# The Effect of Organizational Culture, Personality, and Job Satisfaction Toward Employees Performance In Directorate General Of Industrial Resilience And International Access Development

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# Abstract

The purpose of this study was to determine the effect of organizational culture, personality, and jobsatisfaction towards employee's performance in the Directorate General of Industrial Resilience andInternational Access Development. This research tried to answer problems about the performance issueswith increasing evidence of a decreased of organizational performance backed by its employees'performance assessment data. The research was conducted on performance involving 79 employees that hadbeen selected from a target Populations of 99 employees by using the quantitative approach with pathanalysis methods. The research of hypothesis testing shows that: (1) organizational culture had a direct positive effect on performance; (2) personality had a direct positive effect on performance; (3) jobsatisfaction had a direct positive effect on performance; (4) organizational culture had a direct positive effect on job satisfaction: (5) personality had a direct positive effect on job satisfaction: Therefore, to improve the performance in the Directorate General of Industrial Resilience and International AccessDevelopment an increase is organizational culture, personality and job satisfaction need to be done.

Keywords: Performance, Organizational Culture, Personality, Job Satisfaction.

# Introduction

The Directorate General of Resilience and International Industrial Access Development (DG IRIAD) is one of the units within the Ministry of Industry which has the task of organizing the formulation and implementation of policies in the field of industrial resilience and international cooperation in the field of industry, perform functions in the formulation and implementation of policies in the field of security and rescuing domestic industry, building international cooperation in the framework of opening access and development of international markets, opening access to industrial resources, utilization of global supply chain network, and promotion of industries, industrial services, and industrial investment;

In accordance with implementing its main duties and functions, the strategic role of the Directorate General of Resilience and International Industrial Access Development in supporting the development of domestic industry is through the efforts to increase access towards markets, access towards investment and technology resources, and international cooperation. In realizing the main tasks and functions as well as the strategic role that has been set, surely it must be supported by human resources who have great quality and excellent performance.

There are many factors that can affect the performance of the employees in the bureaucracy environment i.e. organizational culture, personality, motivation, leadership and job satisfaction. One of the research topics concerning the effectiveness of organizations that received a lot of attention is related to factors within the organization that can affect the performance of the organization.

The decreasing trend of organizational performance in the Directorate General of Resilience and International Industrial Access Development is backed by its employees' performance assessment data. The

data shows that there are problems with the employee's performance in the Directorate General` of Resilience and International Industrial Access Development that must be noticed and resolved by the leaders in the Organization.

# Objectives

The purpose of this research can be formulated into: Is there a direct effect of organizational culture on performance? Is there a direct effect of personality on performance? Is there a direct effect of job satisfaction on performance? Is there a direct effect of organizational culture on job satisfaction? Is there a direct effect of personality on job satisfaction?

# Literature Review

# **Organizational Culture**

Comprehensively, for the definition of organizational culture, it is a good idea to see the opinions of some experts who are widely used in literature. Robert Kreitner and Angelo Kinicki (2011) defines, "organizational culture is the set of shared, taken for granted implicit assumptions that a group holds and that determines how it perceives, thinks about and reacts to its various environment". So Organizational culture is a collection of assumptions from an organization that is sometimes believed and sometimes ignored, where it determines how the organization views, thinks, and reacts to a variety of conditions. John R. Schermerhorn defines the organizational culture as follows, "organizational behavior which is devoted to the study of individuals and groups in organizations". Therefore, organizational behavior can be defined as a science dedicated to learn individuals and groups within an organization.

In the writers' opinion, organizational culture can be synthesized as values and norms mutually agreed upon and firmly held by members in an organization to be used as a guide to do their work to support the achievement of organizational goals with indicators: norms, rules or regulations, symbols, values and language.

Organizational culture has a positive relationship towards employee performance. Strong culture within an organization can increase employees' commitment in achieving organizational goals (Fakhar Shahzad (2016)). This is supported by the study conducted by Muhammad Ilyas and Tamrin Abdullah which concluded that there is a positive direct relationship between Organizational Culture and Employee Performance. A well organized and well-managed organizational culture can support harmonious interactions and positive encouragement in solving problems in a corporation.

# Personality

Debra L. Nelson, and James Campbell Quick (2011) define personality as follows, "personality is defined as a relatively stable set of characteristics that influence an individual's behavior". So, from the definition, it can be seen that personality can be defined as a relatively stable set of characteristics that affect an individual's behavior. Thoughts, feelings, and actions that are seen as reflections of a person's personality usually have three characteristics. First, they are considered as an identity component that differentiates the behavior from others. Second, behavior is seen as primarily from internal rather than environmental factors. Third, the behavior of these people seems to fit together in a meaningful way, showing the inner personality that guides and directs the behavior.

Based on the analysis of several literatures, the writer synthesizes personality as a pattern of one's dynamic and integrated behavior manifested in the way of thinking, feeling and acting uniquely and stable that characterizes one's response to situations that include personality factors: sincerity, friendliness, openness to experience, extraversion and neuroticism.

Personality can affect employee performance. Personality is something that is typical and relatively longlasting about the ways of thinking, feeling, and acting that characterize a person in response to a life situation and a stable attitude. Thoughts, feelings, and actions that are seen as reflections of a person's personality usually have three characteristics. First, they are considered as an identity component that differentiates the behavior from others. Second, behavior is seen as primarily from internal rather than environmental factors. Third, the behavior of these people seems to fit together in a meaningful way, showing the inner personality that guides and directs the behavior. (Debra L. Nelson, and James Campbell Quick, 2011).

#### **Job Satisfaction**

When people talk about worker attitudes, they usually refer to job satisfaction. Job satisfaction refers to a positive feeling about the job in result of an evaluation of its characteristics. A person with a high level of job satisfaction has a positive feeling about his job, while a person with a low level has negative feeling about it. It is why the researchers in organizational behavior think that job satisfaction is very important. Timothy T. Baldwin et.al (2013) defines job satisfaction as follows, "Job satisfaction is a global assessment of all aspects of one's work role. job satisfaction can also be viewed as an appraisal of specific aspect of the job roles including satisfaction with one's pay, co-workers, supervision, promotional opportunities and the work it self ". Job satisfaction is a set of employee feelings about whether or not their work is fun.

From the description above, it can be synthesized that job satisfaction is an emotional response to the job and work experience in an organization with indicators: feelings toward work, feelings towards colleagues, feelings of responsibility and feelings towards self-development.

The last factor that affects employee performance is job satisfaction. According to Ramona Octavianand, et al job satisfaction has a direct influence on employee performance but this effect will be optimal if balanced with increased employee motivation. This is supported also by Kenioua Moulud et al who argues that job satisfaction has a positive relationship towards employee performance. This positive relationship will increase if it is supported by the commitment of the organization in the context of achieving common goals

#### **Employees Performance**

According to a behavioral approach in management, Performance is the quantity or quality of something produced or services provided by a person doing the work. Jason A. Colquitt et.al (2015) defines performance as follows, "job performance is formally defined as the value of the set of employee behaviors that contribute, either positively or negatively, to organizational goal accomplishment". Therefore, it means that Performance can be formally described as a set of values from a set of employee behaviors that contribute both positively and negatively to the fulfillment of organizational goals.

James L. Gibson, et. al defines Performance as follows, "job performance is the outcome of jobs that relate to the purposes of the organization such as quality, efficiency and other criteria of effectiveness ". From the definition above, it is stated that performance is the end result of a job related to organizational goals such as quality, efficiency and other criteria of work effectiveness. Performance is the result of an evaluation of the work performed compared to the predefined criteria.

From the above description the writers synthesize that performance is an activity displayed by a person in performing work functions within a certain time that contribute positively to the achievement of organizational goals with the indicators of employee behavioral, actions at work, work procedure, and the outcome of the job.

Based on the literature reviewed, the following hypotheses were formulated :

- H<sub>1</sub>. There is a direct positive influence of organizational culture on employees performance
- H<sub>2</sub>. There is a positive direct effect of personality on employees performance
- H<sub>3</sub>. There is a direct positive effect of job satisfaction on employees performance
- H<sub>4</sub>. There is a positive direct effect of organizational culture on job satisfaction

H<sub>5</sub>. There is a positive direct effect of personality on job satisfaction

# **Conceptual Framework**



#### **Research methodology**

The population was all employees of the Directorate General of Resilience and International Industrial Access Development. The sampling technique used was simple random sampling with the assumption that the population have the same characteristic (homogeneous). The research was conducted in Indonesia. This research used quantitative approach with survey method. Its population was 99 employees with the samples of 79 employees taken at random simple. Data collection used questionnaires and was analyzed by path analysis.

#### Results

The structural equation formed on the first substructure model consists of three path coefficients of the variables X1 to Y, X2 to Y, and X3 to Y in the form of:  $Y = py1X1 + py2X2 + py3X3 + py\epsilon1$ . With  $(Ry.123)^2 = 0,6916$  so  $py\epsilon1 = 0,555$ . So the form of structural equation in the first sub-structure model:  $\hat{Y} = 0,346X1 + 0,355X2 + 0,367X3 + 0,555$ .

Coefficient Sub-Structure1						
				Standardiz		
		Unstan	dardized	ed		
		Coefficients		Coefficients		
			Std.			
Mode	el l	В	Error	Beta	t	Sig.
1	(Constant)	-				
		11,68	9,212		-1,269	,208
		6				
	Organizational	277	050	246	4,794	000
	Culture (X <sub>1</sub> )	,277	,058	,346	4,794	,000
	Personality (X <sub>2</sub> )	,366	,075	,355	4,905	,000,
	Job Satisfaction (X <sub>3</sub> )	,437	,092	,367	4,801	,000

Ta	abel 1	•
Coefficient	Sub-	Structure

a Dependent Variable: Kinerja (Y)

The 1<sup>st</sup> structural model estimation result



The structural equation formed in the second substructure model consists of 2 path coefficients of variables  $X_1$  to  $X_3$  and  $X_2$  to  $X_3$  as:  $X_3 = p_{31}X1 + p_{32}X_2$  p3 $\epsilon$ 2. With  $(R3.12)^2 = 0,3052$  so p3 $\epsilon$ 2 = 0,834. Thus the form of structural equation in the second sub-structure model:  $X_3 = 0,336X1 + 0,342X_2 + 0,834$ . Tabel 2.

Coefficient Sub- Structure2						
				Standardiz		
		Unstandardized		ed		
		Coefficients		Coefficients		
			Std.			
Model		В	Error	Beta	t	Sig.
2	(Constant)	49,93 8	10,023		4,982	,000
	Organizational Culture (X <sub>1</sub> )	,226	,068	,336	3,316	,001
	Personality (X <sub>2</sub> )	,296	,088	,342	3,380	,001

a Dependent Variable: Job Satisfactior	ι (X <sub>3</sub> )
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The 2<sup>nd</sup> structural model estimation result



The result of the path coefficient calculation can be seen in the following table **Table 1. Direct Influence Inter-Variables** 

No.	Direct Effect	Path	dk	k T <sub>count</sub>	t <sub>table</sub>	
110.	Direct Effect	Coefficient			$\alpha = 0,05$	α = 0,01
1.	X <sub>1</sub> to Y	0,346	75	4,79 **	1,99	2,64
2.	X <sub>2</sub> to Y	0,355	75	4,91 **	1,99	2,64
3.	$X_3$ to Y	0,367	75	4,80 **	1,99	2,64

4.	$X_1$ to $X_3$	0,336	76	3,32 **	1,99	2,64
5.	$X_2$ to $X_3$	0,342	76	3,38 **	1,99	2,64

\*\* = very significant ( $t_{count} > t_{table}$  in  $\alpha = 0,01$ )

The results of this study indicate (1) organizational culture has a direct positive effect on performance. (2) personality has a direct positive effect on performance. (3) job satisfaction has a direct positive effect on performance. (4) Organizational culture has a direct positive effect on job satisfaction (5) competence has a direct positive effect on work attachment.

# Discussion

Based on the results of research conducted, described the research discussion as follows:

**First,** the results of the first hypothesis analysis resulted in the finding that organizational culture has a direct positive effect on performance. Based on these findings it can be concluded that performance is directly and positively influenced by organizational culture. Increased organizational culture will lead to improved performance. The results of this study are consistent with the opinions of some of the experts including Steven L. Mcshane, and Mary Ann Von Glinow (2010) who state: There are so many ways to build organizational loyality. But the following list is most prominent are: justice and support, shared values, trust, organizational comprehension and employee involvement ". therefore, in this case, there are many ways to improve the performance of the employees of the Directorate General of Resilience and International Industrial Access Development, one of them by building a sense of loyalty of employees towards the organization where they work, one of them also by applying fairness and organizational support, shared values in organization or in the organizational culture, peer trust, organizational understanding and involvement in work.

Second, the second hypothesis analysis resulted in the finding that personality has a positive direct effect on performance. Based on the findings it can be concluded that performance is directly and positively influenced by personality. Increased personality will lead to improved performance. The results of this study are consistent with the opinions of some experts including Jason A. colquitt, et.al that states, there are a number of reasons why the characteristics in The Big Five are important to consider, especially in the case of conscientiousness. One aspect of personality is conscientiousness of caution, accurateness, and precision. Jason A. Colquitt, Jeffery A. Lepine and Michael J. Wesson (2015) explain, "the research evidence linking conscientiousness to the two outcomes. The figure reveals that conscientiousness affects job performance, of the Big Five, conscientiousness has the strongest effect on task performances." the research has shown that there is a correlation between the nature of precision and the performance of the employees with the organizational commitment of the employees. Conscientiousness affects or influences the performance of employees of the Directorate General of Resilience and International Industrial Access Development and among the characteristics of The Big Five conscientiousness has the most powerful impact on the Performance of the employees. Jason A. Colquitt, et.al (2015) reiterates that, "conscientiousness has a moderate positive effect on performance. Conscientious employees have higher levels of task performance. They are also more likely to engage in citizenship behavior and less likely to engage in counterproductive behavior. The accurateness of the employees can affect job performance, and give a moderate positive impact on the Performance of employees of the Directorate General of Resilience and International Industrial Access Development. Employees with precision have higher levels of task performance than other employees. They are also more likely to engage in civic behavior and are less likely to engage in counterproductive behavior.

**Third,** the third hypothesis analysis resulted in the finding that job satisfaction had a positive direct effect on performance. Based on these findings it can be concluded that performance is directly and positively influenced by job satisfaction. Increased job satisfaction will lead to improved performance. The results of this study are consistent with the opinion of some experts including Jason A. Colquitt, et.al, who said that job satisfaction can affect employee performance. It can be explained that job satisfaction has a great influence and become a positive moderator variable on performance. Many researchers had done the research on job satisfaction to improve employee performance. Furthermore, James L. Gibson, James H. Donnelly, JR, John M. Ivancevich, and Robert Konopaske (2012) said that job satisfaction has an influence on performance: "one of the jobs most research, debated and controversial issues in the study of job satisfaction is its relationship to job performance. for years many managers believe that a satisfaction

employee was a high performing employee. others proposed the opposite: that an employee who questions has attempted to clarify the extent and direction of causality of the relationship between satisfaction and performance". Job satisfaction is one factor that must be considered in an effort to improve employee performance.

**Fourth**, the result of the fourth hypothesis analysis is that organizational culture has a direct positive effect on job satisfaction. Based on these findings it can be concluded that job satisfaction is directly and positively influenced by organizational culture. Increased organizational culture will lead to increased job satisfaction. The results of this study are consistent with the opinion of some experts including Stephen P. Robbins (2014) who said there is an influence of organizational culture on job satisfaction, "this overall perception becomes, in effect, the organization's culture or personality and affects employee performance and satisfaction, with stronger cultures having greater impact". Employees form a subjective perception of the organization based on the factors of the overall perception with the basic of organizational culture or personality that can affect employee performance and job satisfaction. With a strong culture, it will have a greater impact. Furthermore, Steven L. Mc Shane and Mary Ann Von Glinov (2012) said that, "job satisfaction a person evaluation of his her job and work context, is probably the most studied attitude in organizational behavior". Employees' job satisfaction is self-evaluation of their job and the work context, which is, perhaps the most perceived attitude in organizational culture. Job satisfaction is the attitude of employees about their work. This is as a result of perceptions about his work based on work environment, job security, working conditions and income factors.

**Fifth,** the fifth hypothesis analysis resulted in the finding that personality has a direct positive effect on job satisfaction. Based on the findings, it can be concluded that job satisfaction is directly and positively influenced by personality. Increased personality will result in increased job satisfaction. The results of this study are consistent with the opinions of some experts including James L. Gibson, et.al (2012) who said that "the part of the personality of employees can determine employee job satisfaction: extraversion-introversion. The degree to which a person is sociable, gregarious and assertive versus reserved, quiet and timid. Research has been reported that extroverted people tend to perform well in sales and management jobs. Do better in training programs and have higher levels of overall job satisfaction". The extent to which one is sociable, gregarious and firm to quiet, introvert and shy. Research has reported that extroverted employees tend to perform well in work, do better in work and have overall job satisfaction level in work activities.

# Conclusion

Based on the results of this study then it can be concluded that: (1) organizational culture has a direct positive effect on performance. (2) personality has a direct positive effect on performance. (3) job satisfaction has a direct positive effect on performance. (4) organizational culture has a direct positive effect on job satisfaction. (5) personality have a direct positive effect on job satisfaction.

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