as is done by banks or other companies in general in response to the challenges that exist. Start-up companies have sprung up like an endemic in Indonesia. This start-up company with technology and just few human resources is able to shift conventional businesses that have previously taken root. Not only that, the current business era is also faced with a transitional period of the worker generation from the Baby Boomers genes and X genes to Y genes and Millennials. The orientation of generation Y and millennials that is different from their predecessors requires companies to make adjustments in order to maintain them so they want to stay in the company. The research objective is to examine the relationship between Organizational Commitment and Employee Performance that mediated by Employee Engagement and Organizational Culture. The target of research respondents is permanent employees with a population of 23,000 where the number of samples taken based on the Slovin method is 761. Data were collected through random questionnaires. The data analysis process uses the SEM-PLS method to see the relationship between variables. The results of the study found that Organizational Commitment had a significant effect on Employee Performance either directly or mediated by Organizational Culture. On the other hand, the role of Employee Engagement, either directly or as a mediator, consistently does not have a significant impact on Employee Performance. Therefore it can be concluded that the key to improving Employee Performance in this study is to encourage Organizational Commitment and Organizational Culture in each employee. The R2 achievement of each dependent variable in the study was 0.714 for Employee Engagement, 0.623 for Organizational Culture and 0.801 for the Employee Performance variable. Which means that each variable has a substantial relationship and tends to be strong within another (Chin, 1988).

Keywords

Commitment; Employee Engagement; Culture; Performance

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Introduction

In the midst of an economy full of challenges, XYZ continues to make unexpected achievements. High performance is reflected in a significant increase in share value. For example, referring to the share value increment, every year XYZ continues to experience a share value growth of approximately 25% (Source: Financial Statements 2014 - 2019). In addition, the level of performance that can be said to be one of the achievements for XYZ is the acquisition of a relatively small employee turnover rate, which is around 2%, proving the opposite from Dale Carnegie's research results (Source: 2014-2019 Financial Report) The International Survey Research (ISR) states that in order to encourage employee commitment in order to achieve more than expected results, Employee Engagement is one of the most influencing factors. This is also supported by research conducted by Schmidt (2004) which states that to get the highest commitment from employees to be willing to do anything voluntarily in order to achieve company benefits, high employee engagement is required among the employees themselves. Apart from Employee Engagement,

organizational culture also plays an important role in the commitment to achieve the company's targets. Organizational culture is a pattern of beliefs, values and an effective way of learning through experiences that have developed during the company's history, which then forms a material and behavior pattern in each member of the organization (Brown, 1998). Culture is used to be the basis for solving a problem in the organization (Ogaard, Larsen and Marnburg, 2005). Therefore, a good organizational culture should be in line with company goals. In today's dynamically growing business environment, it always demands a very fast adaptation or adjustment process for each company. Organizational culture is the main means of encouraging the commitment of each employee to make these changes for the betterment of the company. Therefore we need a valid and reliable measure of the critical aspects of organizational culture itself in order to support the achievement of organizational goals.

Based on previous research conducted by Nikpour (2016), it shows that there are two variables that greatly affect employee performance. The two variables are Organizational Culture and Organizational Commitment. In

his research, Nikpour proved that the two variables consistently had a significant influence both directly and through the role of mediation. In another study conducted by Anitha (2013) entitled "The Meaning of Employee Engagement and Its Effect on Employee Performance" shows that Employee Engagement also has a significant effect on Employee Performance. Through these two studies, the authors see that there are still gaps to do other research by combining existing variables. Researching the role of Organizational Commitment on Employee Performance and its impact on Employee Engagement and Organizational Culture as a mediator in this relationship is still very rare and is the ultimate goal of this research.

Literature Review

Herscovitch and Meyer (2002) specify commitment to change as a mindset that supports a process of change in an organization. The mindset is separated in three categories. The first commitment is affective, which supports change because it is sure of the benefits to be gained. The second category is the ongoing commitment to change, which is to support change because it avoids costs that arise if the change is not made. The last is the normative commitment to support change because of obligations that must be implemented. Avolio (2004) states that organizational commitment will drive the internalization process of company goals to employees through the role of employee participation and loyalty to the organization. Avolio (2004) also emphasizes that organizational commitment is essential to enhance employee attitudes in achieving performance. This can happen because organizational commitment affects the feelings and psychology of employees towards the organization, so there is a positive impact of the employee's attitude to want to change and then provide the best results, including following and viewing that the attitude of the leader is good for development. Bass and Riggio (2006) prove similar things that there is a positive relationship within transformational leadership and organizational commitment.

Employee engagement. So it can be concluded that engagement will bind employees in thoughts and feelings towards the organization that causes the desire or motivation to achieve performance and is committed to living the values contained in the organization itself. Schaufeli, Salanova, Gonzalez-Roma, & Bakker (2002) in their research in their research explained the definition of motivational construction in the role of engagement as a positive, satisfying mind condition, related to work that is marked by enthusiasm (vigor), dedication (dedication) and absorption (absorption).

Organizational culture is an identical value, belief, and rule of an organization and its members (Gibson, 1996). To achieve productive performance, organizational culture can be a positive driver for the members within it. Kotter and Heskett (1992) state that culture can shape the behavior of people within a company through shared values. In his research Schein (1983) states that the process of socialization for new employees in organizations to be bound or committed to the organization is part of the function of organizational culture. Emery and Barker (2007) in their research also found that one of the important factors

influencing organizational commitment is the culture of the organization itself

Denison (2000) in his research on culture created a model known as The Denison Model. There are four main factors that need to be considered in the cultural model created by Denison. These factors are missions that talk about the company's long-term direction, the goal is to provide clear direction for employees to be taken where the company they work for, consistency will identify values and systems that form a strong cultural foundation for the organization, involvement that talks about commitment, sense have and responsibility, and the ability to adapt or adapt to a pattern and trend of talking about the company's process of listening to market demand and then translates it into real action in the business environment.

Employee performance is related to financial and non-financial results of employees who have a direct relationship to organizational performance and success (Anitha, 2014). Gibson et al. (1996) declares that performance of employee is a measuring tool that may be used as a contrast between the results of the assignments and responsibilities that have been given by the organization for a certain period. Mathis and Jackson (2006) state that performance is primary the things that employees do or not do in carry out their works. In his study Mathis and Jackson (2006) divided performance indicators into five. First is the quantity, measured from employee acknowledgement of the number of assignments and their results. The second indicator is quality, measured by employee's perception of the quality of generated work and the perfection of the task of the skills and abilities of employee whether their results of work carried out almost perfectly or meet the expected goals of the work. Third, the timeliness, measured from employee acknowledgement of an activity that generated from the beginning of time until it becomes output. This indicator measure either employee would finish at a predetermined time and utilize the time available for other activities. Fourth, the level of employees attendance in the company can determine employee performance. This can be achieved through effectiveness, maximum utilization of resources and time available to the organization to increase profits and reduce losses. These are the five abilities to work together.

Based on the theory, the results of previous studies and referring to the formulation of the problems that occurred at PT XYZ, the research hypothesis was built as follows:

1. H1: Organizational Commitment significantly affects Employee Performance.
2. H2: Organizational Commitment significantly affects Employee Engagement
3. H3: Employee Engagement significantly affects Employee Performance.
4. H4: Organizational Commitment through the role of the Employee Engagement mediator significantly affects Employee Performance.
5. H5: Organizational Commitment significantly affects Organizational Culture.
6. H6: Organizational Culture significantly affects Employee Performance.
7. H7: Organizational Commitment through the role of mediator Organizational Culture significantly affects Employee Performance.

The conceptual framework of this research can be described as shown in Figure 1, which is the result of adaptation and modification of Anitha's research (2014) with the title Determinant of Employee Engagement and their Impact on Employee Performance and Nikpour (2016) with the title The Impact of Organizational Culture on Organizational Performance: The Mediating Role of Employee's Organizational Commitment

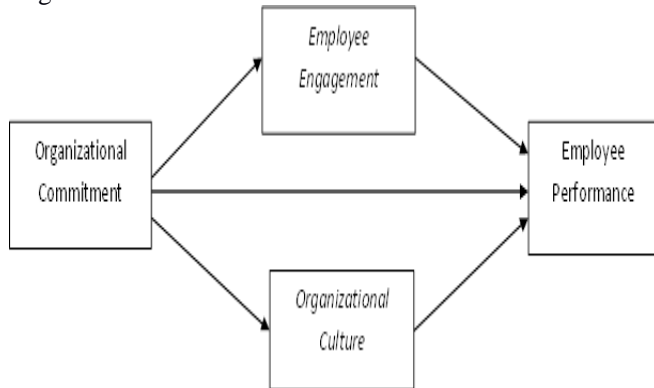


Figure 1. Research Model

Reaserch Methods

This research is a non-experimental study that is causal and comparative which focuses on comparing the independent factors of a group of subjects affected by different from the independent variables. This study used a data collection method through a survey consisting of 70 questions with a Likert scale of 1 - 5 intervals to answer them. The study population was all permanent employees at PT XYZ with a total of 238. The number of samples to be used followed the reference of Slovin theory with the following formula (Sekaran and Bougie, 2010): $n = \frac{N}{1 + N(e^2)}$, resulting in the number of sample of 150. Where the technique of determining the sample using the random sampling method. The validity and reliability test for the pretest data for 30 samples used SPSS version 23 software. Meanwhile, for the statistical analysis of the hypothesis using SEM analysis through the SmartPLS version 3.0 software because this method is considered capable of providing robust analysis. Table 1 describes the operationalization of each variable used in this study.

Table 1. Operationalization of Research Variables

Variable	Indicator	Scale	Item
Organizational Commitment (Herscovitch & Meyer, 2002)	Affective Commitment (KA)	Interval	1-7
	Continuance Commitment (KB)	Interval	8-12
	Normative Commitment (KN)	Interval	13-14
Employee Engagement (Schaufeli, Salanova, Gonzales-Roma, & Bakker 2002)	Vigor (VR)	Interval	15-20
	Dedication (DK)	Interval	21-25
	Absorption (PN)	Interval	26-31

Organizational Culture (Dennison, 2000)	Involvement (IT)	Interval	32-37
	Consistency (CI)	Interval	38-43
	Adaptability (AD)	Interval	44-49
	Mission (MS)	Interval	50-55
Employee's Performance (Mathis Jackson, 2006)	Quantity (KT)	Interval	56-58
	Quality (KL)	Interval	59-62
	Punctuality (KW)	Interval	63-65
	Presence (KH)	Interval	66-67
	Cooperation Ability (KK)	Interval	68-70

The questionnaire was made in digital form using google form media to facilitate random distribution to all offices of PT XYZ, both branch offices and head offices. The questionnaire distribution period was carried out from March - May 2020.

Results And Discussions

Data Analysis

Of the total 170 respondents, 92 male respondents (54%), and 78 female respondents (46%). The average working period of the respondents was dominated by employees who had 1-5 years of work as many as 73 people (43%), then 64 employees with more than 10 years of service (38%) and the rest had a service period of 6 -10 years as many as 33 people (19%). Based on the position, the distribution of respondents was mostly in the position of staff, amounting to 81 people (48%). Followed by a Supervisor or Manager position with 63 people (37%) and finally a functional position with 26 people (15%).

Before testing the hypothesis using SEM-PLS, the data collected through a questionnaire were tested for validity and reliability using SPSS version 23. From the data of 30 initial respondents, the validity was tested using the Kaiser Meyer Olkin Measure of Sampling Adequacy (KMO-MSA) analysis. Where the questionnaire will be considered valid if the KMO value for each dimension is > 0.5 and the component matrix for each dimension item is > 0.5 (Hair, 2010). Meanwhile, the reliability test uses the Cronbach's Alpha analysis method, where the value of $\alpha > 0.600$ is just declared reliable (Stephanie, 2016). From the two methods, it is proven that all variables are valid and reliable, so that it can be continued for the next test, namely hypothesis testing.

Figure 1 illustrates the results of the hypothesis analysis test.

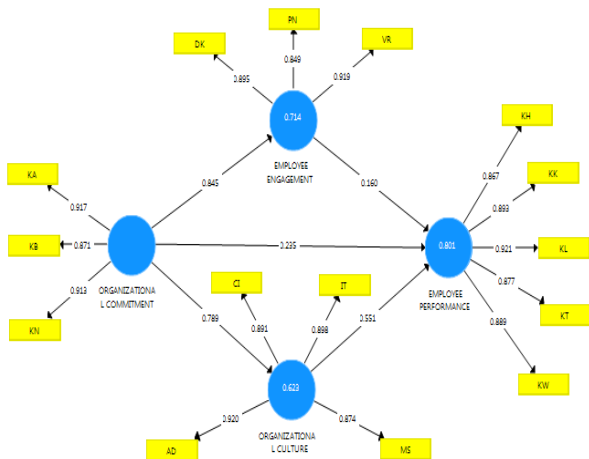


Figure 2. SEM model with SmartPLS version 3.0

Outer Model Evaluation -The Average Variant Extracted (AVE) value for all variables is > 0.5. AVE values of organizational commitment variable 0.811, Employee Engagement 0.789, Organizational Culture 0.803, and Employee Performance 0.792. Therefore, we can concluded that the research model meets the requirements of discriminant validity. While the composite reliability value of organizational commitment variable is 0.928, Employee Engagement 0.918, Organizational Culture 0.942, and Employee Performance 0.950. Overall value > 0.6, so it can be concluded that the research model passed the composite reliability test.

Table2. Value of Construct Reliability and Validity from SEM-PLS Analysis

Variable	Cronbach's Alpha	Rho_A	Composite Reliability	Average Variance Extracted (AVE)
Employee Engagement	0,866	0,87	0,918	0,789
Employee Performance	0,934	0,937	0,95	0,792
Organizational Commitment	0,883	0,89	0,928	0,811
Organizational Culture	0,918	0,921	0,942	0,803

Inner Model Evaluation - Table 2 describes the results of the Path Coefficient Test to describe the relationship between one variable and another by categories according to Chin (1999).

Measurement of goodness of fit obtained a Q2 value of 97.9%, which means that only 2.1% of data variability is explained by other factors outside the scope of the research model. From these results it can be concluded that this research model has a good goodness of fit.

Hypothesis Analysis - Based on the results of the data processing that has been done, we can conclude the results to answer the hypothesis in this study. Hypothesis testing in

this study was carried out by examining the T-Statistics values and the P-Values values. If the P-Values value is <0.05 or T-Statistics (t count) > t table, the research hypothesis can be declared passed or accepted. Table 5 illustrates the results of the hypothesis testing in this study.

Table 3. T-Statistics and P-Values of Employee Engagement on Employee Performance

Hypotesis	Relationship	Path Coefficient	Impact	T-Statistics	P-Values	Result
H1	Organizational Commitment to Employee Performance.	0,235	Weak & Positive	2,498	0,013	Accepted
H2	Organizational Commitment to Employee Engagement	0,845	Strong & Positive	33,505	0,000	Accepted
H3	Employee Engagement on Employee Performance	0,160	Weak & Positive	1,684	0,093	Rejected
H4	Organizational Commitment is mediated by Employee Engagement on Employee Performance			1,678	0,094	Rejected

Table 3. T-Statistics and P-Values of Employee Engagement on Employee Performance

Hipotesis	Hubungan	Path Coefficient	Pengaruh	T-Statistics	P-Values	Hasil
H5	Organizational Commitment to Organizational Culture	0,789	Strong & Positive	18,000	0,000	Accepted
H6	Organizational Culture on Employee Performance	0,551	Moderate & Positive	5,807	0,000	Accepted
H7	Organizational Commitment is mediated by Organizational Culture on Employee Performance			5,614	0,000	Accepted

Based on the results of the T-Statistics and P-Values calculations described in table 3, it can be concluded that Organizational Commitment has a significant relationship to Employee Performance or hypothesis 1 is accepted. This can be seen by comparing the T-Statistics value which is 2.498 with the t-table value of 5% significance, namely 1.97. The T-Statistics value is greater than the t table. Meanwhile, the P-Values that shape the impact of Organizational Commitment on Employee Engagement is a positive value of 0.000, which is less than 0.05. And when compared with the t-table value of 5% significance with a value of 1.97, the T-Statistics value for the effect of Organizational Commitment on Employee Engagement is 33.505, which is greater than the t table value. This shows that Organizational Commitment has a significant effect on Employee Engagement. Meanwhile, if we look at the effect on employee performance, Employee Engagement does not have a significant effect. This is evidenced by the acquisition of a T-Statistics value of 1.684 which is smaller than the t table value of 5% of 1.97. And this is proven through its role as a mediation between Organizational Commitment to Employee Performance. Previously, Organizational Commitment had a significant impact on Employee Performance as described in table 4 through the mediation role of Employee Engagement, Organizational Commitment actually had an insignificant impact. The acquisition of P-

Values for the role of this mediation is 0.094, greater than 0.05, as well as the T-Statistic value of 1.678 which is smaller than the t-table value of 5% significance of 1.97. Analysis of the effect through the value of T-Statistics the indirect impact of reducing the value of the effect of Organizational Commitment on Employee Performance. The T-Statistics value changed to 1.678, far below the t-table value of 5% significance which is 1.97.

Although the mediating effect of Employee Engagement makes Organizational Commitment not have a significant impact on employee performance, through path coefficient analysis it can be concluded that at least Employee Engagement does not have a negative effect on the relationship. This can be proved by obtaining a positive value of 0.136.

Table 3 also describes the role or impact of organizational culture on organizational commitment and employee performance. The effect of Organizational Commitment on Culture has a P-Values value of 0.000, which is less than 0.05. And when compared with the t-table value of 5% significance with a value of 1.97, the T-Statistics value for the effect of Organizational Commitment on Organizational Culture is 18,000, which is greater than the value of t table. If we look back, the same as the previous effect between Organizational Commitment on Employee Engagement, the T-Statistic value for the effect of Organizational Commitment on Organizational Culture also has a very large value above 10,000. This means that Organizational Commitment has a very significant influence on Employee Engagement and Organizational Culture directly.

The description of the influence of Organizational Culture on Performance directly shows that in this relationship, Organizational Culture is proven to have a significant influence on Employee Performance. The T-Statistic value for this relationship is 5.807, which is greater with the t table value with a significance of 5%, which is 1.97. This may imply that a good organizational culture encourages employee performance in a company. This is supported by the acquisition of a T-Statistic value in its role as Organizational Culture as a mediator between Organizational Commitment and Employee Performance, which is 5,614 greater than 1.97 which is the t table value of 5% significance. Organizational Culture consistently provides a significant influence between Organizational Commitment on Employee Performance.

We can see the consistency of the significant influence of Organizational Culture through a comparison between the direct impact and the mediating impact of the two mediating variables used in this study. In direct effect, the T-Statistic value of Organizational Commitment to Employee Performance is 2.498. Meanwhile, the T-Statistic value of the relationship between Organizational Commitment and Employee Performance mediated by Organizational Culture is 5,614. The T-Statistic value increased by 3.116 or 125% from the initial value. It is inversely proportional to the mediation role carried out by Employee Engagement which actually has a decreasing effect of 0.820 or -33% from the initial value of 2.498 to 1.678.

Discussion

In the process of this research, the relationship between Organizational Commitment, Employee Engagement, Organizational Culture and Employee Performance is explained theoretically and then tested. This study's objective is to look at the mediating role of Employee Engagement and Organizational Culture in Organizational Commitment to Employee Performance. The result was that the first Employee Engagement changed the influence of the previously significant Organizational Commitment to Employee Performance to insignificant. Second, Organizational Culture continues to mediate significantly Organizational Commitment to influence Employee Performance.

The findings of this study have been compared with the results of previous studies. Some of this study's results shows differences compared to the previous studies' results. Lee's research (2010) states that employees with high commitment will display positive attitudes and behaviors, have a defending spirit, try to create achievements, and enthusiasm to help realize organizational goals. In his research, Lee also stated that organizational commitment is crucial to increase the desire of employees in achieving the vision, mission, and targets set by the company to deal with existing changes. Avolio (2004) also emphasizes that Organizational Commitment is essential to improve employee attitudes in achieving performance. The positive relationship between Organizational Commitment and Employee Performance as described by previous researchers is proven through this research. The research's result at PT XYZ show that there is indeed a significant positive relationship between Organizational Commitment and Employee Performance. This means that an increase in Organizational Commitment to employees can affect employees' feelings and psychology towards the organization, so there is a positive relationship with employee attitudes to want to change and then provide the best results including following and viewing that the company's direction and goals are good for development. The results of research at PT XYZ show that there is indeed a significant positive relationship between Organizational Commitment and Employee Performance. This means that an increase in Organizational Commitment to employees can affect employees' feelings and psychology towards the organization, so there is a positive relationship with employee attitudes to want to change and then provide the best results including following and viewing that the company's direction and goals are good for development. The results of research at PT XYZ show that there is indeed a significant positive relationship between Organizational Commitment and Employee Performance. This means that an increase in Organizational Commitment to employees can affect employees' feelings and psychology towards the organization, so there is a positive relationship with employee attitudes to want to change and then provide the best results including following and viewing that the company's direction and goals are good for development.

In contrast to the role of Employee Engagement on Employee Performance, this research at PT XYZ turned out to provide results that refuted the results of research conducted by Meswantri & Awaludin (2018) who states that

there is a strong relationship between *Employee Engagement* with Employee Performance on the company. Not only that other conflicting research is conducted by Ayub & Islam (2018) who also stated the same thing with research conducted by Meswantri & Awaludin (2018), that Employee Engagement had a significant positive effect on Employee Performance in one hotel in Malaysia with 153 respondents. So it can be concluded that Employee

Engagement does not always bind employees in thoughts and feelings towards the organization which causes the desire to achieve high performance. Situation, condition and Organizational Culture influence the role of Employee Engagement on Employee Performance (Federman, 2009).

The results do not affect the role of Employee Engagement on Employee Performance in this study proving its consistency through the results of its mediating role between Organizational Commitment to Employee Performance. Previous research *The International Survey Research (ISR)* states that to encourage employee commitment to achieve results that exceed the expected or extraordinary performance, Employee Engagement is one of the component that really influence. Schmidt (2004) in his research also stated to get the highest commitment from employees so that they are willing to do anything voluntarily in order to achieve company profits requires a high Employee Engagement among the employees themselves. In fact the findings of this study state that Employee Engagement is not proven to encourage employee organizational commitment to provide exceptional performance. The impact of mediators actually reduces the role of the organizational commitment itself in improving employee performance of the company. Therefore we can conclude that in the case of research at PT XYZ Employee Engagement will not encourage the influence of Organizational Commitment within employees on the Performance of Employees themselves.

Research states that organizational commitment significantly influences organizational culture. This is congruence with other research run by Nikpour (2016) who states that Organizational Commitment has a direct positive and significant impact on Organizational Culture. Another study that produced the same thing was done by Gibson (1996). In his research, Gibson (1996) told that Affective Organizational Commitment was able to be a positive force in increasing the role of Organizational Culture in a company in achieving achievement or performance.

Gibson's (1996) research results, if explained more clearly, automatically not only clarify the direct effects of Organizational Commitment on Organizational Culture, but also support the results of indirect effects or the role of mediator Organizational Culture between Organizational Commitment and Employee Performance. In this study the direct role of Organizational Culture on Employee Performance is considered to have a significant positive effect. Nikpour (2016) in his research also emphasized the same thing that Organizational Culture provides a significant direct effect on Employee Performance. Instead these results refute the conclusions of research conducted by Yiing and Ahmad (2008) which state that Organizational Culture does not have a significant direct impact on Employee Performance. As for the mediator role of Organizational Culture, this study concludes that there is

still a significant influence between Organizational Commitment to Employee Performance even though it has been mediated by Organizational Culture. It even tends to provide a strengthening impact from the direct impact of the Organizational Commitment itself on Employee Performance.

In a study conducted by Boon and Arumugam (2006) assume that all dimensions of Organizational Culture directly enhance Organizational Commitment. Manatje and Martins (2009) state that Organizational Culture is the result from Organizational Commitment. Both of these results provide reinforcement of the results of strengthening Organizational Culture of Organizational Commitment on Employee Performance. However, there are several studies that produce different influences from Organizational Culture as a mediator between Organizational Commitment and Employee Performance. The first research was conducted by Nikpour (2016) who stated that the indirect impact of both Organizational Commitment and Organizational Culture is smaller on Employee Performance when compared to its direct impact. Another study was conducted by Abdullah and Wahab (2015) who clarified the results of Nikpour's research (2016), through his research that tried to replace the role of Organizational Culture as the role of mediator of Organizational Commitment. The direct impact of Organizational Commitment is greater than the indirect impact on Organizational Culture and Employee Performance.

Kotter and Heskett (2011) assert that organizational culture has the capability to improve company performance. Luthans (2006) said that through organizational commitment, employees will make every effort to achieve success and sustainability of the company's business. Associated with the results of other studies, organizational success such as efficiency, profitability, innovation and employee job satisfaction is determined by behavior (Ertuck, 2007). And work behavior as an individual commitment as well as an organization that encourages operational efficiency and effectiveness is determined by Organizational Culture (Organ, 1988). Chua, Roth and Lemoine (2015) explained that Organizational Culture can improve company performance through developing employee creativity. Culture that is deeply internalized in employees will affect employee commitment in innovating in the work environment which will ultimately improve the overall performance of the company itself. Jaskyte (2004) says something similar that organizational culture has a close relationship to performance through its relation to increasing employee commitment to innovate. Based on this information, we can conclude that organizational culture influences employee commitment to the organization and employee performance through enhancing employee creativity in creating innovations for overall performance improvement. Jaskyte (2004) says something similar that organizational culture has a close relationship to performance through its relation to increasing employee commitment to innovate. Based on this information, we can conclude that organizational culture influences employee commitment to the organization and employee performance through enhancing employee creativity in creating innovations for overall performance improvement. Jaskyte (2004) says something similar that organizational culture

has a close relationship to performance through its relation to increasing employee commitment to innovate. Based on this information, we can conclude that organizational culture influences employee commitment to the organization and employee performance through enhancing employee creativity in creating innovations for overall performance improvement.

Conclusions

This study aims to analyze the mediating role of employee engagement and organizational culture on organizational commitment to employee performance. To analyze the relationship between these variables, this study uses Partial Least Square (PLS). Based on the analysis and discussion in the previous section, 2 main conclusions can be drawn. The results of the first hypothesis test showed that employee engagement as a mediating variable between organizational commitment and employee performance was rejected. Employee engagement has an impact that weakens the relationship between organizational commitment and employee performance. Previously, it had a significant effect, through employee engagement, organizational commitment had an insignificant impact on employee performance. This may imply that the key to improving employee performance is through employee commitment, not increasing employee engagement. Organizational commitment has a greater direct impact on employee performance. Therefore, what needs to be developed is how high the employee's commitment to the company is, thus any changes and challenges that come to the company will be viewed positively by employees and in the end become a driving force or motivation for employees to contribute more than expected.

The result of the second hypothesis test is the mediating role of organizational culture on organizational commitment and employee performance. The results show that an organizational culture that is deeply rooted in employees will still make organizational commitment a strong influence on employee performance. Organizational culture is actually an important factor in improving both organizational commitment and employee performance. This happens because employees feel in accordance with the organization, so they feel comfortable staying in the organization. The decision to stay will then have an impact on the desire to contribute more than the previous organization expected or set out to do.

The limitation of this study is the number of questions that are fairly large, amounting to 70 questions. Many respondents complained about this. Several entries said that to a certain extent the respondents had begun to feel bored, which affected the process of assessing the next questionnaire points. Even worse, the respondents did not want to complete the assessment in the questionnaire. This is one of the factors that causes researchers to have difficulty getting research respondents. Not only that, the times that are so fast, especially in terms of technology, have a very strong influence on various things including the variables in this study. Much research links technological development with innovative and creative behavior. The absence of innovative and creative behavior variables is also one of the limitations of this study. Therefore, for the

development of hypotheses in subsequent studies, the authors suggest including innovative and creative behavior variables.

Implications

The results of the analysis and conclusions outlined in this study is expected to provide benefits to PT XYZ in general in terms of applying increased organizational commitment, implementing Employee Engagement, and internalizing Organizational Culture to have a significant impact on employee performance in it. The implications of this research are as follows:

1. The acceptance dimension in Employee Engagement is considered to have the lowest value compared to other dimensions in this research variable. For this reason, through the results of this study, the company is expected to be able to improve the enthusiasm of employee acceptance through various activities and actions such as:

- a. One of the things that can support the level of employee acceptance is the level of seriousness and concentration of the employees themselves. Therefore, giving time and creating a conducive situation is the right thing for employees to take orders, enter and other matters related to work carefully. This is where the role of organizational culture is needed to increase the commitment of every employee to consider all the business activities of both small and large. Thus there will be no employees who underestimate or not take seriously any form of business. What is expected is that small businesses can create a large positive impact on the company. At PT XYZ, the development and preservation of the Kaizen mechanism on a regular basis in each work unit can be a container for the development of increased acceptance of each employee. In this forum every employee's idea is considered to be very important and valuable. The seriousness of the company in looking at the importance of every employee effort can increase the seriousness and concentration of employees in producing useful things.

- b. Another action that can improve employee acceptance is through the creation of pleasant working conditions so that employees can enjoy work. Through the establishment of clear and structured work goals, it can be the driving force for the achievement of these conditions. The parameters in assessing performance must indicate the role of employees in the progress of the company. For example work targets are built on the principles of Specific (clear on certain things), Measurable (measurable), Achievable (achievable), Realistic (in accordance with reality) and Timely (there is a clear measure of time) or can be abbreviated with "SMART".

2. Next is the dimension of adaptability that has the highest value in this study. Organizational Culture is proven to have a significant influence both on Organizational Commitment and employee performance.

Therefore, companies need to do a number of things to increase the impact of organizational culture, especially the ability to adapt, especially in today's uncertain conditions, as follows:

- a. Giving awards not only from existing achievements but also to the positive efforts that have been made by employees. At PT XYZ there are actually very many media

for employees to be able to show their existence in the world of work such as the XYZ Innovation Awards, XYZ Finhack Competition, SMART competitions and so forth. To increase enthusiasm and adaptability, it is better for management to provide support in the form of appreciation for employees in their work units who are willing and brave to contribute in each event even though they do not win nationally and do not need to be prizes, sometimes verbal awards such as giving congratulations considered to be very meaningful for employees.

b. Coaching and mentoring consistently is another way to improve employees' adaptability. This program basically already exists and is one of the Key Performance Indicator (KPI) forms of PT XYZ's management. What needs to be improved is consistency in implementation. It is expected that by coaching and mentoring employees will become richer in knowledge and develop so that they are able to adapt to all challenges and changes that occur

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