

## Fostering employee Performance through motivation of work

Lukertina<sup>1</sup>

<sup>1</sup>(Economic and Business Faculty, Universitas Mercu Buana, Indonesia)

**Abstract:** Retaining employees in such a competitive industrial situation today is not an easy thing. Especially, if the nature of the work its self has been disrupted by technological advances and has been substituted by services from other similar industries, as is currently experienced by one of the oldest courier company in Indonesia. In this research, we tried to analyze the effect of commitment, organizational culture, and work motivation to employee performance. Analyzing data using Smart PLS and The sampling method used is probability sampling by 200 respondents from this courier company in Jakarta. The research result was employee commitment, organizational culture and work motivation has significant direct influence employee performance, but work motivation only mediating organizational culture to employee performance not employee commitment.

**Keywords:** Employee performance, work motivation, employee commitment, organizational culture, courier business.

### I. Introduction

The research on the courier service industry is based on increasing the use of postal services by the e-commerce market (B2C, B2B, and C2C). Increase utilization of e-commerce in Indonesia with 267 million people and 17,000 island's increase competition in the courier service industry. As the owner of State-Owned Enterprises, the government must know the condition of this company to implement Good Corporate Governance in it. Before implementing GCG, companies must first apply the company's cultural values. Schein (2010), organizational culture is a common pattern of basic assumptions that are considered good to be validated and applied in problem-solving to integrated with internal organizations and adapt to external organizations. Organizational culture must be taught to new members so they have the right way to understand, think about, and feel the problem. Jaap (2011) stated that GCG implementation would be effective if the company, internally, had a value system that encouraged every individual to accept, support, and implement GCG.

GCG in these courier companies must implement a clean, transparent, and professional moral movement (BTP morals). BTP's moral movement is the organizational commitment to build a corporate culture that supports overall company performance improvement. According to Bruno and Claessens (2004), good corporate governance will have a positive impact on company performance. According to Gomes (2001), performance is a record of the results of production on specific job functions or activities over a certain time. According to Hugh J. Arnold and Daniel C Feldman in Lamatenggo and Hamzah (2012), performance is a series of behaviors and activities individually following the expectations or goals of the organization. The presence of employees in the workplace in a timely and never late manner is an important thing that really determines employee performance (Riyanto and Lukertina, 2019). Whereas the following Table 1 shows an increase in the value of organizational performance followed by instability in organizational revenue and a decrease in KPI scores (Key Performance Indicators).

**Table 1. Courier Company Data**

Year	Implementing GCG Score	Organization performance (on Billion rupiah)	KPI Score
2012	78,07	214	122,90
2013	-	246	112,21
2014	80,07	159	78,80
2015	81,79	29	78,50
2016	97,23	151	77,73

Source: courier company

Employee performance one of the important part of component to gain the organization sustained. It can determine the grade of the organization in the market environment and help achieve the organization's goals. Campbell et al. (1993) stated performance as the behavior or action to reach an organizational goal.

Performance is the outcome of employees' work (Bernardin et al., 2003). According to Kasmir (2016), performance is the result of work and work behavior that has been achieved in completing tasks and responsibilities given within a certain period. Wirawan (2009) stated that employee performance is the output produced by the functions or indicators of a job or a profession within a certain time. Various factors influence employee performance, and one factor is commitment. Table 2 below shows a decrease in the number of employees per year.

**Table 2. Total Employee**

Year	2012	2013	2014	2015	2016
Number of employee	20,17	19,502	19,392	18,842	23,825

Source : courier company

According to Meyer and Allen (1991), one factor of employee commitment is normative commitment. It relates to the sense of employee engagement with the organization based on individual beliefs and responsibilities towards the organization. Referring to the statement, the decrease in the number of employees (Table 2) shows a decrease in employee commitment. According to Griffin (2008), employee commitment reflects an individual's understanding and attachment to his organization (Griffin and Moorhead, 2013). Employees who are committed to the organization are usually reliable, loyal to the organization, and devote more effort to work. The instability of organizational revenue (Table 1) is followed by a decrease in the number of employees (Table 2). Referring to Griffin's statement, the decrease in the number of employees is caused by a decrease in employee commitment where commitment affects employee performance. Employees who are not committed usually do not have morale, are easy to leave, are not proud of the organization, and are not optimal at work. Employees with strong affective commitment would be motivated to higher levels of performance and make more meaningful contributions than employees who expressed continuance or normative commitment (Brown, 2003). Thus, affective commitment alone is one of the key concepts of employee behavior.

## II. Literature Review

While Allen and Meyer (1997) stated three measures of commitment, namely, affective, continuance, and normative. Griffin (2008) stated employee commitment is an attitude that reflects an individual's understanding and attachment to his organization (Griffin and Moorhead, 2013). Employees who are committed to the organization tend to be reliable, loyal, and devote more effort to work. The more committed an employee is to an organization, the harder they work. Several studies (Mrayyan et al., 2008; Al-Ahmadi, 2008; Syauta et al., 2012; Setiawati and Ariani, 2019) who found that commitment and performance have a positive relationship. Employee commitment can maintain a good relationship between employees and the organization, which consequently increases the performance of an organization. This idea is supported by Samad (2005)'s claim that employees who are committed have better work performance. By contrast, Lee et al. (2010) found that not all commitment dimensions can influence job performance. Affective commitment positively affects job performance, whereas continuance and normative commitment negatively influence job performance.

The theory of motivation is not synonymous with behavioral theory. Motivation is only one of the determinants of behavior. While motivation usually influences behavior, factors such as biology, culture and situation can also be determinants (Maslow, 1943). Robbins and Coulter (2016) stated that motivation is the process by which a person is given energy and sustained direction to achieve a goal. Strength (intensity) refers to the rigors of one's efforts. Undirected strength will not produce satisfactory performance. Persistence measures the endurance of one's efforts. Several studies showed that work motivation has a significant effect on employee performance (Apriliana and Hakam, 2013; Wijayanti, 2010). However, Masydzulhak et al., 2016 result that motivation does not influence employee performance.

According to Schein (2010), organizational culture is a common pattern of basic assumptions that are considered good to be validated and applied in problem solving to integrate into the internal organization and adapt to the external organization. Organizational culture must be taught to new members as the correct way to understand, think about, and feel the problem. Several studies have shown that organizational culture significantly influences employee performance (Shahzad, 2013; Ehtesham et al, 2011), while Syauta et al (2012) research showed the opposite. Several studies have shown that organizational culture has a significant effect on employee work motivation (Shina et al., 2010; Patnaik, 2011; Hakim, 2012; Catania and Raymond, 2013). However, Darsana's (2013) research showed that organizational culture influences employee performance through organizational citizenship behavior as a mediating variable. The hypothesis from the descriptions above is:

H1: Employee commitment has significant effect employee performance.

H2: Organizational culture has significant effect on employee performance.

H3: Motivation has significant effect on employee performance.  
 H4: Employee commitment has significant effect on employee motivation.  
 H5: Organizational culture has significant effect on employee motivation.  
 H6: Work motivation mediating employee commitment on employee performance.  
 H7: Work motivation mediating organizational culture on employee performance.  
 The framework of the literature review and previous research are:

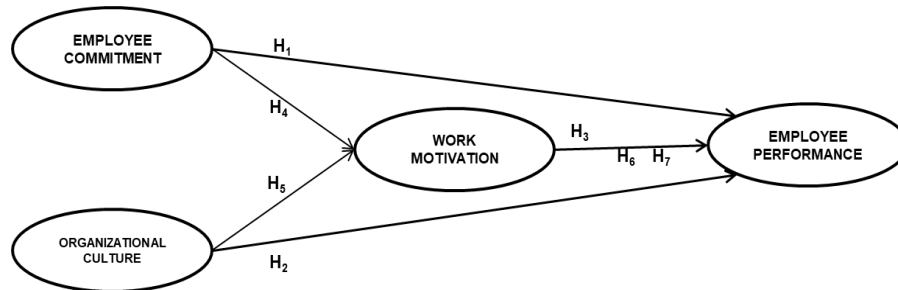


Figure 1. Research Framework

III. Method

The aim of this research is to investigate the direct effect of employee commitment, organizational culture and work motivation against employee performance. The primary data obtained from questionnaire distribute random to employee from this courier company in Jakarta, and been working on it for over a year. The sampling was 200 respondent carried out using a probability sampling method and calculated using Partial Least Square.

IV. Result and Discussion

Convergent Validity Test is carried out on each construct indicator. According to Chin in Ghozali (2014), an indicator has "good" validity if the value is greater than 0.70, while the loading factor 0.50 to 0.60 is "moderate". Based on these criteria, loading factors below 0.50 will be removed from the model. (Figure 2)

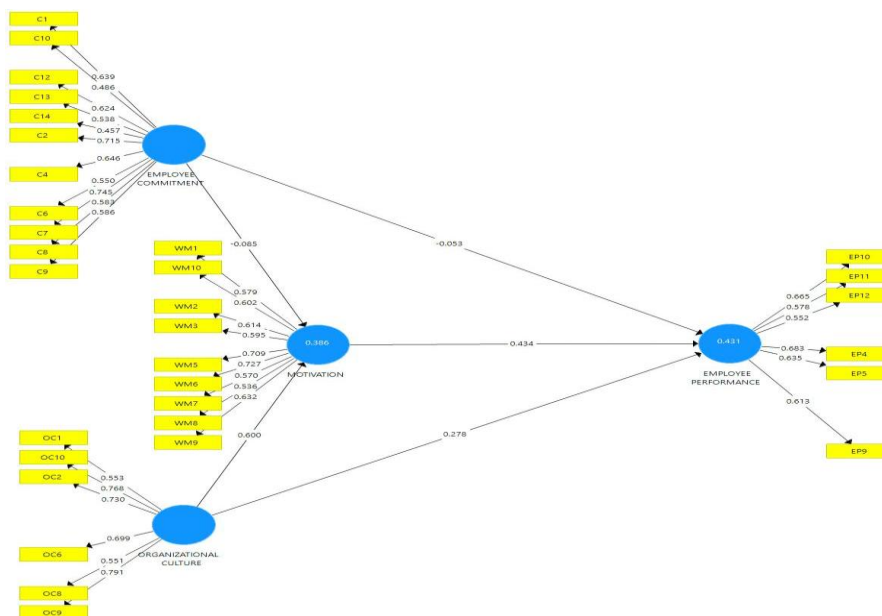


Figure 2. PLS algorithm modification

Table 4 show the result from factor loading, composite reliability, and cronbach's alpha in a research model. If the composite reliability and Cronbach's alpha value of all latent variable values is  $\geq 0.70$  then the construct has good reliability or the questionnaire in this study is reliable or consistent. Tables 5 show that the composite reliability test results show satisfactory values where the value of composite reliability on all latent variable values is  $\geq 0.70$ . Furthermore, the results of the Cronbach's alpha test also showed satisfactory values where all values of the latent variable were  $\geq 0.70$ . This means that all latent variables are reliable.

**Table 4. Factor loadings and reliability**

	Loadings <sup>a</sup>	Composite Reliability	Rho_A	Cronbach <sup>a</sup>
<b>C1</b>	0,639	0,860	0,813	0,838
<b>C10</b>	0,486			
<b>C12</b>	0,624			
<b>C13</b>	0,538			
<b>C14</b>	0,457			
<b>C2</b>	0,715			
<b>C4</b>	0,646			
<b>C6</b>	0,550			
<b>C7</b>	0,745			
<b>C8</b>	0,583			
<b>C9</b>	0,586			
<b>EP10</b>	0,665	0,791	0,698	0,693
<b>EP11</b>	0,578			
<b>EP12</b>	0,552			
<b>EP4</b>	0,683			
<b>EP5</b>	0,635			
<b>EP9</b>	0,613			
<b>OC1</b>	0,553	0,849	0,819	0,803
<b>OC10</b>	0,768			
<b>OC2</b>	0,730			
<b>OC6</b>	0,699			
<b>OC8</b>	0,551			
<b>OC9</b>	0,791			
<b>WM1</b>	0,579	0,842	0,789	0,776
<b>WM10</b>	0,602			
<b>WM2</b>	0,614			
<b>WM3</b>	0,595			
<b>WM5</b>	0,709			
<b>WM6</b>	0,727			
<b>WM7</b>	0,570			
<b>WM8</b>	0,536			
<b>WM9</b>	0,632			

Reflective indicators in the discriminant validity test can be seen in the cross-loading between the indicators and their constructs. An indicator is declared valid if the loading factor in the construct is higher than the other loading factor. It means that latent constructs predict indicators in their blocks better than indicators in other blocks and its show in table 6 below.

**Table 6. Discriminant Validity (Fornell-Lacker Criterium)**

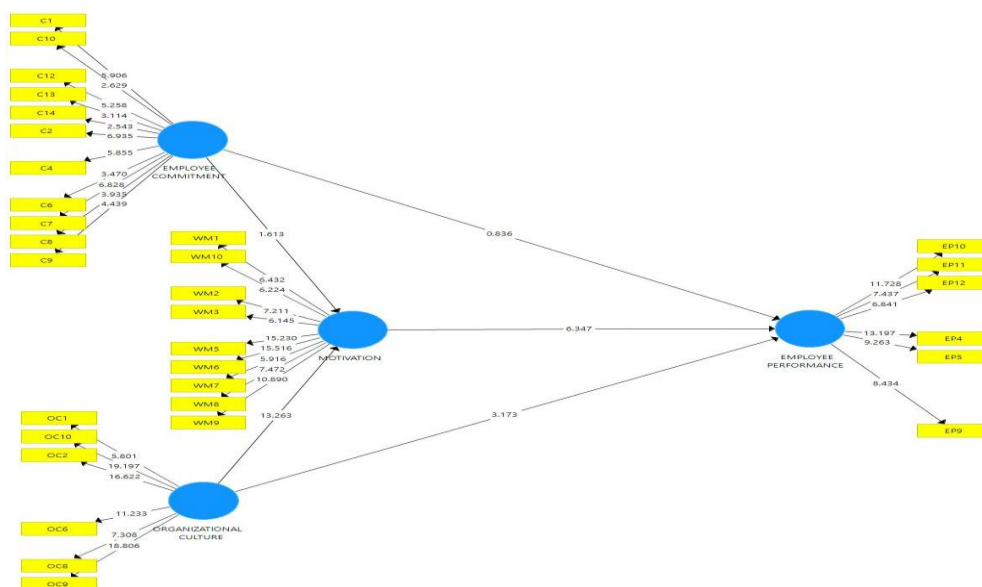
	EMPLOYEE COMMITMENT	EMPLOYEE PERFORMANCE	MOTIVATION	ORGANIZATIONAL CULTURE
<b>EMPLOYEE COMMITMENT</b>	0,603			
<b>EMPLOYEE PERFORMANCE</b>	-0,192	0,623		
<b>MOTIVATION</b>	-0,199	0,615	0,621	

<b>ORGANIZATIONAL CULTURE</b>	-0,190	0,555	0,616	0,689
-------------------------------	--------	-------	-------	-------

Based on Table 7 below, it can be concluded that the R-square adjusted value is 0.422 which means that the model has a good level of the goodness-fit model. It means that the variability of employee performance that can be explained by employee commitment, organizational culture and work motivation is 42.2%, while the remaining 57.8% is explained by other variables not examined in this model.

**Table 7. R-square value of Endogen variable**

Variabel Endogen	R-square Adjusted
EMPLOYEE PERFORMANCE	0.422
MOTIVATION	0.380



**Figure 3. The Structural Model**

**Table 8. Hypothesis test result**

	Original Sample (O)	T Statistics ( O/STDEV)	P Values	Result
EMPLOYEE COMMITMENT -> EMPLOYEE PERFORMANCE	-0,053	0,836	0,403	Reject
EMPLOYEE COMMITMENT -> MOTIVATION	-0,085	1,613	0,107	Reject
MOTIVATION -> EMPLOYEE PERFORMANCE	0,434	6,347	0,000	Support
ORGANIZATIONAL CULTURE -> EMPLOYEE PERFORMANCE	0,278	3,173	0,002	Support
ORGANIZATIONAL CULTURE -> MOTIVATION	0,600	13,263	0,000	Support
EMPLOYEE COMMITMENT -> MOTIVATION	-0,037	1,471	0,142	Reject
MOTIVATION -> EMPLOYEE PERFORMANCE				
ORGANIZATIONAL CULTURE -> MOTIVATION	0,260	5,426	0,000	Support
MOTIVATION -> EMPLOYEE PERFORMANCE				

### V. Conclusion

The conclusion research is the employee commitment does not direct or indirect influence the employee performance (Lee et al., 2010). The work motivation direct influence employee performance variable (Apriliansa and Hakam, 2013; Wijayanti, 2010), on the other organizational culture direct influence the employee performance (Shahzad, 2013; Ehtesham et al, 2011), directly influence work motivation (Shina et al.,

2010; Patnaik, 2011; Hakim, 2012; Catania and Raymond, 2013, and also indirect influence by work motivation. The employee in this courier company need to remind that they should commitment with they work, not because they already in the status of steady employee so they just do whatever they want to do, or just do the basic work requirement, even though they performance did not increase, they still get the salary.

### References

- [1] Apriliana, S., Hamid, D., dan Hakam, M. S. O. 2013. *Pengaruh Motivasi dan Komitmen Organisasional terhadap Kinerja Karyawan. Jurnal Administrasi Bisnis*, 1(1), 180-187
- [2] Allen, N. J. & Meyer, J. P. 1997. The measurement and antecedents of affective, continuance and normative commitment to the organization. *Journal of Occupational Psychology*, 1990, 63, pp.1-18.
- [3] Brown, Barbara B. 2003. *Employees' Organizational Commitment and Their Perception of Supervisors' Relations-Oriented and Task-Oriented Leadership Behaviors*, Virginia Polytechnic Institute and State University, PhD Thesis
- [4] Bruno, V.G., and Claessens, S. 2004. *Corporate Governance and Regulation: Can There Be Too Much of a Good Thing?*. the 6th Annual Darden Conference on Emerging Market.
- [5] Catania, G., and Raymond, R. 2013. The Relationship Between Age and Intrinsic and Extrinsic Motivation In Workers In A Maltese Culture Context. *International Journal of Arts & Science*, 6(2): 31- 45
- [6] Darsana, Made. 2013. "The Influence Of Personality And Organizational Culture On Employee Performance Through Organizational Citizenship Behavior". *The International Journal Of Management*. Vol. 2. Issue 4. October 2013. Malang: Brawijaya University. East Java. Indonesia.
- [7] Ehtesham, U.M. et al. 2011. "Relationship between Organizational Culture and Performance Management Practices: A Case of University in Pakistan". *Journal of Competitiveness*. Issue 4, pp 78-86.
- [8] Ghozali, Imam. 2014. *Structural Equation Modeling, Metode Alternatif dengan Partial Least Square(PLS)*. Edisi 4. Badan Penerbit Universitas Diponegoro. Semarang.
- [9] Griffin, Ricky W., dan Moorhead, Gregory. 2013. *Perilaku Organisasi*. Jakarta: Salemba Empat
- [10] Gomes, Faustino Cardoso. 2001. *Manajemen Sumber Daya Manusia*. BPFE. Yogyakarta.
- [11] Hakim, Abdul. 2012. The Implementation of Islamic Leadership and Islamic Organizational Culture and Its Influence on Islamic Working Motivation and Islamic Performance PT. Bank Mu'amalat Indonesia Tbk, Employee in the Central Java. *Asia Pasific Management Review*, 17(1): 77-90
- [12] Jaap Winter. 2011. *The Financial Crisis: Does Good Corporate Governance Matter and How to Achieve it ?*, Duisenberg School of Finance (DSF) Policy Paper No 14, 2011.
- [13] Kasmir. 2016. *Manajemen Sumber Daya Manusia (Teori dan Praktik)*. Jakarta: PT. Raja Grafindo Persada.
- [14] Lamatenggo, Nina. 2012. *Teori Kinerja dan Pengukurannya*. Jakarta: PT Bumi Aksara
- [15] Maslow, A. H. 1943. A theory of human motivation. *Psychological Review*, 50(4), 370–396.
- [16] Masydzulhak. Hapzi Ali and Leni Dewi Anggraeni. 2016. The Influence of work Motivation and Job Satisfaction on Employee Performance and Organizational Commitment Satisfaction as an Intervening Variable in PT. Asian Isuzu Casting Center. *Journal of Research in Business and Management* Vol 4. Issue 10(2016) pp: 01-10. ISSN(Online) : 2347-3002
- [17] Meyer, J. P. & Allen, N. J. 1991. A three component conceptualization of organizational commitment. *Human Resource Management Review*, 1(1), pp.61-89.
- [18] Patnaik, J.B. 2011. *Organizational Culture: The Key to Effective Leadership and Work Motivation*. *Social Science International*, 27(1): 79-94.
- [19] Riyanto, Setyo, and Lukertina. 2019. Does the Good Corporate Governance Culture Good for Workers?. *IOSR Journal of Business and Management (IOSR-JBM)*, Vol. 21, No. 8, 2019, pp. -15-20.
- [20] Robbins, Stephen P. and Coulter, Mary. 2016. *Manajemen Edisi 13*. Salemba Empat. Jakarta
- [21] Schein, Edgar.H. 2010. *Organizational Culture and Leadership*, 4th edition. John Wiley & Son Inc. San Fransisco
- [22] Sinha, Smrita., Ajay Kr.S., Nisha Gupta., and Rajul Dutt. 2010. Impact of Work Culture on Motivation and Performance Level of Employees in Private Sector Companies. *Acta Oeconomica Pragensia*, 18(6): 49-67
- [23] Shahzad, Fakhar., Zahid Iqbal and Muhammad Gulzar. (2013). Impact of Organizational Culture on Employees Job Performance: An Empirical Study of Software Houses in Pakistan. *Journal of Business Studies Quarterly*. Vol. 5, No.2, pp: 56-64
- [24] Sugiyono. 2014. *Metode Penelitian Kuantitatif, Kualitatif, dan Kombinasi (Mixed Methods)*. Bandung : Alfabet
- [25] Syauta, J. H., Troena, E. A., and Setiawan, S. M. 2012. The Influence of organizational culture, organizational commitment to job satisfaction and employee performance (study at Municipal Waterworks of Jayapura, Papua, Indonesia). *International Journal of Business and Management Invention*, 1(1), 69-76.
- [26] Wijayanti, Ratna Yulia. 2010. *Pengaruh Kepemimpinan, Motivasi, Dan Komitmen Organisasi terhadap Kinerja PNS Di Lingkungan Organisasi Dinas Pendidikan Kabupaten Kudus. Jurnal Analisis Manajemen*. Vol. 4. No. 2. Juli 2010. Hal. 136 – 152. Kudus: Universitas Sunan Muria.