

Effect of Organizational Culture on Employee Performance in Agency of Agriculture, Fisheries and Forestry, Bireuen District, Aceh – Indonesia

Zulkifli

(Faculty of Economics, Abulyatama University, Indonesia)

Abstract

This study aims to determine effect of organizational culture on the employee's performance in Agency agriculture fisheries and forestry in Bireuen District, Aceh – Indonesia. This study have been conducted in Agency of Agriculture Fisheries and Forestry in Bireuen District, Aceh for four months, from January to April 2015. The method used in this study is survey method with a structured interview based on a questionnaire. Data analysis used path analysis and also qualitative descriptive with a Likert scale questionnaire. Based on this study, correlation relationship obtained positive (strong) between organizational culture on performance of extension workers with the coefficient of 0.976 and Cronbach's Alpha 0.950 for organizational culture and value on performance at 0.943. Generally organizational culture in BP3K Bireuen District is already good, and employee's performance influenced by organizational culture.

Keywords: *Organizational culture, employee's performance.*

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I. Introduction

In the history of Indonesia, groups of farmers has never been a strong group in bargaining power and position. Farmers were faced with the harsh natural dynamics, economic and political power structure that oppresses, knowledge systems and technologies left behind (Ban and Hawkins, 1999). As an instrument of government policy, the extension workers in Indonesia was part of the government's labor structure. Although often viewed as a lower class workers status, however extension workers have a noble role to increase empowerment of farmers.

Based on BPS Bireuen (2014), Bireuen regency covers an area of 1.901,21 square kilometers (190.121 Ha), with the land usage portions divided into three; 58.616,10 hectares for plantation area, 34.909,9 hectares for production forest, and 20.4 hectares for the grassland. Since 2004, administratively, this regency has 17 districts, comprising of 609 villages and 75 Kemukiman. Peudada is the largest subdistrict, covers an area of approximately 391.33 square kilometers, while Kuala is the smallest one, covers an area of approximately 23.72 square kilometers.

Agriculture sector is the main sector in Bireuen District, by 78.76 percent of the district Bireuen used as agricultural land. Agricultural extension is one strategy of the Government of Indonesia for improving agricultural practices to increase agricultural productivity. In order to support the agriculture extension program in Indonesia, without question is the professional competency of agricultural extension workers (AEWs) needed.

In this agricultural management, Bireuen District have implementing agency extension and food resilience (BP2KP) located in the City of Bireuen district and has branch offices in 17 subdistricts. In every subdistrict of Bireuen have agriculture, fisheries and forestry extension office hall (BP3K) which was one of supporting facilities extension activities in the subdistrict. Therefore, professionally competencies of AEWs play a significant role in increasing the agriculture production. In determining of employee's performance on BP2KP Bireuen used organizational culture as one of an aspect of employee's performance.

Objectives

This study aims to determine effect of organizational culture on the employee's performance in Agency agriculture fisheries and forestry in Bireuen District, Aceh – Indonesia.

II. Methodology

This study was conducted in Bireuen district for four months, starting in January 2015 until April 2015. The method used in this study is survey method with a structured interview based on a questionnaire. Data

analysis used path analysis and also qualitative descriptive with a Likert scale questionnaire. Data were analyzed descriptively qualitative accordance with basic theory.

Population was all over extension officers (employee) of the agency of agriculture fisheries and forestry in Bireuen district. Population agricultural extension fisheries and forestry in Bireuen District in 2014 was 211 people. Because of size of this population affordable enough to be investigated, hence study sample is all over population of agricultural extension fisheries and forestry. Determination of sample quantities to be non probabilities based on opinion of Birn (2000) stating that "in quantitative studies were allowed to use amounts of data about 100 to 200". Thus 211 people classified as ideal samples.

III. Discussion

Bireuen district, has strategic location as transit area to the area of the central part of Aceh Province, Indonesia. It make Bireuen has income 25,21 percent from trade sector. Agriculture sector was a second largest income in Bireuen after trading sector. Bireuen regency covers an area of 1.901,21 square kilometers (190.121 Ha), with the land usage portions divided into three; 58.616,10 hectares for plantation area, 34.909,9 hectares for production forest, and 20.4 hectares for the grassland. Peudada is the largest subdistrict, covers an area of approximately 391.33 square kilometers, while Kuala is the smallest one, covers an area of approximately 23.72 square kilometers (Figure 1) (BPS Bireuen, 2014).

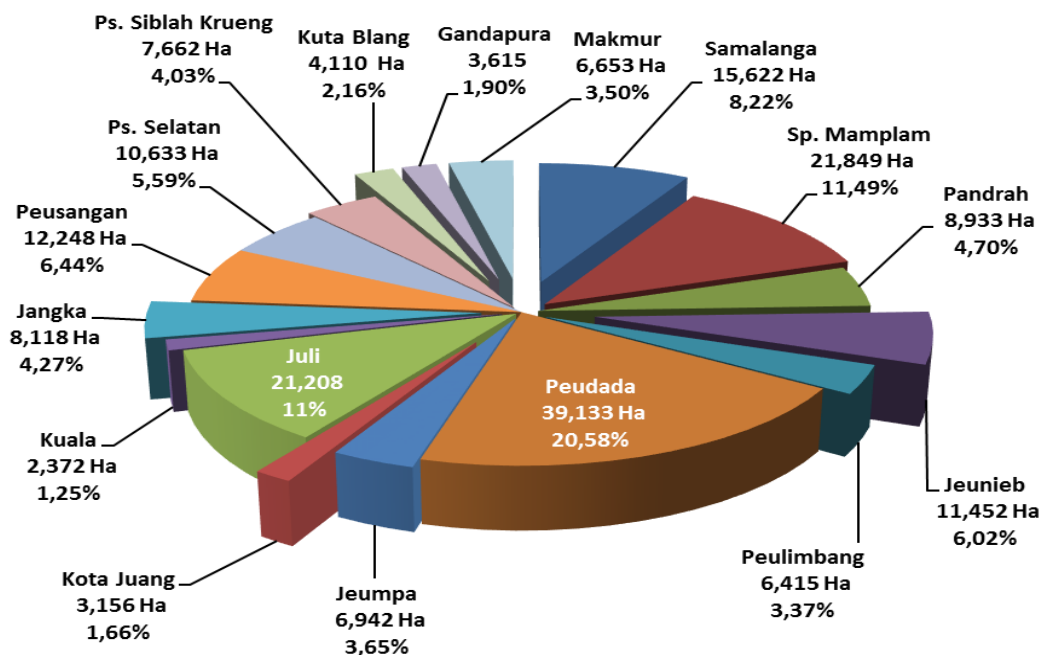


Figure 1. Total Area per Subdistrict (BP3K Bireuen, 2013).

Accordance with the Qanun Bireuen District No. 9 of 2012 on the Organizational Structure and Work Procedure of Regional Technical Institute, task of the Extension Executive Agency and Food Security of Bireuen are: implement the affairs of Local Government in Field of Agriculture, Fisheries, Forestry and Food Security Agency in accordance with the statutory.

Agricultural extension agents' competencies will tremendously help government in implementing agricultural development in programs in their respected areas based on the planned field activities. Agricultural extension agents in implementing the agribusiness extension of rice field, in addition to be supported by the technical competencies such as competencies to cultivate the rice field, the agents also need to have managerial competencies that are closely related with sustainable agribusiness management such as, marketing, and access toward working capital.

The number of employees in BP2KP also seen based on their characteristics. Based on Table 1, number of employees mostly educational background in bachelor/S1 (62.98%). Employees of BP2KP Bireuen mostly male (57.69%) and Based on Table 2, employees of BP2KP mostly aged with a range of 41 to 45 years (24.04%). At the end of 2014 number of civil servants in BP2KP Bireuen district amounted to 140 people classified as sub-sector extension as shown in Table 3.

Table 1. Number of employee according education level

Education level	Total	%
Master Degree /S2	6	2,88
Bachelor Degree /S1	131	62,98
Diploma /D4	2	0,96
Diploma/ D3	11	5,29
Senior High School	58	27,88
Junior High School	-	0,00
Grand Total	208	100

Source: BP2KP, 2014.

Table 2. Number of employee according age

Age (year)	Total	%
26 - 30	4	1,92
31 - 35	18	8,65
36 - 40	47	22,60
41 - 45	50	24,04
46 - 50	35	16,83
51 - 55	46	22,12
> 55	8	3,85
Grand Total	208	100

Source: BP2KP, 2014.

Table 3. Number of employee according gender & placement classification

Classification of Employee	Male	Female	Total	%
Employees of Food Crops	34	20	54	38,57
Employees of Plantation	14	9	23	16,23
Employees of Livestock	14	14	28	20,00
Employees of Fishery	13	11	24	17,14
Employees of Forestry	6	5	11	7,86
Grand Total	81	59	140	100

Source: BP2KP, 2014.

Higher levels of education will also enhance of knowledge and skills of employee. Based on Table 1, amounting to 62.98% employee graduated bachelor degree. It shows of knowledge and skill of employee must be also increase. According to Bahua (2016) influence agricultural extension agents' competence, namely: knowledge, skills and attitudes of educators in designing educational programs, counseling programs to implement and manage agricultural field officer information.

The performance measurement efforts does not always easy because result of performance of indicator are not merely an output from one program or source of funds, but an accumulation, correlation, and a synergy among various programs and various parties involved in the process of implementing them. Thus, the success on implementation of the activities cannot be claimed as a result from a single source fund or by a single party only. In this study, the performance employee's in the Agency of Agriculture Fisheries and Forestry Bireuen assessed based on organizational culture. Each question and a proportion of respondents regarding organizational culture could be seen in Table 4.

Based on this study, organizational culture of extension in Bireuen hope BP2KP extension activities with support facilities and attributes that has its own characteristics of farm programs is very high based on 211 respondents were interviewed. Every question and proportion of respondents on organizational culture can be seen in Table 4. A total of 156 or 73.93% agree with those attributes and 41 or 19.43% strongly agree.

Table 4. Organizational culture of employee in BP2KP Bireuen

No	Organizational culture	SD	D	L	A	SA
		A	A	A	A	A
1	Extension agencies noble carry out missions to region, government and farmers.	1	3	12	120	75
2	Outstanding employees will be developed and promoted to position.	2	6	6	115	82
3	The working hours, procedures and systems work as well as sanctions will be implemented seriously.	3	4	8	117	79
4	Extension agencies always put interests of farmers and empower farmers without any strings attached.	3	3	10	115	80
5	Counseling implemented with support by facilities and attributes that has its own	1	3	10	156	41

characteristics of program	Total	10	19	46	623	357
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Note: SDA (Strongly disagree), DA (Disagree), LA (Less agree), A (Agree), SA (Strongly agree)

Related to this, Robbins (2001) states: organizational culture as an intervening variable. Employees form an overall subjective perception of the organization based on such factor as degree of risk tolerance, team emphasis and support of people. This overall perception becomes, in effect, the organization culture or personality. These favorable or unfavorable perception then affect employee performance and satisfaction, with the impact being greater for stronger culture.

Glaser et al. (1987) stated the organization's culture is often described in a sense jointly owned. The patterns of beliefs, symbols, rituals and myths that develop over time and serves as a unifying organization. According to Manahan (2004) organizational culture is an integral part of internal environment of organization, because of multicultural which exists in an organization.

In addition, the cultural priority to the interests of farmers and to empower farmers selflessly become strong capital of extension. Based on interviews 115 respondents or 54.50% agree and 80 respondents or 37.91% of declared strongly agree on it (Figure 2). According Wirawan (2007) organizational culture consists of several different elements. Each element requires its own knowledge to be able to understand the culture fully, one of them is a work ethic. Work ethic is an idea that emphasize individualisme or independence and positive influence on individuals' employment. Work ethic was great value that is owned by extension workers in BP2KP Bireuen district.

Organization with a strong culture and a positive will allow people felt motivated to develop, learn to improve themselves. Based on the extension workers's answers on inquiries related to organizational culture in BP2KP Bireuen district, which is carrying out working hours, procedures and sanctions seriously, 117 respondents or 55.54% of them agreed and 79 respondents, or by 37.44% declared strongly agree (Figure 2).

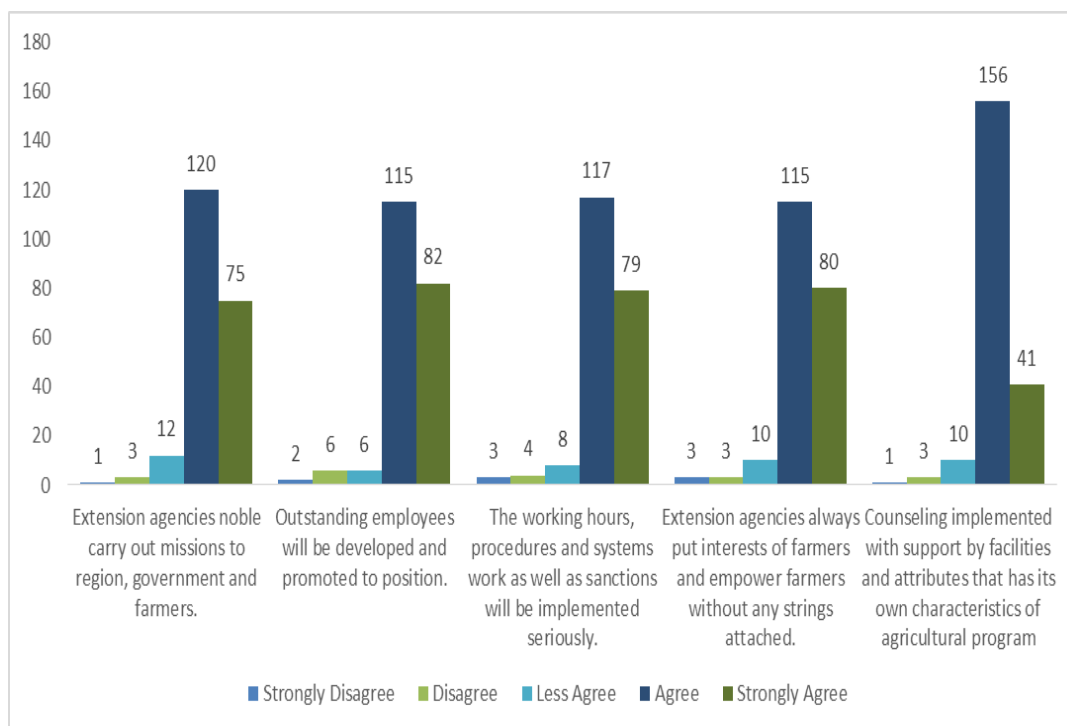


Figure 2. Organizational culture of employee (Primary data, 2015)

Overall, organizational culture in BP2KP Bireuen district has been very good. Based on Figure 3, about 59% of respondents agreed to the question posed, and only four percent disagree and two percent did not agree to improvement of organizational culture. The diversity of these answers understandable on extension workers's (employee) assumptions that have not been uniform. Kreithner and Kinichi (2005) said that a manifestation assumption held, implicitly accepted by the group and determine how do these groups feels, mind and react to their environment which diverse.

According Wibowo (2006), when people working in the organization managed properly it will has higher motivation and satisfaction. Many organizations are oppressed to make changes in order to remain

competitive and survive. Organizations realize that changes must be made due to the pressure of external competition.

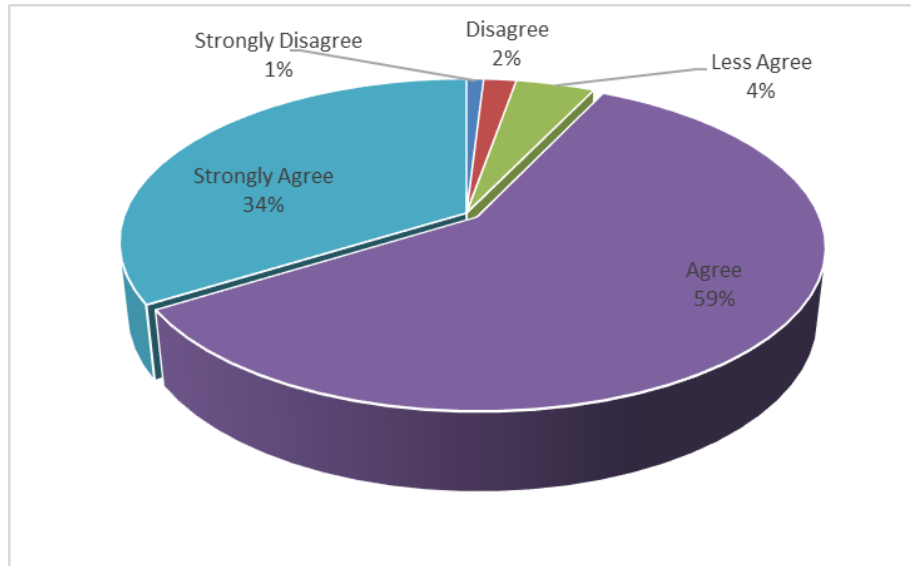


Figure 3. Organizational culture diagram of employee (Primary data, 2015)

Statistical Test

Based on this research correlation relationship obtained positive (strong) between organizational culture on performance of extension workers (employee) with the coefficient of 0.976 (Table 5). This study in accordance with Edri et al. (2015) where result of his study concludes that leadership style and cultural organization significant influence and positif to employee performance. The result also proved that have a contribution of leadership style, motivation, and cultural organization to employee performance 18,5%, remaining 81,5% a given and explained by another variabels excluded in this model.

Employee’s performance influenced by organizational culture. The results of research Emmert and Taher (1992) in Wright (2001), which connects directly on job satisfaction find that work motivation, satisfaction with social relations at workplace was associated with employee reports related measure intrinsic motivation work.

Measurement reliability of this research instrument used a Cronbach Alpha (α) technique. Cronbach Alpha interpret correlations between scale was made with all existing variables scale. Size reliability deemed reliable based on the alpha coefficient of 0.60 (Malhotra, 2005). Based on reliability testing in this study, Cronbach’s Alpha values obtained as in Table 6.

Table 5. Correlations between organizational culture and performance

		Organizational culture	Performance
Organizational culture	Pearson Correlation	1	.976(**)
	Sig. (1-tailed)		.002
	Sum of Squares and Cross-products	9800.841	11171.657
	Covariance	2450.210	2792.914
	N	5	5
Performance	Pearson Correlation	.976(**)	1
	Sig. (1-tailed)	.002	
	Sum of Squares and Cross-products	11171.657	13360.856
	Covariance	2792.914	3340.214
	N	5	5

** Correlation is significant at the 0.01 level (1-tailed).

Table 6. Cronbach's Alpha value

Item	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Organizational culture	72.7429	9299.496	.958	.974	.950
Performance	72.7429	7555.708	.996	.991	.943

Based on Table 6, shows that the coefficient of Cronbach's Alpha was on a scale of 0.60. At organizational culture Cronbach's Alpha value of 0.950, and Cronbach's Alpha value on performance is at 0.943. It means that if the degree of data reliability is greater from the coefficient alpha (α), hence measurement results can be considered as a measuring tool with level of accuracy and consistency of good thoughts.

Organizational culture has a strong relationship on performance of employees in BP2KP Bireuen, Aceh. Significance test data using Pearson Chi-Square across two qualitative variables descriptively displayed in table contingency (Cross Tabulation). Based on Pearson Chi-square test, organizational culture on performance of extension workers at Bireuen district, a score 0.220. Seen from the results of Pearson Chi-square test at values can be significant (p -value) = 0.220, thus $P < 0.05$, hence decisions we take was H_1 accepted, H_0 was rejected, which means that there is influence between organizational culture towards employee's performance of agriculture fisheries and forestry extension workers at Bireuen District, Aceh – Indonesia.

Generally organizational culture in BP3K Bireuen District is already good. If viewed as specifically culture within organization will be determined by conditions of team work, leaders and characteristics of organization and administration process applicable. Why organizational culture is important, because it is habits that occur in the organizational hierarchy that represents the behavioral norms followed by each organization members. A productive cultural is a culture that able to making the organization strong and objectives of the company can be accommodated.

IV. Conclusion

Based on this study, correlation relationship obtained positive (strong) between organizational culture on performance of extension workers with the coefficient of 0.976 and Cronbach's Alpha 0.950 for organizational culture and value on performance at 0.943. Generally organizational culture in BP3K Bireuen District is already good, and employee's performance influenced by organizational culture.

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