

The Influence of Leadership and Organizational Culture on Employee Performance in the Bpjs Ketenagakeran Central Office

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ABSTRACT

The purpose of this research is to determine the effect of the leadership, and organizational culture on the employee performance. This is an associative explanatory research with multiple regression analysis method used. Total numbers of samples of this research is 40 people, which their data collection are taken using questionnaires. Research shows that simultaneously leadership, and organizational culture had a positive and significant effect on the employee performance. While partially, only organizational culture is affecting positively and significantly to the employee performance.

Keywords : Employee Performance, Leadership, Organizational Culture

I. INTRODUCTION

BPJS Ketenagakerjaan (Badan Penyelenggara Jaminan Sosial Ketenagakerjaan) is one of a public legal entity in Indonesia. BPJS Ketenagakerjaan was established as a form of government responsibility of fulfilling its obligations to protect the public. In this case as a legal entity tasked with providing protection to workers against certain socio-economic risk in the form of insurance.

Recently, the performance of BPJS Ketenagakerjaan is so impressive. Since 2016 to 2018 BPJS Ketenagakerjaan has succeeded in winning various awards from various institutions and fields. Like the SPEX 2 Awards in 2016, Institution with the Best Gratification Control System from KPK, The Best Indonesian Insurance Company 2017, Indonesia CSR Award II 2018, and so on. This certainly cannot be separated from the results of hard works and participation of all of the employees and parties involved. Like what Schermerhorn (2013, 98) said

that The 3 P's of organizational performance are profit, people, and planet.

Based on this extraordinary performance, the author feels compelled to find out what might have a role in influencing this outcome. In the recent study by Brahmasari and Suprayetno (2016), and Tintami et. al (2012), they concluded that leadership and organizational culture had a positive and significant effect on the company performance. Also Purwanto (2013) found relatively the same thing that leadership also has a positive and significant effect on company performance, even though organizational culture doesn't.

II. LITERATURE REVIEW

Leadership

Leadership is the process of inspiring others to work hard to accomplish important tasks (Schermerhorn, 2013). One of the most important leader functions is to facilitate creation of a shared vision for the

organization's future and keep organizational members working toward that vision. (DeGenzo dan Robbins, 2010).

There are many style of leadership, every leader have different way to engage, lead, motivate, and influence its personnel. Leaders have powers, which means the ability to get someone else to do something you want done or to make things happen the way you want (Schermerhorn et. al, 2017).

The best leaders help people progress along these paths, remove any barriers that stand in their way, and provide appropriate rewards for task accomplishment. House identifies four leadership styles that may be used in this 'path-goal' sense:

- a. Directive leadership — letting subordinates know what is expected; giving directions on what to do and how; scheduling work to be done; maintaining definite standards of performance; clarifying the leader's role in the group
- b. Supportive leadership — doing things to make work more pleasant; treating group members as equals; being friendly and approachable; showing concern for the wellbeing of subordinates
- c. Achievement-oriented leadership — setting challenging goals; expecting the highest levels of performance; emphasizing continuous improvement in performance; displaying confidence in meeting high standards.

Participatory leadership — involving subordinates in decision-making; consulting with subordinates; asking for suggestions from subordinates; using these suggestions when making a decision (Robert House in Schermerhorn et. al, 2017).

Organizational Culture

Organizational culture is the predominant value system for the organization as a whole. Just as nations, ethnic groups, and families have cultures, organizations also have cultures that create unique identities and help to distinguish them from one another. Schermerhorn (2013).

DeGenzo et. al (2010) Just as tribal cultures have totems and taboos that dictate how each member should act toward fellow members and outsiders, organizations have cultures that govern how their members should behave. Every organization, over time, evolves stories, rituals, material symbols, and language. These shared values determine, in large part, what employees see and how they respond to their world. An employee who has been properly socialized to the organization's culture, then, has learned how work is done, what matters, and which work-related behaviors and perspectives are or are not acceptable and desirable

There is much recent empirical research that supports the crucial role played by specific HRM practices (e.g. training and development, talent management, organizational culture and development) in stimulating innovation in support of sustainable outcomes linked to financial performance Machado dan Davim (2014)

Performance

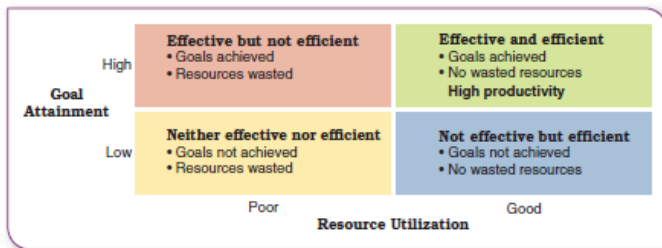
Performance can simply be defined as the extent to which an individual contributes to achieving the goals and objectives of an organization (Machado dan Davim,2014).

Rothwell et. al (2012) said, although little empirical research exists to tie organizational culture to organizational performance, most experts agree that, typically, organizations exhibiting a strong

organizational culture are the most successful over time. They have a thorough understanding of their norms and values, as well as the impact on the consumers of their product or service. A strong culture is felt to have a significant impact on an organization's long-term economic performance.

Leaders were responsible to create circumstances for subordinates where they could show superb performance (Machado dan Davim,2014).

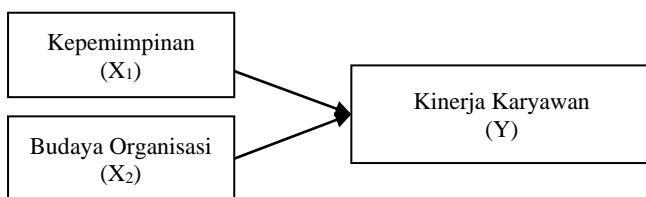
The continuous process of identifying, measuring, and developing the performance of individuals and teams and aligning their performance with the organization's goals Dessler (2013).



Productivity and the dimensions of organizational performance by Schermerhorn (2013).

Conceptual Framework

Theoretical research framework which is shown in the description above can be explained through a systematic overview of a study as seen from here:



Research Hypothesis

Based on the framework above, there are two hypotheses which are going to be tested, such as.

H₀: There is no significant correlation and influence between leadership and organizational culture on employee performance in Deputy Direktur Bidang Keuangan BPJS Ketenagakerjaan, both partially and simultaneously.

H₁: There is significant correlation and influence between leadership and organizational culture on employee performance in Deputy Direktur Bidang Keuangan BPJS Ketenagakerjaan, both partially and simultaneously.

Method

This type of research is called associative explanatory research, it's aims to find out the relationship between two or more variables (Kurniawan, 2012:21).

Data was collected through a questionnaire obtained from primary data sources and then processed using multiple linear regression analysis to determine whether there is a correlation and influence between leadership, and organizational culture on employee performance.

Population and Sample

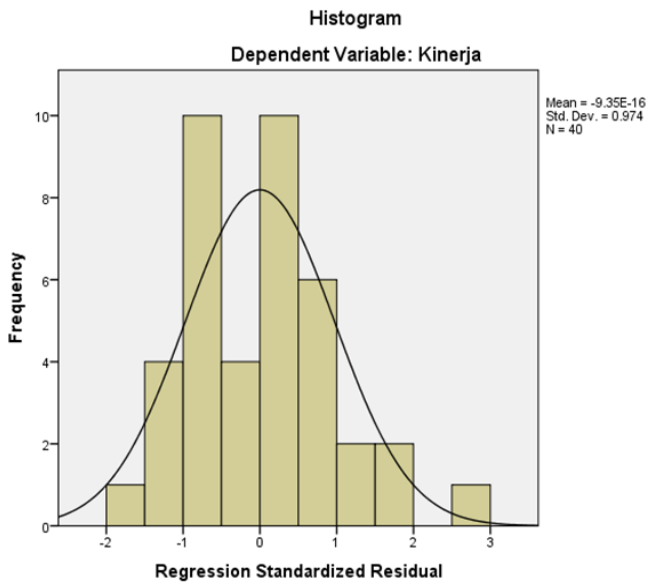
The population and sample in this study are all existing employees, both men and women who are still actively working at the BPJS Ketenagakerjaan Head Office Jl. Jend Gatot Subroto No.79 Jakarta 12930 Indonesia, at the Deputy Direktur Bidang Keuangan BPJS Ketenagakerjaan totaling 40 people as of August 2019.

Data Analysis Methods

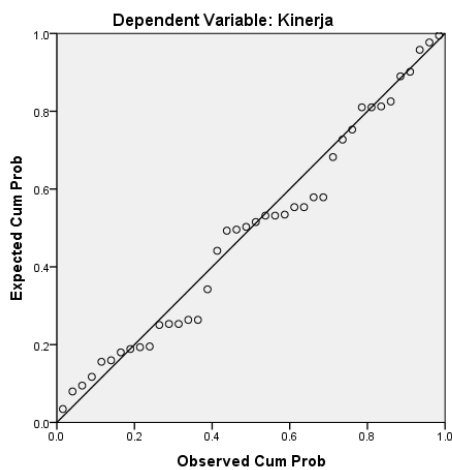
Data analysis method used in this research is statistical analysis using statistical software IBM SPSS Statistics 21.0. Analytical methods and techniques are carried out by testing classical assumptions first and followed by hypothesis testing.

III. RESULTS AND DISCUSSION

Classical Assumption Test



Normal P-P Plot of Regression Standardized Residual



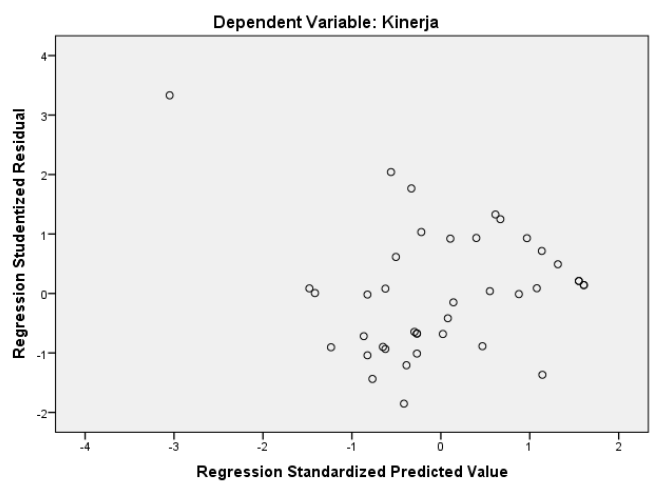
	Negative	-.068
	Kolmogorov-Smirnov Z	.753
	Asymp. Sig. (2-tailed)	.622

- a. Test distribution is Normal.
- b. Calculated from data.

Coefficients^a

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
1 Kepemimpinan	.301	3.321
Budaya_Org	.301	3.321

Scatterplot



One-Sample Kolmogorov-Smirnov Test

		Unstandar dized Residual
N		40
Normal Parameters ^{a,b}	Mean	.000000
	Std. Deviation	2.93991040
Most Extreme Differences	Absolute	.119
	Positive	.119

Coefficients^a

Model	Unstandardiz ed Coefficients		Standardiz ed Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	8.881	2.123		4.184	.000

Kepemimpinan	-0.214	.110	-0.511	-1.941	.060
Budaya_Org	.010	.063	.042	.158	.875

a. Dependent Variable: absut

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	11.649	3.901		2.986	.005
1 Kepemimpinan	.098	.202	.093	.483	.632
Budaya_Org	.415	.116	.687	3.574	.001

a. Dependent Variable: ROA

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	480.820	2	240.410	26.389	.000 ^b
Residual	337.080	37	9.110		
Total	817.900	39			

a. Dependent Variable: Kinerja

b. Predictors: (Constant), Budaya_Org, Kepemimpinan

Discussion

The results showed that together (simultaneously) the independent variables consisting of leadership, and organizational culture had a positive and significant effect on the employee performance in BPJS

Ketenagakerjaan Depdir Keuangan. This result is obtained from Ftest value of 26,389 which is greater than Ftable of 3.25 (26,389 > 3.25) then a significance value of 0,000 is less than 0.05 (0,000 < 0.05) so that it can be concluded that simultaneously or together all independent variables (leadership and organizational culture has positive and significant effect on the dependent variable, employee performance. The results of this study indicate that the performance of BPJS Ketenagakerjaan Depdir Keuangan can improve if leadership, and organizational culture both improved aswell.

Leadership has a positive but not significant effect on employee performance at BPJS Ketenagakerjaan Depdir Keuangan, this result is obtained from the t-test value of 0.483 < t-table 1,687 with a significance of 0.632 > 0.05. The results of this study indicate that high leadership in employees will improve employee performance but not directly due to its insignificant influence. This is in contrast with the research of Purwanto (2013).

Organizational culture has a positive and significant influence on employee performance at BPJS Ketenagakerjaan Depdir Keuangan, this result is obtained from the t-test value of 3,574 > t-table 1,687 with a significance of 0,000 < 0.05. The results of this study indicate that a good organizational culture will be able to improve employee performance directly and significantly. This result is in line with the research of Tintami et. al (2012).

IV. CONCLUSION

Based on the results of the research and discussion above, it can be concluded about the effect of leadership, and organizational culture on the employee performance at BPJS Ketenagakerjaan Depdir Keuangan.

Leadership gives a positive effect on the employee performance at BPJS Ketenagakerjaan Depdir Keuangan but not significant.

Organizational culture has a positive and significant effect on the employee performance at BPJS Ketenagakerjaan Depdir Keuangan.

Leadership, and organizational culture simultaneously have a positive and significant effect on the employee performance at BPJS Ketenagakerjaan Depdir Keuangan

V. Suggestions

For the Management

Even though leadership alone does not have a significant effect on the employee performance. But it doesn't mean that leadership is not important at all. Together with a good organizational culture leadership can have a significant effect on the employee performance. Leaders who have positions/power will certainly have the power to influence their employees. Supervision and a good direction from a leader can certainly make employees be able to do their job as company expected.

BPJS Ketenagakerjaan Depdir Keuangan should improve its leadership to make a better result in their employee performance. There are many ways to improve leadership, such as: improving the process of leader selection and recruitment, training program, providing rewards and recognition for a disciplined and assertive leader, evaluating potential leaders, and so on.

Organizational culture in BPJS Ketenagakerjaan Depdir Keuangan is already good and plays an important role in improving employee performance. Keeping the culture of this organization going well is

important for the success of the BPJS Ketenagakerjaan Depdir Keuangan in the future.

For Further Research

For further researchers, they should perfect this research using methods and other variables related to this research. Also use this research as a reference to conduct similar research in other places. It is expected that the further research in the field of human resource management will be more useful for practitioners, academics and the public.

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