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# EFFECT OF ORGANIZATIONAL CULTURE, ORGANIZATIONAL COMMITMENT, AND LOYALTY ON EMPLOYEE PERFORMANCE OF PT. NISSAN MOTOR INDONESIA SURABAYA

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#### **ABSTRACT**

The aim of this study is to examine and analyze the influence of corporate culture, corporate engagement and loyalty on employee performance at PT. Nissan Motor Indonesia Surabaya. The hypothesis of this study is that company culture, engagement and loyalty of employees have an impact on employee performance. The data was collected by distributing questionnaires to 25 participants. SPSS version 25 was used for data analysis in this study. The sampling technique used was saturated sampling. The data analysis technique used is validity test, reliability test, classic acceptance test, multiple linear regression analysis, multiple correlation analysis and determination analysis. The F-test and the t-test are used as hypothesis tests.

Based on the research of multiple linear regression analysis, Y = 16,613 + 0.428 X1 + 0.464 X2 + 0.595 X3 + e. The results of the F-hypothesis test show that organizational culture, organizational commitment and loyalty simultaneously have a significant influence on employee performance; this can be seen from the Sig value of 0.000 <0.05 and the value of F\_count 18.899> F\_table 3.07. The results of the t-hypothesis test indicate that the variable organizational culture sometimes has a significant influence on employee performance, this can be seen from the sig value of 0.000 <0.05 and the t\_count value of 3,311> t\_table 2,080. Partial commitment of the organization has a significant influence on employee performance, this can be seen from the sig value of 0.032 <0.05 and the value of t\_count 2.303> t\_table 2.080. Loyalty sometimes has a significant influence on employee performance, this can be seen from the sig value of 0.001 <0.05 and the t\_count value of 3.974> t\_table 2.080. The results of the t-hypothesis test show that the variables organizational culture, organizational commitment and loyalty partially influence employee performance.

Keywords: Employee Performance, Loyalty, Organizational Commitment, Organizational Culture.

### **PRELIMINARY**

In 2019, the coronavirus (Covid-19) epidemic was detected in Wuhan, China. The WHO declared the disease a pandemic and started entering Indonesia on March 2, 2020. Not just Indonesia, but the whole world is suffering from it. As a result of this epidemic, the economy, the tourism industry and other sectors are struggling. To avoid the effects of this pandemic, the government is working to shut down all outdoor activities and those who wish to travel must comply with 3M regulations, which include wearing face masks, washing their hands with soap and maintaining a distance to allow the spread of the Covid. -19 can be minimized.

The pandemic that occurred in Indonesia affected and changed all the activities of the population. Not only in Indonesia, but it affects people all over the world. The Covid-19 pandemic has changed many areas of people's lives due to the effects of trade restrictions. Indeed, not only the health sector but also other sectors such as education, tourism and the business sector are the most affected. Many stores, factories and businesses have had to close due to this pandemic. The shutdown disrupted the productivity of the business, resulting in losses for the business. There are many corporate guidelines to ensure its survival.

Organizational behavior is an area of study that examines the behavioral effects of individuals, groups, and structures within organizations with the aim of applying knowledge to improve organizational effectiveness (Robbins & Judge, 2011: 43). Organizational behavior is a way of thinking, a way of understanding the problems in an organization or in a particular group. Organizational behavior is also directly related to understanding, predicting and controlling the behavior of people in an organization and how the behavior of people affects efforts to achieve business goals.

Employee performance is the result of a person's work in quality and quantity, performed by employees in performing their duties in accordance with assigned responsibilities (Mangkunegara, 2016: 9). The success or failure in an organization in the performance of tasks is closely related to the performance of the employees, the performance in the organization is a factor that must be taken into consideration for the company to achieve its objectives. This is corroborated by research by Andjarwati, T. (2021), who states that employee performance is a factor that must be considered in the progress of the company.

PT. Nissan Motor Indonesia Surabaya is an automobile company. This company has several problems, in particular the problem of the sub-optimal performance of the employees by the employees themselves, which is pushed back by the number of employees, there are still employees who are late for the morning briefing like all days, collaboration between employees is not being maximized. , there is still a lack of will on the part of certain employees to move the company forward. Today, performance is still a problem that management has always faced. Therefore, management needs to know what factors can affect employee performance.

These issues require a theoretical understanding of organizational culture, organizational commitment and loyalty in order to improve employee performance. Achieving the employee performance expected by the company is not easy because it is influenced by several factors. They believe that the success of the company is strongly influenced by the performance of the employees, so these factors will have a good influence on the performance of the employees as they get better or better.

#### **Problem Formulation**

- Does organizational culture affect employee performance at PT Nissan Motor Indonesia Surabaya?
- Does organizational commitment affect the performance of PT Nissan Motor Indonesia Surabaya employees?
- 3. Does loyalty affect employee performance at PT Nissan Motor Indonesia Surabaya?
- 4. Do organizational culture, organizational commitment and loyalty affect the performance of PT Nissan Motor Indonesia Surabaya employees at the same time?

#### **Research Objectives**

- Discover and analyze the organizational culture of the employee performance of PT Nissan Motor Indonesia Surabaya.
- Determine and analyze organizational commitment to the performance of PT Nissan Motor Indonesia Surabaya employees.
- 3. Discovering and analyzing employee performance loyalty at PT Nissan Motor Indonesia Surabaya.

4. At the same time, at PT Nissan Motor Indonesia Surabaya, learn more about the organizational culture, organizational commitment and loyalty to employee performance at PT Nissan Motor Indonesia Surabaya.

#### LITERATURE REVIEW

# Organizational behavior

Organizational behavior is the process of applying knowledge and understanding the influence of actions of people in the organization that can influence the organizational goals (Mulyadi, 2015: 11).

# Organizational culture

Organizational culture is a system of meanings held by the members of an organization that distinguishes the organization from others. Individually or in a group, and one will not be separated from the culture that exists within the company (Robbins & Judge, 2016: 357).

#### Organizational involvement

Organizational involvement is the extent to which a person strives to identify an organization, its goals and expectations to remain a member (Robbins, 2015: 47). Organizational engagement is defined as a state in which an employee promotes a particular organization and its goals and wishes to remain a member of the organization.

#### Loyalty

Loyalty is the desire, willingness and action of employees to perform the tasks of the organization with full awareness and responsibility so that the objectives of the organization are successfully achieved and the employee's ultimate decision to continue working in the organization or not to leave the organization. if he doesn't. making extreme mistakes (Wilianto, 2019).

#### **Employee performance**

Employee performance is the result of the qualitative and quantitative work performed by an employee in performing his duties in accordance with his assigned responsibilities (Mangkunegara, 2017: 67).

#### **Hypothesis**

The organizational culture requires that the employees who work there behave in accordance with the existing organizational culture. If this concept is embedded in an organization, then a set of norms has become a culture in the organization, such that employees should behave and behave in accordance with the existing culture without being forced into it. The existence of culture in the organization will be the glue and guideline of all organizational policies and operational requirements for other aspects of the organization. If cultural values have become guidelines in developing organizational rules, then culture can contribute to business performance. This means that if the organizational culture is good, the performance of the employees in the organization will also be good.

# H1: The organizational culture has a significant effect on employee performance at PT Nissan Motor Indonesia Surabaya.

Involvement leads to a number of specific behavioral outcomes. First, highly engaged employees must have a strong and consistent desire to stay with the organization. The result is implicit in the definition of commitment. These behavioral goals should also manifest in the retention of the next employee. Employees who are highly committed to an organization's goals and have a positive attitude are more likely to have a strong desire to come to work and help achieve goals.

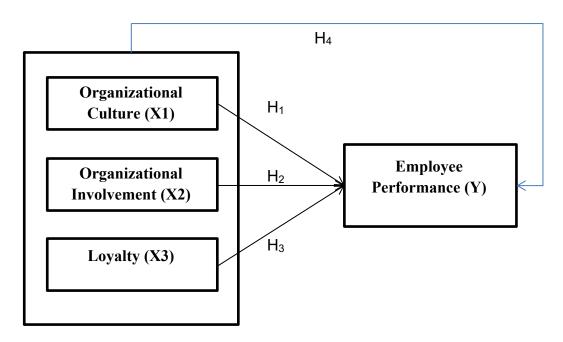
# H2: Organizational effort has a significant effect on employee performance at PT Nissan Motor Indonesia Surabaya.

If a person has loyalty and loyalty to something, then that person is willing to sacrifice for the things he believes in. The greater the loyalty of the employees in the company, the easier it will be to improve performance and achieve the goals set by the company. Conversely, if the retention rate is low, it will become increasingly difficult to achieve the goals previously set by the company. Employee loyalty should therefore be considered by the company as it is an important factor

# H3: Loyalty has a significant effect on employee performance at PT Nissan Motor Indonesia Surabaya.

Organizational culture, organizational commitment and loyalty together have a positive effect on the performance of employees. If the company takes this into account, employees can increase productivity and attitudes and bring more job satisfaction to the company.

H4: Organizational culture, organizational commitment and loyalty simultaneously have a significant effect on employee performance at PT Nissan Motor Indonesia Surabaya.



Source: Primary data processed 2021

Figure 1. Thinking Framework

# **METHOD**

The type of research conducted in this study is causal association research using quantitative techniques. According to Sugiyono (2016: 55), causal associative research

is research that aims to determine the relationship between two or more variables. With this research it will be possible to build a theory that can help explain, predict and manage a symptom. The causal relationship is a causal relationship, one (independent) variable influences the other (dependent) variable. Associative research uses quantitative or statistical analysis techniques. Quantitative research is a type of research whose specifications are systematic, well planned and clearly structured from the inception to the completion of the research project.

This research uses quantitative methods to measure the influence of organizational culture, organizational commitment and loyalty on employee performance in PT. Nissan Motor Indonesia Surabaya.

The author's research project was a survey and used a questionnaire as a data collection tool. This is in line with what Sugiyono (2012:6) said that the research method used to obtain data from some places is natural (not artificial), but that research does some processing when collecting data, for example by distributing questionnaires.

The population for this study consisted of employees of PT Nissan Motor Indonesia with a total of 25 employees. The method used in this sampling is the saturated sampling or the census. The definition of saturated sampling or counting according to Sugiyono (2012:122) is "saturated sampling or counting is a sampling technique in which all members of the population are used as samples". Based on this understanding, it can be determined that the sampling is saturated or that the census is a sampling technique that uses all members of the population so that researchers take a number of samples equal to the population, the total, or what is called a census . , that is the employees of PT Nissan Motor Indonesia Surabaya up to 25 employees. The research tool used in this study is a questionnaire, which will consist of two parts: Primary data for all PT staff. Nissan Motor Indonesia Surabaya, Fully variable data from this study.

The questionnaire used as a tool in this study was designed based on the results of a desk research that was then formulated by the researcher into different parts of the questionnaire variables. Using validity test, reliability test, classical hypothesis test, multiple linear regression analysis, t test, F test, coefficient of determination.

#### **Search Limits**

This research was conducted and continued according to scientific procedures, but the current ongoing studies have gaps and limitations, in particular:

1. During the data collection process, the information provided by the respondent through the questionnaire sometimes does not reflect the true opinion of the respondent, this happens because the thoughts, assumptions and insights of each respondent are sometimes different, as well as other factors such as the fairness factor in filling in the respondent's opinion in the questionnaire.

2. Completing the questionnaire provided to the respondents sometimes contains subjective answers and does not explain the real situation.

#### Variable Identification

1. Exogenous Variable: Organizational Culture

Organizational culture is a system of shared meaning of members that distinguishes an organization from other organizations.

2. Exogenous Variable: Organizational Engagement

This organizational commitment is a sense of employee identification, involvement and loyalty to their organization.

3. Exogenous variables: fidelity

Job loyalty is the loyalty of the employees to the company that will create a sense of responsibility so that the employees stay with the company even if the company is in an advanced state or retired.

4. Endogenous Variables: Employee Performance

Achievement is the achievement of individual work results in performing tasks and responsibilities according to predetermined standards within a specified time frame with the aim of achieving business goals.

#### Operational definition

The operational definition of a variable according to Sugiyono (2015: 38) is an attribute or a nature or a value of an object or an activity that exhibits certain variations identified by researchers to be studied and then inferred from conclusions. The operationalization of the indicators for this research variable is as follows:

# 1. Organizational culture

- a. Self-awareness
- b. Aggression
- c. Personality
- d. Versions
- e. team orientation

# 2. Organizational Engagement

- a. emotional involvement
- b. Commitment to Continuity
- c. Regulatory Commitment

# 3. Loyalty

- a. Respect the rules
- b. Responsible
- c. Sincerely contribute to the organization with thoughts and energy.
- d. honest

# 4. Employee Performance

- a. Quality of work
- b. Amount of work
- c. Collaboration
- d. Attitude

#### RESULT AND DISCUSSION

- 1. The results of the multiple regression equation show that: Constant ( $\alpha$ ) If the value of X1, X2, and X3 is 0, the worker's performance is 16.613.
- 2. The value of the Organizational Culture Coefficient (X1) is 0.428 with a positive value. This means that for every single increase in organizational culture (X1), employee performance (Y) will decrease by 0.428, assuming the other variables are constant.
- 3. The Coefficient of Organizational Engagement (X2) is 0.464 with a positive value. This means that for every increase in organizational engagement (X2), employee performance (Y) will increase by 0.464, assuming the other variables are constant.

- 4. The value of the precision coefficient (X3) is 0.595 with a positive value. This means that for every increase in loyalty (X3), the employee's performance (Y) will increase by 0.595, assuming the other variables are constant.
- 5. The significant value of the variable organizational culture (X1) is 0.003 < 0.05, which means that the organizational culture (X1) has a significant influence on the performance of the employees (Y), we can therefore conclude that the hypothesis of the researcher verified and the value of t\_count is 3,311 > t\_table 2,080 so that we can conclude that Ho is rejected, Ha is accepted, which means that there is an influence between the organizational culture (X1) on the performance of the employee (Y).
- 6. The significant value of the Organizational Commitment variable (X2) is 0.032 < 0.05, which means that Organizational Commitment (X2) has a significant effect on Employee Performance (Y), so we can conclude that the researcher's hypothesis has been verified and the value of t\_count is 2.303 > t\_table 2.080 so that we can conclude that Ho is rejected, Ha is accepted, which means that there is an influence between the organizational involvement (X2) on the functioning of the employee (Y).
- 7. The significant value of the variable Loyalty (X3) is 0.001 < 0.05, which means that Loyalty (X3) has a significant influence on the performance of employees (Y), so we can conclude that the researcher hypothesis is checked and the value of t\_count is 3.974 > t\_table 2.080 so that we can conclude that Ho is rejected, Ha is accepted, meaning there is an influence between loyalty (X3) on employee performance (Y).
- 8. The calculated F value is 18.899 with a significant value of 0.000 < 0.05. This means that the variables Organizational Culture (X1), Organizational Commitment (X2) and Loyalty (X3) together have a significant influence on the variable Employee Performance (Y) so that we can conclude that the researcher's hypothesis has been verified.
- 9. The results of the coefficient of determination explain that the independent variables Organizational Culture (X1), Organizational Commitment (X2) and Loyalty (X3) can explain that their influence on the dependent variable Employee Performance (Y) is 69.1%, while the remaining 30, 9% is explained by the variability of other variables not examined in this study.

The influence of organizational culture (X1) on employee performance (Y)

The results of this study indicate that the variable organizational culture has a significant effect on employee performance. This is evidenced by the calculated t-value and the significance value generated by the previous hypothesis test. The t-count value of 3,311 is larger than the t-table of 2,080, so we can conclude that H1 is accepted, which means that there is an influence between the organizational culture (X1) on the performance of the employees (Y) and the resulting significance value is less than the defined significance value of 0.003 < 0.05. In addition, the regression coefficient X1 of 0.428 indicates that for each value of organizational culture, employee performance will increase by 0.428. The regression coefficient is positive, so we can say that the direction of the influence of the variable X1 on Y is positive.

The results of this study are supported by previous research by Suprapto Research (2015), entitled The Influence of Organizational Culture, Leadership and Organizational Engagement on Employee Performance. The results of this research indicate that organizational culture, leadership and organizational commitment influence the performance of employees. Organizational culture, leadership and organizational commitment simultaneously influence the performance of employees of the AUSATH Sharia Savings and Loans unit.

# The effect of organizational engagement (X2) on employee performance (Y)

The results of this study indicate that the variable organizational engagement has a significant effect on employee performance. This is evidenced by the calculated t-value and the significance value generated by the previous hypothesis test. The tocunt value of 2,303 is larger than the ttable of 2,080, so we can conclude that H2 is accepted, meaning that there is an influence between the organizational commitment (X2) on the employee's performance (Y) and the resulting significance value is smaller is then the specified significance value of 0.032 < 0.05. In addition, the X2 regression coefficient of 0.464 indicates that each metric for organizational engagement and then employee performance will increase by 0.464. The regression coefficient is positive, so we can say that the direction of the influence of the variable X2 on Y is positive.

The results of this study are supported by previous research by Enggar Dwi Jatmiko's (2015) study entitled The Effect of Work Motivation and Organizational Commitment on Employee Performance (Study on Employees of Factory Compartment II PT. Petrokimia Gresik). The results of this study indicate that work motivation and organizational commitment also influence the performance of employees. Work motivation and

organizational commitment simultaneously influence the performance of employees of department II of the PT factory. Gresik Petrochemicals.

# The effect of loyalty (X3) on employee performance (Y)

The results of this study indicate that the Loyalty variable has a significant effect on employee performance. This is evidenced by the calculated t-value and the significance value generated by the previous hypothesis test. The toount value of 3,974 is larger than the 2,080 table, so we can conclude that H3 is accepted, meaning there is an influence of loyalty (X3) on employee performance (Y) and the resulting significance value is less than the overall significance value of 0.001 < 0.05. In addition, the X3 regression coefficient of 0.528 indicates that for each loyalty value, the employee's performance will increase by 0.528. The regression coefficient is positive, so we can say that the direction of the influence of the variable X3 on Y is positive.

The results of this study are supported by previous research by Sonia Research (2014) entitled The Effect of Leadership Style and Employee Loyalty on Employee Performance at PT. Perista's gift of sacred nature. The results of this study indicate that leadership style and loyalty partially influence employee performance. Leadership style and loyalty simultaneously affect employee performance. Perista's gift of sacred nature.

# Simultaneous impact of organizational culture, organizational commitment and loyalty on employee performance

The results of this study indicate that organizational culture, organizational commitment and loyalty simultaneously influence employee performance. This is evident from the significance value of F of 0.000. This value is less than 0.05, demonstrating that the regression model of this study has been declared feasible to explain the effect of the independent variables Organizational Culture, Organizational Commitment and Loyalty on the dependent variable, namely employee performance. The calculated F value is 18.899, while the value from the F table is = 3.07. Since the calculated F value is 18.899 > 3.07, as the basis for decision making in the F-test, it can be concluded that Ho is rejected and Ha is accepted. These results indicate that organizational culture,

organizational commitment and loyalty have a simultaneous impact on employee performance.

The results of this study are supported by previous research from Dessy Wahyuni's Research (2020), titled The Effect of Loyalty, Commitment and Organizational Culture on Employee Performance at the Public Relations and Protocol Office of the North Sumatra Province Regional Secretariat. The results of this study indicate that loyalty, involvement and organizational culture simultaneously influence the performance of employees of the Public Relations Office and the protocols of the Regional Secretariat of the Province of North Sumatra.

#### CONCLUSION

Organizational culture has a positive and significant impact on employee performance. Culture is an important element in an organization. Organizational culture includes beliefs about the norms or behaviors adopted by members of the organization. This culture, if properly executed and has a positive effect on the company, will create a good environment. If the culture is good, it encourages employees to perform their duties properly. Conversely, if the culture has a negative effect on the members and the company, the employee's performance will be less good.

Organizational effort has a significant effect on employee performance. Indeed, organizational commitment is an attitude or a form of behavior of a person towards the organization in the form of loyalty and achieving the vision, mission, values and goals of the organization.

Loyalty has a major effect on employee performance. Indeed, loyalty is an obedient and loyal attitude towards the company, employee loyalty affects employee performance and employee loyalty can be measured by performance results, obedience or compliance, responsibility, dedication and honesty.

#### SUGGESTION

#### 1. Business Advice

Companies are strongly advised to continue to pay attention to and improve organizational culture, organizational engagement and loyalty so that they can later achieve their goals by improving employee performance.

# 2. Advice to employees

Loving work is very important for growth, loving work makes an employee's performance more influential. Uno dei fattori che incoraggiano ad amare il lavoro è la volontà di servie l'azienda attuando tutte le normative vigenti, concentrandosi sugli obiettivi e traguardi dell'azienda con il massimo raggiungimento, glio sapendo port nomen rounded.

#### 3. Advice for future researchers

It is intended to extend the observation period, because the longer the observation time interval, the greater the opportunity to obtain better information about the variables for scrutiny. There are also plans to add other variables that are always related to employee performance factors to produce a broader picture and more accurate results, and to use more sampling.

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