



Research Paper

The Effect of Cultural Control and Cultural Organization on Employee Performance Mediated By Organizational Commitment to Employees of PT. Kali Jaya Putra in Makassar

¹Ilham Thaief, ²Nurdiana, ³Nur Arisah

¹(Economics Education Study Program, Faculty of Economics, Universitas Negeri Makassar, Indonesia)

²(Economics Education Study Program, Faculty of Economics, Universitas Negeri Makassar, Indonesia)

³(Economics Education Study Program, Faculty of Economics, Universitas Negeri Makassar, Indonesia)

Corresponding Author: Ilham Thaief

ABSTRACT: The purpose of this study aims to describe and test: (1) The direct influence of locus of control, organizational culture, and organizational commitment to the performance of the employees of PT. Kali Jaya Putra in Makassar. (2) The direct influence of locus of control and organizational culture on organizational commitment to employees of PT. Kali Jaya Putra in Makassar, and (3) There is an indirect influence of locus of control and organizational culture on performance through an organizational commitment to employees of PT. Kali Jaya Putra in Makassar. This research is explanatory research that uses software for data processing such as Microsoft Excel 2010, SPSS (Statistical Product and Service Solution) version 22.0, and LISREL (Linear Structural Relationship) version 8.80. Data collection techniques using questionnaires and documentation. The samples in this study were employees of PT. Kali Jaya Putra, amounting to 114 people. Based on the research results, (1) There is the direct influence of locus of control, organizational culture, and organizational commitment to the performance of PT. Kali Jaya Putra employees in Makassar. (2) There is the direct influence of locus of control and organizational culture on organizational commitment to employees of PT. Kali Jaya Putra in Makassar, and (3) There is an indirect influence of locus of control and organizational culture on performance through an organizational commitment to employees of PT. Kali Jaya Putra in Makassar.

KEYWORDS: Locus of Control; Organizational Culture; Organizational Commitment; Employee Performance

Received 25 September 2020; Accepted 07 October 2020 © The author(s) 2020.

Published with open access at www.questjournals.org

I. INTRODUCTION

PT. Kali Jaya Putra is a national scale distribution company with one of the manufacturing companies engaged in the wood sector. Increasingly tighter business competition makes PT. Kali Jaya Putra must continue to maintain its image and good name to survive in the business. One of the ways to support is by increasing the human resources in the company. The better the Human Resources performance in the company, the achievement will enhance success, and the company can develop better. A clear division of tasks or jobs for each employee is beneficial in being accountable for its performance. The division of main tasks is usually divided by the department; then, the department will focus on their position owned by the employee, so each employee's duties and responsibilities will be more clearly visible (Dirgo, 2018). The clarity of the division of tasks is beneficial. The company can see whether the employee's performance is increasing or decreasing and can reach the target.

Mathis LR (2004) and Khan (2010) argue that three factors influence individual employee performance, namely: the individual's ability to carry out the job (talent, interests, and personality factors (locus of control), the level of effort spent (motivation, work ethics, attendance, and task design), as well as organizational support (culture and commitment to the organization).

Based on that rationalization, the purpose of this study is to describe and test: (1) The direct influence of locus of control, organizational culture, and organizational commitment to the performance of PT. Kali Jaya Putra in Makassar. (2) A direct result of locus of control and organizational culture on organizational commitment to employees of PT. Kali Jaya Putra in Makassar. And (3) There is an indirect influence of locus of

control and organizational culture on performance through an organizational commitment to employees of PT. Kali Jaya Putra in Makassar.

II. RESEARCH METHODS

This research was using a quantitative approach. The research objective was to determine the direct effect of locus of control (X1), organizational culture (X2), and organizational commitment (X3) on the employee performance of PT. Kali Jaya Putra in Makassar (Y). According to the objectives, this study was designed as an explanatory study. The data analysis technique used Structural Equation Modeling (SEM) analysis. The sample in this study were all employees of PT. Kali Jaya Putra in Makassar, amounting to 114 people. In this study, data collection used a questionnaire with closed questions distributed to employees as the analysis unit. Five alternative answers were provided in each questionnaire item, and the score was leveled so that an interval scale measured each variable.

III. RESULTS AND DISCUSSION

An alternative model that describes the relationship between the four latent variables in this study, accompanied by the manifest that constructs it, can be seen in Figure 1.

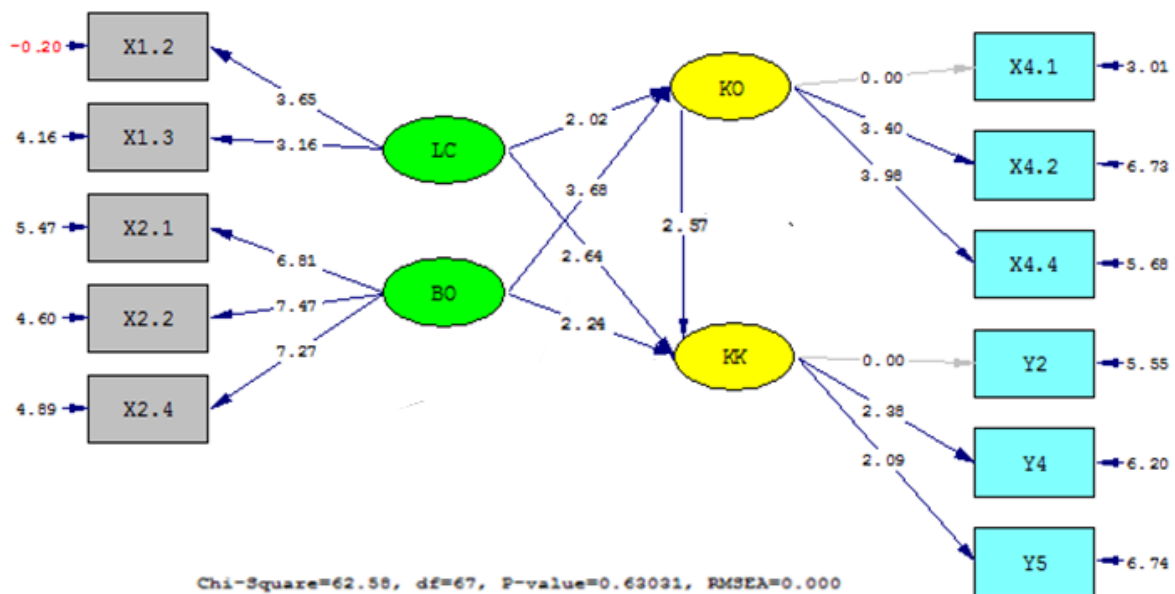


Figure 1. The fit of the Structural Research Model

From Figure 1, it can be seen that the structural model has met the criteria for the fit of the structural model. It can be seen from the influence of exogenous variables on significant endogenous variables. The model's fit can also be seen from the coefficient's value that meets the structural model analysis criteria. The results of the research structural model suitability test can be seen in Table 1 as follows:

Table 1. The Research Structural Model

Alignment Model	Coefficient	Criteria	Information
Chy-square (X^2)	62,58	low (non significant)	Fit and fullfied
P-Value	0,63	$\geq 0,05$	Fit and fullfied
Df	67	-	
Cmin (X^2/Df)	0,934	$\leq 2,00$	Fit and fullfied
RMR (standardized)	0,063	$\leq 0,08$	Fit and fullfied
RMSEA	0,00	$\leq 0,08$	Fit and fullfied
GFI	0,95	$\geq 0,90$	Fit and fullfied
AGFI	0,94	$\geq 0,90$	Fit and fullfied
CFI	0,99	$\geq 0,94$	Fit and fullfied
IFI	0,98	$\geq 0,94$	Fit and fullfied
NNFI atau TLI	0,99	$\geq 0,94$	Fit and fullfied
AIC (Model)	138,58	Low and relative	Fit and fullfied

Source: Data Processing Results, 2020

Table 1 shows that all the magnitude of the alignment level has met the standard criteria as required. The lambda coefficient (λ), determination (R²), and T-Value of each manifest variable that constructs latent, endogenous, and intervening variables can be presented in Table 2 below:

Table 2. Manifestations of the Research Structural Model Constructions

No.	Variable	Manifest	λ	R ²	T- value
1	LC	X1.2	1,68	0,21	6,01
		X1.3	0,48	0,04	4,16
2	BO	X2.1	0,50	0,07	5,47
		X2.2	0,49	0,07	4,60
		X2.4	0,46	0,06	4,89
3	KO	X4.1	0,43	0,07	3,01
		X4.2	0,59	0,09	6,73
		X4.4	2,07	0,39	5,68
4	KK	Y2	28,25	4,81	5,55
		Y4	0,56	0,04	6,20
		Y5	12,28	1,86	6,74

Source: Data Processing Results, 2020

From Table 2, it can be seen that each manifest that constructs the five latent variables meets the validity criteria, as evidenced by the standard loading value ($\lambda \geq 0.40$) and R² value $\leq \lambda$.

According to the analysis results and the model, the coefficient of direct influence between variables can be tabulated as follows:

Table 3. Direct and Indirect Effects between Variables

No.	Testing	coefficient Effect			T-Value	Interpretation
		Direct	Indirect	Total		
1	LC – KK	0,65	-	0,65	2,64	Significant
	BO – KK	0,22	-	0,22	2,24	Significant
	KO-KK	0,39	-	0,39	2,57	Significant
2	LC – KO	0,43	-	0,43	2,02	Significant
	BO – KO	0,64	-	0,64	3,68	Significant
3	LC-KO-KK	0,65	0,25	0,90	3,74	Significant
	BO-KO-KK	0,42	0,16	0,58	2,69	Significant

Source: Data Processing Results, 2020

Based on Table 3, this study, three hypotheses have been tested for truth. The three hypotheses referred to are as follows:

1. There is a direct influence of locus of control, organizational culture, and organizational commitment to the performance of employees of PT. Kali Jaya Putra in Makassar

The independent variable locus of control partially positively and significantly affect the dependent variable, namely, employee performance of 26.4%. It can be concluded that the locus of control owned by the respondent is high, and it can be said that the stronger the locus of control for the employees of PT. Kali Jaya Putra, in Makassar, the more robust employee performance will be. Based on these results, this study supports Nurul Imani Kurniawati's (2007) research results, which states that locus of control has a significant effect on employee performance. And the research that has been conducted by Coleman (1999) states that locus of control has a positive impact on Job Insecurity. Irene (2003), internally oriented individuals show greater confidence in their ability to influence the environment, are more able to deal with stressful situations, rely more on open and supportive influencing methods, emphasize more risky and innovative corporate strategies and resulting in higher performance than that of externally oriented individuals. Meanwhile, according to Hsia (2015), a person has excellent potential for self-determination, regardless of whether the environment will support it or not. He has a high work ethic, endure all kinds of difficulties both in life and at work. Even though there is a feeling of worry in him, this feeling is relatively small compared to his enthusiasm and courage to oppose himself, so he never wants to run away from every problem.

Furthermore, organizational culture partially positively and significantly affect employee performance's dependent variable by 22.4%. It can be said that the stronger the organizational culture can improve the performance of employees at PT. Kali Jaya Putra in Makassar. This research is in line with the research results of Agwu, M.O. (2004), Al-Alawi & Mohamed (2007), Al-Rawi & Ibrahim (2013), which show that organizational culture affects employee performance. This result also relates to employees' efforts to improve performance to achieve the goals of the Company. The organizational culture that has the most impact

on employee performance is the employees' attitude to be able to work professionally in carrying out their duties or obligations properly (Hang & Lin, 2015).

While organizational commitment has a significant effect of 25.7% on employee performance. Highly committed employees will accept all job duties and responsibilities assigned to them. Besides, assertiveness, including loyalty to the organization, is an evaluation of commitment and emotional bonds and bonds between the organization and employees. The results of this study support previous research conducted by Ryndian Gusty & Seno Andri. (2018), organizational commitment is a strong desire to become a group member and a high level of effort for an organization and a particular belief and acceptance of its values and goals.

2. There is a direct influence of locus of control and organizational culture on organizational commitment to employees of PT. Kali Jaya Putra in Makassar

This study shows a significant effect on the organizational commitment by 20.2%. High organizational commitment is more likely to be owned by employees with a tendency for internal locus of control than employees with a propensity for the external locus of control. These results indicate that individuals with a preference for internal locus of control at work will tend to have high organizational commitment. Likewise, individuals with a tendency for the external locus of control at work will tend to have low organizational commitment. This explanation shows that locus of control is one of the variables that have a relationship with employees' level of commitment to their workplace.

This result is supported by Robbins (in Rachim et al., 2016) that locus of control is an important variable that can explain human behavior in organizations. One of them is organizational commitment. The research results are also in line with the study results conducted by Hsia and Tseng (2015) and Rachim, et al. (2016), stated that organizational commitment has a significant relationship with the locus of control. The direction of his research is also in line with research from Furnham et al. (1994); Kinicki and Vecchio (1994), quoted by Coleman et al. (1999), stated that individuals with an internal locus of control tend to have higher organizational commitment than individuals with an external locus of control.

Meanwhile, organizational culture's influence on organizational commitment proves that organizational culture positively affects organizational commitment by 36.8. This study's results are under previous studies researched by Dwivendi et al. (2014), Sinha et al. (2017). They found a positive influence of organizational culture on organizational commitment. These results follow the theory that states that organizational culture functions as glue and collective commitment among all organization members, which provides an organizational identity for members and forms the organization's social system (Agwu, M.O., 2004). These results indicate that the better the organization's culture, the higher the employee's organizational commitment.

3. There is an indirect effect of locus of control and organizational culture on performance through an organizational commitment to employees of PT. Kali Jaya Putra in Makassar

Locus of control indirectly affects employee performance through the organizational commitment of 3.74%. This result shows that the higher the locus of control, the more it can encourage employee performance improvement. The results of this study are also supported by research that conducted by Coleman et al. (1999), Appiah&Addai (2014), Y Li et al. (2014) that there is a difference in the average performance of employees between the internal locus of control level and the external locus of control level. It means that there is a significant relationship between locus of control and performance. According to the theory developed by Rotter (1966), locus of control has a significant relationship with behavior, where an individual accepts events as part of his own behavior or characteristics. Work behavior can be explained using locus of control, namely whether employees feel that their work is controlled internally or externally. Employees included in the internal control group will think that they can personally influence their performance through their abilities, expertise, and effort (Basak and Anjali, 2010. Employees included in the external control group will feel that their performance is outside of their business. They feel that there are many factors. From the outside (external), which affects their performance (Gurendrawati et al., 2014). This research is in line with the results of previous studies such as Modise et al. (2017), which state that locus of control is significantly related to employee performance.

Kamasanti (2008) has a moderate and significant relationship between locus of control and organizational commitment. This study shows that the higher the employee's organizational commitment, the higher the employee's performance. Employees who have high organizational commitment will have a higher level of performance because highly committed employees are willing to work hard and make the sacrifices needed for the organization (Greenberg et al., 2003). This study's results are supported by several previous studies, including Khan et al. (2010), which found a positive relationship between organizational commitment and performance. The results of the research by Kristianto et al. (2011) show that organizational commitment has a positive and significant relationship with employee performance variables.

Organizational culture influences employee performance through an organizational commitment to employees of PT. Kali Jaya Putra in Makassar amounted to 26.9%. This condition illustrates that performance

improvement can be made by building Culture and Commitment together. Jacobson, C.M. (2006) Corporate culture is a distinctive characteristic of a company so that it can be used to differentiate between one organization and another, which includes generally accepted values within the company so that it can be used as a guide for employees to take actions related to formal structures and informal work environment. Organizational culture can help employees adjust to doing tasks following the overall values (Rahmingsyari, 2015).

Organizational culture is a tool to take advantage of the company's external opportunities by exploring internal strengths that have been passed down from generation to generation to develop (Tong et al. 2014). To encourage the support of employees who have high integrity, organizational culture behavior guidelines are needed. A well-developed organizational culture will accelerate the process of strengthening organizational commitment by all employees to the company. The form of employee commitment to the organization is characterized by individual ties to the organization, such as loyalty to organizational values (Yildid, Elbru, 2014). Al-Alawi & Mohamed (2007), the nature of employee commitment is a dynamic relationship between employees and the organization to achieve organizational success. Employees will have a strong commitment to organizational culture as a guideline for employee behavior following personal values and beliefs.

IV. CONCLUSION

Based on the results of the analysis and previous discussion, it can be concluded that:

1. There is a direct influence of locus of control, organizational culture, and organizational commitment to the performance of employees of PT. Kali Jaya Putra in Makassar.
2. There is a direct influence of locus of control and organizational culture on organizational commitment to employees of PT. Kali Jaya Putra in Makassar.
3. There is an indirect effect of locus of control and organizational culture on performance through an organizational commitment to employees of PT. Kali Jaya Putra in Makassar.

REFERENCES

- [1]. Agwu, M.O. Organization Culture and Employee Performance in the National Agency for Food and Drugs Administrator and Control (NAFDAC) Nigeria. *Global Journal of Management Business Research*. 2014. 14 Issue:1-10.
- [2]. Al-Alawi, Al Marzaqqi, N.Y., & Mohamed, Y.F. Organization Culture dan Knowledge Sharing: Critical Success Factor. *Journal of Knowledge Management*. 2007. 11(2):22-24.
- [3]. Al-Rawi, K. Hamdan, Al-Taie & Ibrahim. Organization Culture and the Creation of a Dynamic Environment for Knowledge Sharing. *International Journal of Management and Innovation*. 2013. 5(1):1-11.
- [4]. Appiah, F., and H. Addai. An Investigation into the Causal Relationship Between Employees Locus of Control and Contextual Performance. *Journal of Business and Behavioral Sciences*. 2014. 26(2): 94-118.
- [5]. Basak Rituparna and Anjali Ghosh. International Conference on Education and Educational Psychology School Environment and Locus of Control in Relation to Job Satisfaction among School Teachers – A Study from Indian Perspective. *Procedia-Social and Behavioral Sciences*. 29(2011): 1199-1208.
- [6]. Coleman, D. F., Irving, G. P., & Cooper, C. L. Another Look at the Locus of control – Organizational Commitment Relationship: It Depends on the form of Commitment. *Journal of Organizational Behavior*, 1999. (20), 995-1001.
- [7]. Dirgo Wahyono. Pengaruh Budaya Organisasi dan Etika Kerja terhadap Kinerja Pegawai melalui Komitmen Organisasi sebagai Variabel Intervening. *Jurnal Ilmiah UNTAG Semarang*. 2018. ISSN: 2302-2752, Vol. 7 No. 3: 135-143.
- [8]. Dwivendi, Sulakshna., Sanjay Kaushik., dan Luxmi. *Impact of Organizational Culture on Commitment of Employees: An Empirical Study of BPO Sector in India*. *Business Process Outsourcing*. 2014, 39(3):77-92.
- [9]. Greenberg, J. and R.A. Baron. *Behavior in Organizations, 8th edition*. Pearson Education. Inc., New Jersey. 2003.
- [10]. Grendrawati, Ety. Yunika Murdayanti, and Anindya Gita Putri. *The Impact of Information Technology, Management Accounting System Characteristics, and Locus of Control to the Managerial Performance in the Telecommunication Service Companies*. *Integrative Business & Economics Research*. 2014. 4(01): 357-366.
- [11]. Hang & Lin. *The Role of Organization Culture in the Knowledge Management Process*. *Journal of Knowledge Management*. 2015. 19(3), 433-455.
- [12]. Hoof, Bart, F.D., Dan Jan, A.D., Rider. Knowledge Sharing in Content the Influence of Organization Culture, Communication Climate, and CMC Use on Knowledge Sharing. *Journal of Knowledge Management*. 2004. 8(6): 117-130.
- [13]. Hsia, J. W. & Tseng, A. H. Exploring the Relationships among Locus of control, Work Enthusiasm, Leader-member Exchange, Organizational Commitment, Job Involvement, and Organizational Citizenship Behavior of High-tech Employees in Taiwan. *Universal Journal of Management*. 2015. 3(11), 463-469.
- [14]. Imani, Nurul. *Analisis Pengaruh Locus of Control terhadap Kinerja Karyawan dengan Kepuasan Kerja sebagai Variabel Moderating (Studi pada Rumah Sakit Roemani Muhammadiyah Semarang)*. Skripsi Manajemen Fakultas Ekonomi Universitas Diponegoro, Semarang. Tidak Dipublikasikan. 2017.
- [15]. Irene, Widanarta, Haryanto. Analisis Pengaruh Partisipasi Penyusunan Anggaran terhadap Kinerja Manajerial dengan Kultur Organisasi dan Locus of Control sebagai Moderating (Studi Kasus pada Pertamina Unit Vi Balongan). *Jurnal Bisnis Strategi*. 2003 Vol.11, tahun VIII, Juli: hal 23 -33.
- [16]. Jacobson, C.M. *Knowledge Sharing Between Individuals in Insiklopedia of Knowledge Management*. 2016. David (ed) 507-514.
- [17]. Jannah, Miftakhul. Pengaruh Budaya Organisasi terhadap Kinerja Karyawan melalui Komitmen Organisasi sebagai Variabel Intervening (Studi pada PT. PG Rajawali I Surabaya). *Jurnal Ilmu Manajemen*. 2016. Volume 4 Nomor 2: 495-504.
- [18]. Kamasanti, T. Hubungan Locus of Control dengan Komitmen Organisasi pada Karyawan yang Berumah Tangga di PT. X Tangerang. *Jurnal Psikologi*. 2008. Vol.6 No.2.
- [19]. Khan, Muhammad Riazet. Al. The Impacts of organizational Commitment on Employee Job Performance. *European Journal of Social Sciences*. 2010. V-lume 15, Number 3.

- [20]. Mathis L.R. & Jackson H. J. *Human Resource Management, 10th edition, Singapore: Cengage learning.* 2004.
- [21]. Modise, Disebo, and Patient Rambe. Internal and External Locus of Control of Engineering Workforce in a Power Distribution Utility: Implications for Job Performace. *African Journal of Business and Economic Research.* 2017. 12 (2&3): 113-147.
- [22]. Rahminsyari. Effect of Leader Style, Organization Culture, and employ Development on Performance studies in PT.PG Gorontalo of Tolanghulo Unit Internasional. *Journal ofBusines Invention.* 2015:2319-8028.
- [23]. Rotter, J.B. *Generalized Expectancies for Internal Versus External Control of Reinforcement.* Psychological Monographs, 80 (1, Whole No. 609). 1996.
- [24]. Ryndian Gusty & Seno Andri. PengaruhBudayaOrganisasiterhadapKinerjaKaryawandenganKomitmenOrganisasisebagaiVariabel Intervening (Studipada Hotel MutiaraMerdekaPekanbaru).*JOM FISIP.* 2018. Vol. 5: Edisi II Juli: 1-12.
- [25]. Sinha, Anuj Kumar., RakeshKumar., Dr. P PSengupta (HOD), and Dr. Gautam. Impact of the organization's Culture on Employees' Commitment: Evidence From Five Homogeneous Units Under A Group ofCompany Operating In Different In India. *Journal of Business Studies Quarterly.* 2017. 8(3): 89-105.
- [26]. Tong, Canon. Walder IP WahTak&Anthony,Wong. The Impact of Knowledge Sharing on the Relationship between Organization Culture and Job Satisfaction the Perception in Hongkong.*International Journal of Human Resource Studies.* 2014. 5(1): 19-47.
- [27]. Yi Li, Feng Wei, ShenggangRen, Yang Di. Locus of Control, Psychological Empowerment, and Intrinsic Motivation Relation to Performance.*Journal of Managerial Psychology.* 2014. 30(4): 422-438.
- [28]. Yildid, Elbru. (, 2014). A Study On the Relationship between Organization Culture and Organization Performance and a Model Suggestion. *International Journal of Research in Bussines and Social Science.* 2014. Vol.3 No.4 2147-4478.

Ilham Thaief, et. al. "The Effect of Cultural Control and Cultural Organization on Employee Performance Mediated By Organizational Commitmentstoemployees of Pt. Kali Jaya Putra in Makassar." *Quest Journals Journal of Research in Business and Management*, vol. 08, no. 07, 2020, pp 21-26.