

THE INFLUENCE OF ORGANIZATIONAL CULTURE AND TEAMWORK ON EMPLOYEE PERFORMANCE AT PT. BANK SULUT, TBK.

by:

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ABSTRACT

Human resource is one of resources that determine the organization success. Because of that, organizations are demanded to manage the human resources well for the organization survival. With a support from upper level management, an employee works confidently in team and increases productivity of the organization. Basically, Bank Sulut is a government regional bank that has a wide network spread across several regions in Indonesia. To serve customers well Bank Sulut has a foundation of organizational culture that existing until today, which includes: fast serving of customers in more gentle way, treat customers as partners by developing better services, and consider about customers way of thinking in developing the services better. The research objectives is to analyze the influence of organizational culture and teamwork on employee performance. Organizational culture is shown by the values, traditions, and behaviors that employees share in their organizations. A team is an identifiable set of two or more individuals interacting within a larger organizational context to reach a common goal through specific interdependent roles and task boundaries. In this research is found that Employee maximum performance is needed in running a good organization, the more maximize employee performance the better the organization will be.

Keywords: *organizational culture, teamwork, employee performance.*

INTRODUCTION

Research Background

Employee maximal performance is needed in running a good organization, the more maximize employee performance the better the organization will be. Culture of organizations is also different with each other there are organizations tolerance with not on time work hours, or employees who come late are tolerated, but in contrast there are also organizations concerned about timing. Teamwork is an important aspect in organizations, there is a lot of people in organizations so teamwork is needed not individuality. An organization is a collectivity with a relatively identifiable boundary, a normative order (rules), ranks of authority (hierarchy), communications system, and membership coordinating systems (procedures); this collectivity exists, on a relatively continuous basis in an environment, and engages in activities that are usually related to set of goals; the activities have outcomes for organizational members, the organization itself, and for the society (Hall, 1999:30). The essence of organizations revolves around the development of shared meanings, beliefs, values and assumptions that guide and are reinforced by organizational behavior. Employees are important asset to the organization (Ojo 2012).

The culture of the organization should be developed to support continuous improvement, improve employees' style of performing their job and thus develop quality awareness. Organizational culture has influenced employee work behavior as a result of the acceptable behaviors and attitudes to various jobs in the organization. Organizational culture is a major determinant of an employee's efficiency and effectiveness in carrying out their jobs. That is, organizational culture is one of the major key determinants of how employees perform or behaves in his job.

Human resource is one of resources that determine the organization success. Because of that, organizations are demanded to manage the human resources well for the organization survival. Leaders recognize the importance of teamwork more than ever before. Teams can expand the outputs of individuals through collaboration. It is the mean of improving man-power utilization and potentially raising performance of individual. With a support from upper level management, an employee works confidently in team and increases productivity of the organization. There are some cultures exist in Bank Sulut now such as: (1) They serve customers faster, and more gentle way, (2) They treat customers as partners by developing the service better, and (3) They consider about customers way of thinking in developing the services better.

Research Objectives

The research objectives are obtained as follow:

1. To know the influence of organizational culture on employee performance.
2. To know the influence of teamwork on employee performance.
3. To know which of organizational culture and teamwork has the most significant influence to employee performance

THEORETICAL FRAMEWORK

Employee Performance

Performance management can be defined as a systematic process for improving organizational performance by developing the performance of individuals and teams (Armstrong, 2012). Performance management is the system through which organizations set work goals, determine performance standards, assign and evaluate work, provide performance feedback, determine training and development needs and distribute rewards (Katerina et al., 2013 cited Briscoe and Claus, 2008).

Organizational Culture

Organization Culture is shown by the values, traditions, and behaviors that employees share in their organizations. A value is a basic belief about what is right or wrong, or about what you should do or should not do (Dessler and Huat 2009:386). As follows to Schein (1990), organizational culture is basic assumption pattern that is created, found, or developed by certain group when they adapting themselves with the external problems and internal integration work well and considered as worth, and taught to new members the correct way to realize, think, and feel the relation with the problems.

Team and Teamwork

Teamwork is defined in terms of the behaviors (for example, backup behavior, closed-loop communication), cognitions (shared mental models), and attitudes (cohesion, collective efficacy) that make interdependent performance possible (Weaver et al., 2010). Luca and Tarricone (2002) said that research has provided a number of attributes required for successful teamwork.

Previous Research

Awadh and Saad (2013) found that certain dimensions of culture have been identified so far and research shows that value and norms of an organization were based upon employee relationship. Uddin et al. (2013) found that organizational culture significantly influences employee performance and productivity in the dynamic emerging context. Syauta (2012) found that organization cultural and organizational commitment influence employee performance direct or indirectly to the job performance while organizational commitment influence significantly to employee performance directly or indirectly through work satisfaction. Manzoor (2011) found that teamwork and other measures of employee performance are positively related with employee performance.

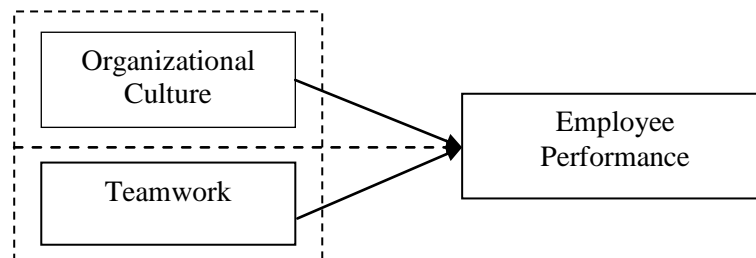


Figure 1. Conceptual Framework

Source: Theoretical Framework

--> Simultaneous Effect

—> Partial Effect

Research Hypotheses

H₂: Organizational Culture and Teamwork have simultaneous influence on Employee Performance

H₁: Organizational Culture and Teamwork have partial influence on Employee Performance

RESEARCH METHOD

Type of Research

The purpose of this research is to know the influence of organizational culture and teamwork on employee performance. This research is causal type. Causal since the purpose is to determine if one or more variables cause another variable to occur or change. This research is a quantitative method since using questionnaire as a tool to gather data and analysis.

Place and Time of Research

The study was conducted in PT. Bank Sulut from July – October 2013 and the survey started on August 2013.

Population and Sample

Population is the entire group of people, events or things of interest that the researcher wishes to investigate. (Sekaran and Bougie 2009:262). The population in this research is the employees of PT Bank Sulut Manado. The sample in this research is the employees in the main office in Manado. The sample taken is 100 respondents. Sample is a subset of a population that comprises some members selected from it. Sekaran and Bougie (2009:263).

Data Collection Method

Primary data refer to information obtained first-hand by the researcher on the variables of interest for the specific purpose of the study. Individual provide information when interviewed, administered questionnaires, or observed. Group depth interviews, or focus groups, are the other rich source of primary data (Sekaran and Bougie 2009:181). The primary data used in this research is the questionnaire that has been distributed to employees in PT. Bank Sulut.

Operational Definition and Measurement of Research Variables

1. Organizational Culture (X₁) is meaning, values, norm and belief system that is hold together in certain organization that become guideline in action, influence the behavior as identity and that differentiate one organization with others.
2. Teamwork is a common task requiring interdependent work and successive or integrative action (X₂).
3. Employee performance is work results that achieved by someone or group in organization, suitable with the authority and responsibility, in effort to reach the organizational goals legally, not violate the law, and suitable with moral and ethics (Y).

Measurement of the variables is an integral part of research and an important aspect of research design. Likert scale as a widely used rating scale is designed to examine how strong subjects agree or disagree with statements on a five point scale.

Data Analysis Method

Validity and Reliability Test

The reliability of a measure is established by testing for both consistency and stability. Consistency indicates how well the items measuring a concept hang together as a set, Cronbach's alpha is a reliability coefficient that indicates how well the items in a set are positively correlated to one another (Sekaran and Bougie 2009:161). Since reliable scales are not necessarily valid, researchers also need to be concerned about validity. It assesses whether a scale measures what is supposed to be measured. Thus validity is a measure of accuracy in measurement (Hair et, al 2010:157).

Multiple Regression Analysis Method

In general, Multiple Regressions is a statistical technique that simultaneously develops a mathematical relationship between two or more independent variables and an interval-scaled dependent variable, or in other explanation multiple regression used in a situation where two or more independent variables is hypothesized to affect one dependent variable. This method has been chosen to measure the effect of Organizational Culture (X1) and Teamwork (X2) on Employee Performance (Y) with the equation: $Y = b_0 + b_1X_1 + b_2X_2$

Where:

Y = Employee Performance

X1 = Organizational Culture

X2 = Teamwork

b_0 = Intercept

b_1, b_2 = The regression coefficient of each variable

RESULTS AND DISCUSSION

Result

Validity and Reliability Tests

The test of validity by using a Pearson Correlation value shows that indicators of organization culture, team work, and employee performance are above 0.3. Therefore, it is valid. The Alpha Conbanch's Values are also above 0.6 for all variable. This indicates that all variables are reliable.

Test of Classical Assumption

The VIF values of Organizational Culture (X_1) is 1.046 and Team Work (X_2) is 1.046 while the tolerance values of Organizational Culture (X_1) is 0.956 and Team Work (X_2) is 0.956 thus free of multicollinearity. There is no established pattern, in other words the graph describing the plot spread above and below the number 0 (zero) on the Y-axis thus free of Heteroscesdasticity. The points spread and spread around the diagonal line in the direction diagonal lines thus met normality assumption.

Multiple Linear Regression Analysis

Table 1. Coefficient Beta

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.434	.417		8.242	.000		
	X1	.407	.072	.094	2.134	.035	.956	1.046
	X2	.987	.082	.229	2.284	.025	.956	1.046

Source: SPSS Data Analysis, 2013

From the analysis, obtained by linear regression equation as follows:

$$Y = 3.434 + 0.407X_1 + 0.987X_2 + e.$$

From the multiple linear regression equation above, the interpretations are as follows:

- 1) Constant value of 3.434 means that if Organizational Culture (X_1) and Team Work (X_2) simultaneously increased, it will increase Employee Performance (Y) at 3.434 point.
- 2) Coefficient value of 0.407 means that if Organizational Culture (X_1) increased, it will improve and increase Employee Performance (Y) at 0.407.
- 3) Coefficient value of 0.987 means that if Team Work (X_2) increased, it will improve and increase Employee Performance (Y) at 0.987.

Organizational Culture (X_1) and Team Work (X_2) have an influence on Employee Performance (Y).

Table 2. Coefficient Correlation (r) and (r^2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.826 ^a	.700	.051	.41695

Source: SPSS Data Analysis, 2013.

Table 2 shows that the analysis of correlation (r) is equal to 0.826 indicating that the Correlation of Organizational Culture (X_1) and Team Work (X_2) on Employee Performance (Y) has a strong relationship. To determine the contribution The Organizational Culture (X_1) and Team Work (X_2) on Employee Performance (Y) can be seen that the determinant of the coefficient (r^2) in the table above. r^2 value of 0.700 in this study may imply that the contribution of Organizational Culture (X_1) and Team Work (X_2) to predict the Employee Performance (Y) of 70.0 % while the remaining 30.0% is affected by other variables not examined in this study.

Hypothesis Testing

Table 3. F-Test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.269	2	.635	3.650	.030 ^a
	Residual	16.863	97	.174		
	Total	18.132	99			

Source: SPSS Data Analysis, 2013

The value of F_{Count} (3.650) is significant at 0.030. Because the sig < 0.05 means the confidence of this prediction is above 95% and the probability of this prediction error is below 5% which is 0.000. Therefore H_0 is rejected and accepting H_a . Thus, the formulation of hypothesis that Organizational Culture (X_1) and Team Work (X_2) influence Employee Performance (Y) simultaneously is accepted.

Table 4. t-Test

Variable	t	Sig.
Organizational Culture (X_1)	2.134	.035
Teamwork (X_2)	2.284	.025

Source: SPSS Data Analysis, 2013

Table 4 shows that the calculations in the table above, the interpretation as follows:

1. t_{count} for Organizational Culture (X_1) is 2.134 greater than the value of t_{table} (2.086) means Organizational Culture (X_1) has significant partial influence on Employee Performance (Y). Therefore, H_1 is accepted.
2. t_{count} for Team Work (X_2) is 2.384 greater than the value of t_{table} (2.086) means Team Work (X_2) has significant influence partially on Employee Performance (Y). Therefore, H_1 is accepted.

Discussion

In this research is found that Employee maximal performance is needed in running a good organization, the more maximize employee performance the better the organization will be. If we see from a Culture of organizations is also different with each other there are organizations tolerance with not on time work hours, or employees who come late are tolerated, but in contrast there are also organizations concerned about timing. Teamwork is an important aspect in organizations, there is a lot of people in organizations so teamwork is needed not individuality. Organizational culture has influenced employee work behaviour as a result of the acceptable behaviours and attitudes to various jobs in the organization. Organizational culture is a major determinant of an employee's efficiency and effectiveness in carrying out their jobs. That is, organizational culture is one of the major key determinants of how employees perform or behaves in his job. An employee should working in teams become the standard for the organization. It is the mean of improving man-power utilization and potentially raising performance of individual. With a support from upper level management, an employee works confidently in team and increases productivity of the organization.

A team work has a significant dominant influence on Employee Performance. This is because Teamwork can be defined in terms of the behaviours (for example, backup behaviour, closed-loop communication), cognitions (shared mental models), and attitudes (cohesion, collective efficacy) that make interdependent performance possible (Weaver et, al 2010). Thus the employee performance should be considered as backbone organization as it leads to its development effectively. The loyalty of employee relies upon knowledge and awareness of culture that improves behaviour of organization. Organization culture have first time been identified by Administrative Science quarterly. The value and norms of employee's basis upon management identification that help in improving employee performance. The awareness of quality helps in improving organizational and employee development (Awadi and Saad cited Pettigrew, 1979, Brooks, 2006).

CONCLUSION AND RECOMMENDATION

Conclusion:

The conclusions are: (1) Organizational Culture has a showed that all of the variables have strong relationship and its supported by significance level on Employee Performance. (2) Teamwork has a significant influence on Employee Performance. It means the higher team work the more maximize employee performance the better the organization will be. (3) There is Organizational Culture and Team Work has a significant influence on Employee Performance to manage effective organization processes.

Recommendation

From the results of this research proved that the influence of Organizational Culture and Teamwork on Employee Performance at PT. Bank Sulut Manado Tbk. Therefore, the recommendation for this company are as follows: (1) In managerial role in PT Bank Sulut Manado Program need to see about Organizational Culture and Team Work that will ultimately influence on Employee Performance and employee will understand what needs to be done related to the achievement of corporate goals, to manage the human resources well for the organization survival. (2) For the next researcher may need to add another variable or add an intervening variables to make this study to be more accurate with the level of different approaches - different so that it can assist in the process of further research.

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