

The Influence of Work Culture and Work Motivation on Employee Performance Mediated by Job Satisfaction at the Financial Services Authority in Malang

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ABSTRACT

This study aimed to investigate the direct and indirect effect of work culture and work motivation on employee performance through employee job satisfaction. Simultaneously, analyzed the influence of work culture and motivation on employee job satisfaction. Secondly, investigated the effect of employee job satisfaction on employee performance. The population and sample of this study were all employees of the Financial Services Authority of Malang for a total of 55 employees. Sample analysis using census technique. Data analysis employed path analysis technique with SPSS software. The findings of this study provided theoretical and practical implications. Eventually, This study contributes to the existing management literature related to Human Resources Management.

Keywords : Work Culture, Work Motivation, Job Satisfaction, Employee Performance.

1. INTRODUCTION

This study was carried out in Indonesia during the Covid-19 epidemic, notably at the Malang Financial Services Authority or OJK Malang Office. OJK supervises in an impartial and accountable manner. OJK's function in banking supervision and regulation is broad, since it covers micro-prudential regulation and supervision. The OJK in Malang also assists and supports the OJK's performance in the regulation and supervision of OJK, including Malang Raya, Probolinggo, and Pasuruan. OJK is in charge of regulating and overseeing financial service operations in the Banking sector, Capital Market, and IKNB, as well as creating an integrated regulatory and supervisory structure for all financial services activities. With this occurrence, OJK Malang requires excellent employee performance that is supported by the work culture and work motivation in order to offer a sense of pleasure in the performance of every employee.

Due to strong confidence and excitement in the execution and obligations of OJK Malang workers, sufficient performance of OJK Malang employees is highly crucial for the provision of services to consumers, as well as oversight and regulation for the OJK. OJK Malang's work culture currently has no obvious outcomes, characterized by a lack of responsibility for work and drive. The OJK Way is a workplace culture program founded on strategic principles including honesty, professionalism, synergy, inclusiveness, and vision. This workplace culture focuses on applying change management in order to create a work organization and culture. The OJK Malang Office's work culture programs include "Ngalam Sadrec" or Malang Cerdas, "Ngalam Sakngat" or Malang Tangkas, and "Ngalam Sakngir" or Malang Ringkas. All three cultures are supposed to improve employee performance in terms of technology, quality of life, knowledge, and skills. The Malang OJK Office's lack of considerable confidence, excitement, and customer service must be enhanced in order to generate ideal staff performance. Human resource management is the planning, organizing, directing, and overseeing of human resource operations such as acquisition, development, compensation, integration, maintenance, and release in order to meet individual, organizational, and community goals (Flippo, 2002;19).

Integrity, professionalism, transparency, accountability, synergism, and equality are required for performance. Employees of the OJK Malang office should be motivated to work, taking into consideration their working hours at OJK Malang, in order to promote employee job satisfaction

and achieve optimal employee performance at OJK Malang. The preceding explanation confirms the study's assumptions, including:

H1: There is a significant influence of Work Culture and Work Motivation on Employee Performance

First hypotheses mentioned the results of the Work Culture variable (X1) have a significant effect on Employee Performance (Y2) at OJK Malang compared to the influence of Work Motivation (X2) on Employee Performance (Y2). H0 was rejected with a direct influence value of 0.702 and a significant value of 0.000 0.05. Thus, the first hypothesis, which asserts that X1 and X2 have an impact on Employee Performance at OJK Malang. According to Mangkunegara (2005;73), A collection of assumptions and systems of ideas, values, and norms that are used as behavioral direction for its members to face both internal and external issues of adaptation and integration, organizational culture is what we mean when we talk about "ideas, values, and norms".

H2: There is a significant influence of work culture and work motivation on job satisfaction

In the second hypothesis, the results obtained that the variable direct influence of work motivation (X2) was significant on job satisfaction (Y1) compared to the variable work culture (X1) which had a significant direct effect on job satisfaction (Y1) at OJK Malang. With a direct effect value of 0.239 and a significance value of 0.005 0.05, Ho is rejected. Thus, there is a significant effect of X1 and X2 on Y1 at OJK Malang.

According to Schein (1992; 14), the link between these factors implies that the organizational culture developed by an organization to achieve organizational objectives to increase employee performance. As a consequence, the company will reward individuals for their job happiness and the organization where they work. The findings of this study back with previous research on work motivation and job satisfaction done by I Wayan (2018; 154), which found that work motivation had a direct and substantial beneficial influence on job satisfaction.

H3: There Is a Significant Effect of Job Satisfaction on Employee Performance

The third hypothesis was supported by the data, which found that job satisfaction (Y1) directly correlates to productivity (Y2) at OJK Malang. Ho is rejected with a direct influence value of 0.765 and a significance value of 0.016 0.05. Therefore, job satisfaction has a substantial impact on productivity at OJK Malang. This research supported the conclusions of Suparyadi (2015; 436), who found that if these needs are addressed, the individual is happy, but if his wants are not met, he is unhappy. Therefore, HRM tactics should aim to boost workers' happiness on the job.

H4: There is a significant influence of Work Culture and Work Motivation on Employee Performance through Job Satisfaction

According to the fourth hypothesis, workers' output is significantly impacted by factors like workplace culture and motivation. Both the company's culture and the employees' intrinsic incentive to do their best on the job matter greatly. Second, contentment in one's employment greatly affects productivity. Nonetheless, the direct effect is greater, with a work culture influence value of 0.702 sig 0.000, than the indirect effect through job satisfaction, with an influence value of 0.229 sig 0.32, as shown by the results of direct and indirect testing. Unlike the significant effects of work motivation on employee performance through the mediating variable of job satisfaction (0.239 sig. 0.005).

According to the findings of the study, the direct effects of work culture and motivation on employee performance at OJK Malang were significantly more significant than the indirect effects of work culture and motivation on employee performance via job satisfaction. This indicates that the researchers found that employee satisfaction with their jobs at OJK Malang was not high enough for it to have an impact on or act as a mediator of their work performance. As a result, the results of this research corroborate those of Nines et al. (2015; 8), who discovered that organizational culture and motivation at work had a more significant direct influence on employee performance than an indirect effect via job satisfaction.

2. LITERATURE REVIEW

2.1. Employee performance

Employee performance is defined as the achievement of work outcomes, targets, or goals that have previously been established as an agreement for the performance of duties based on standards and performance criteria (Sinambela, 2012; 133). It reflects their talents and capabilities in certain tasks, which will have an influence on the company's awards, and therefore employee performance will have an impact on the company's image as well. Furthermore, it is the most critical aspect of any firm. Performance is critical in setting the organization's path so that it can attain the success that is the company's vision.

2.2 Work Culture

Work culture is an assumption, beliefs, and norms that are repeated by employees within the organization and are utilized as behavioral guidance for its members to overcome external adaptation and internal integration challenges (Mangkunegara, 2005;316). Work culture may be defined as a core concept that guides organizational policies in employee management and a shared sense system established by its people that serves as a differentiation across organizations (Robbins, 2001; 289).

2.3 Work motivation

Work motivation, according to Siagian (2002; 89), is the force that drives a person to contribute as much as possible to the success of the organization in accomplishing its goals, with the awareness that attaining organizational objectives implies reaching individual aims for the individuals of the organization involved. A mental state and a human mental attitude that creates energy, motivates actions (movements), and directs or channels behavior toward meeting needs or eliminating imbalances are both examples of what we mean when we talk about work motivation (Siswanto, 2006:119).

2.4 Job satisfaction

Job satisfaction is an emotional state that employees experience when they look at their work (Sutrisno, 2009; 79). It is a manifestation of an individual's overall attitude toward his or her employment. Every day at work, we must engage with coworkers, bosses, organizational rules and regulations, performance requirements, working circumstances, and so on. An employee with a high degree of work satisfaction has a good attitude toward his job, whereas a dissatisfied employee has a negative attitude toward his employment (Robbins, 1996; 179).

3. METHODS

The population in this study were all 55 employees of OJK Malang consisting of 35 men and 20 women, because the number of sample members was relatively small, this study used the census method. So that all members of the population are used as research objects. In addition, quantitative analysis method were used. Data analysis technique using SPSS and statistical analysis using multiple linear regression analysis. The instrument in this study used a questionnaire.

Table 1: Variables and Indicators

No.	Variable	Indicator	A list of questions
1.	Work Culture (X1)	Honesty	- Smart OJK culture can be demonstrated by honest employee behavior at work - I am more comfortable working with the principle of honesty at work
		Creativity	- Concise OJK culture can be demonstrated by being creative in working in the office - I am able to work creatively both during WFO/WFH
		Discipline	- Concise OJK culture is shown by the SIJAMIL application capable of disciplining employees in terms of utilizing office facilities - OJK Tangkas culture makes me more optimal in working both WFH/WFO

		Cooperation	- I am more optimal in working with the team even though with different WFO/WFH schedules - OJK Tangkas culture makes me more optimal in community activities
2.	Work Motivation (X2)	Physical Needs	- I receive benefits and facilities to make ends meet - I work hard to fulfill my physical needs
		The Need for Appreciation	- I am motivated to receive awards for my performance achievements - Leaders appreciate my performance
		Self-realization Needs	- I feel challenged about work - I am motivated to work hard to show my identity
		3.	Job Satisfaction (Y1)
Supervisors and Bosses	- I am satisfied with the direction and evaluation of the leadership in the process of carrying out the work - Leaders appreciate my performance		
Internal Communication	- Good communication between superiors and subordinates - I am satisfied with solving work problems well		
4.	Employee Performance (Y2)	Productivity	- I feel more productive at work - I am able to innovate in completing work
		Commitment	- I never procrastinate the work that is my responsibility - I am required to have a high sense of integrity and commitment to work
		Work quality	- I can work quickly and precisely according to the dateline determined by the leader - I am more careful so that I can minimize mistakes at work

In this study, there are four research variables, namely two independent variables, one mediating variable as well as one dependent variable. The relationship between variables and indicators is formative, so factor analysis uses the bivariate correlation technique (validity test) and Chronbach's Alpha formula (reliability test). The full model of the structural equation model is presented as follows:

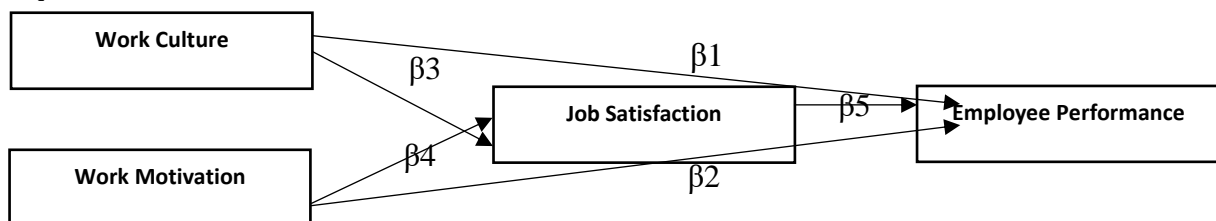


Figure 1: Path Diagram Model

Path Analysis Equation Model:

$$Y1 = 0.229X1 + 0.239X2 + e1$$

$$Y2 = 0.702X1 + 0.373X2 + e2$$

4. RESULTS AND DISCUSSION

4.1 Validity test

Out of the 26 data items tested, it is obvious that all items have a positive correlation coefficient higher than Table *r* and the probability for each item is less than $\alpha = 0.05$. Thus, the significant correlation on each item is valid and can be used to measure variables, in other words the instruments used in this study can be used.

4.2 Reliability Test

Cronbach's alpha value of the reliability coefficient on the Work Culture variable is 0.788, Work Motivation is 0.774, Job Satisfaction is 0.688, and Employee Performance is 0.839. It is shown that Cronbach's alpha value is > 0.6 , it can be said that all question items on the variables mentioned above have good consistency as a measure or reliable, so the existing instruments can be used.

4.3 Classic assumption test

4.3.1 Heteroscedasticity Test Results

It can be seen in the graph above that the dotted pattern spreads from above and below the Y-axis numbers, and does not form certain patterns. It can be concluded that there is no violation of heteroscedasticity. The results of the heteroscedasticity test can be seen in the graph below:

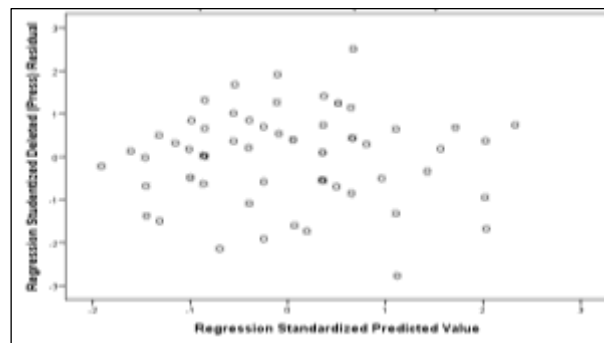


Figure 2: Residual Variance Scatterplot Regression 1
Source: Processed Using SPSS 20

4.3.2 Multicollinearity Test Results

From the results, it is known that the cutoff tolerance value is 0.1 and the VIF value is 10, so in this study there is no correlation between variables.

4.3.3 Normality Test Results

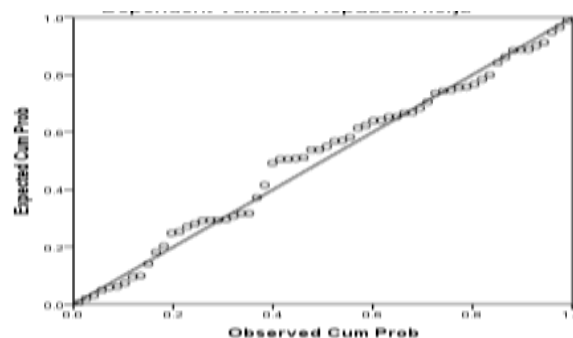


Figure 3: Normality Test PP Graph Plot Normality Substructure 1
Source: Processed Using SPSS 20

The graph above demonstrates that each residual data beam is centered on a transverse straight line, the residual value follows the normal distribution function and meets the assumption of normality.

4.3.4 Structural Equation Model Test Results

a) Sub-structural model 1 as follows:

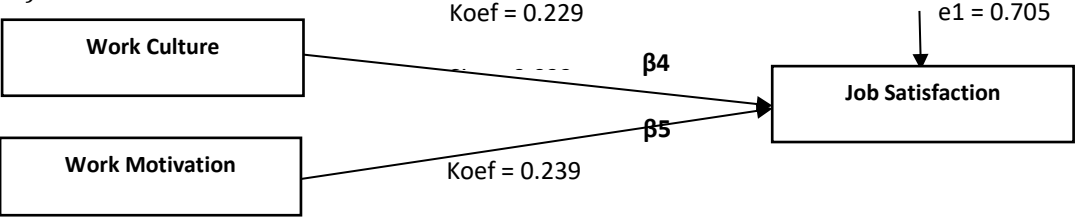


Figure 4: Test of Structural Equation Model Sub Structure 1
Sources: Processed Using SPSS 20

Equation Model:
Sub-Structure 1

$$Y_1 = 3X_1 + 4X_2 + e_1$$

$$Y_1 = 0.229X_1 + 0.239X_2 + 0.705$$

From the picture and equation model above, the variable of Work Culture (X_1) is not significant to Job Satisfaction (Y_1), while Work Motivation (X_2) is significant at 0.005 to Job Satisfaction (Y_1). So work motivation at OJK Malang is very dominating and encouraging in job satisfaction.

b) Sub-structural model 1 as follows:

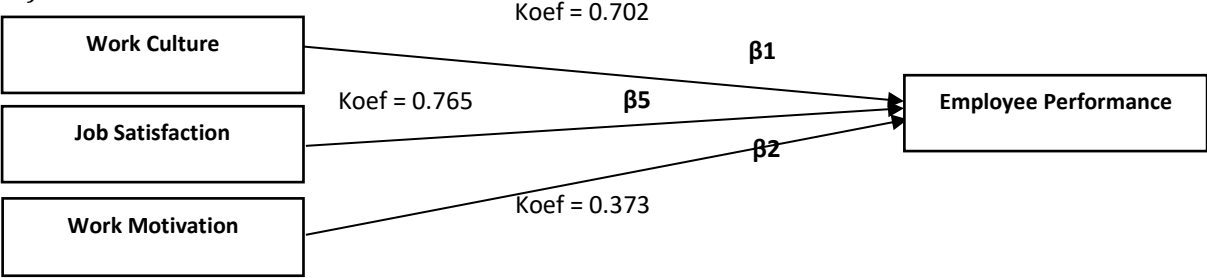


Figure 5: Structural Equation Model Test Sub Structure 2
Sources: Processed Using SPSS 20

Equation Model:
Sub-Structure 2

$$Y_2 = 1X_1 + 2X_2 + 5Y_1 + e_2$$

$$Y_2 = 0.702X_1 + 0.373X_2 + 0.765Y_1 + 0.457$$

From the picture and equation model above obtained, the Work Culture variable (X_1) is significant at 0.000 to Employee Performance (Y_2), while Work Motivation (X_2) is not significant to Employee Performance (Y_2) and Satisfaction as a mediating variable is not significant to Employee Performance (Y_2). So, the work culture at OJK Malang is very influential and significant directly on employee performance.

c) Sub-structural model 1 as follows:

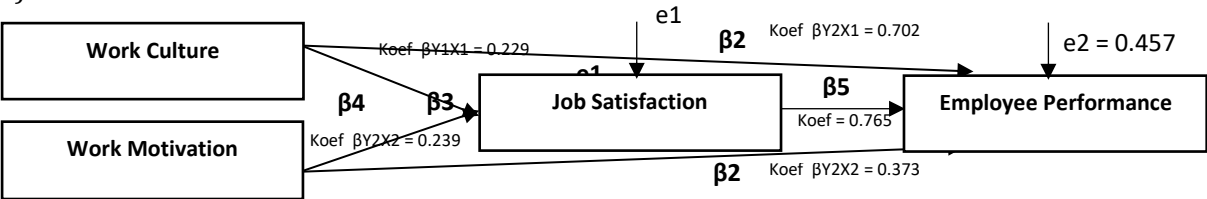


Figure 6: Structural Equation Model Test Sub Structure 1
Sources: Processed Using SPSS 20

Table 1: Path Analysis Equation Model

Exogenous	Variable	Endogenous	Direct Influence	Sig.	Indirect Influence	Total Influence
Work Culture (X1)		Employee Performance (Y2)	0.702	0.000	-	0.702
Work Motivation (X2)		Employee Performance (Y2)	0.373	0.021	-	0.373
Work Culture (X1)	Job Satisfaction (Y1)		0.229	0.032	-	0.229
Work Motivation (X2)	Job Satisfaction (Y1)		0.239	0.005	-	0.239
	Job Satisfaction (Y1)	Employee Performance (Y2)	0.765	0.016	-	0.765
Work Culture (X1)	Job Satisfaction (Y1)	Employee Performance (Y2)	0.702	-	0.229x0.765 = 0.175	0.877
Work Motivation (X2)	Job Satisfaction (Y1)	Employee Performance (Y2)	0.373	-	0.239x0.765 = 0.183	0.556

Sources: Processed Using SPSS 20

Based on Figure 4 and Table 2 above, we can get the results of the influence between variables as follows:

- 1) Work culture has a significant direct effect on employee performance with a direct influence value of 0.702 and a significance value of 0.000 0.05.
- 2) Work motivation has a significant direct effect on employee performance with a direct influence value of 0.373 and a significance value of 0.021 0.05.
- 3) Work culture has a significant direct effect on job satisfaction with a direct influence value of 0.229 and a significance value of 0.32 0.05.
- 4) Work motivation has a significant direct effect on job satisfaction with a direct influence value of 0.239 and a significance value of 0.005 0.05.
- 5) Job satisfaction has a significant direct effect on employee performance with a direct influence value of 0.765 and a significance value of 0.016 0.05.

The results of R² (model) above, it can be seen that the overall model test value in this study is 0.898, this shows the overall model value > 0.4 where the value is recommended for the results of this test. That way the overall equation in this study can be used.

Equations

$$R^2 (model) = 1 - (\sqrt{1 - R_1^2} * \sqrt{1 - R_2^2})$$

5. RESULT OF INFLUENCE BETWEEN VARIABLES

5.1. The Influence of Work Culture (X1) and Work Motivation (X2) on Employee Performance

The coefficient value of the effect of work culture is 0.702 on employee performance and the significance is 0.000. The coefficient value of the impact of job motivation on employee performance is 0.373 and the significance is 0.021. Because the significance value is < 0.05, H₀ is rejected. Among work culture and work motivation the most direct influence is work culture, this is indicated by the influence coefficient value and a higher significance value than work motivation on employee performance, this is indicated by the honesty indicator in work culture with a

percentage of 54.55% in The Smart OJK Culture item may be handled with honest employee conduct at work, with an average indication of 3.78 and a total average of 3.73. It may be argued that work culture and work motivation have a major direct influence on employee performance at the OJK Malang office.

5.2. The Influence of Work Culture (X1) and Work Motivation (X2) on Job Satisfaction (Y1)
The coefficient value of the effect of Work Culture is 0.229 with a significant value of 0.032. The value of the coefficient of the effect of work motivation is 0.239 with a significance value of 0.005. Because the significance value achieved by the Work Motivation variable is less than (<0.05), it is demonstrated that the Work Motivation variable has a substantial direct influence on Job Satisfaction. Thus, the work culture variable has a substantial influence on job satisfaction, as demonstrated by the significance value of $0.032 < 0.05$.

5.3. The Influence of Work Culture (X1), Work Motivation (X2) and Job Satisfaction (Y1) on Employee Performance (Y2)

The coefficient value of the influence of work culture is 0.702 on employee performance and the significance is 0.000. The coefficient value of the influence of work motivation on employee performance is 0.373 and the significance is 0.021. Because the significance value is < 0.05 , H_0 is rejected. And the coefficient of the effect of job satisfaction on employee performance is 0.265 and a significance of 0.016. Because the significance value is $0.016 < 0.05$, H_0 is rejected. It can be stated that work culture and work motivation and job satisfaction have a significant effect on employee performance at the OJK Malang office.

5.4. The Influence of Work Culture (X1) and Work Motivation (X2) on Employee Performance (Y2) through Job Satisfaction (Y1)

The coefficient value of the influence of work culture and work motivation on employee performance through job satisfaction is 0.3158 and 0.209. Because the significance value is < 0.05 , H_0 is rejected. This shows that work culture and work motivation have a significant effect on employee performance through job satisfaction at the OJK Malang office.

6. CONCLUSION

The work culture at OJK Malang is shaped by a culture of honesty, creativity, discipline and collaboration. The key to developing a work culture at OJK Malang is that the presence of a smart OJK culture may be addressed via honest employee conduct at work. Motivation at work at OJK Malang comprises of motivation for bodily demands, motivation for the desire for acknowledgment and motivation for the need for self-realization. The fundamental in developing work motivation at OJK Malang is the drive to work hard to address bodily necessities. Job satisfaction at OJK Malang is molded by contentment with being able to progress, satisfaction with supervisors and superiors, and satisfaction with internal communication. The essential aspect in creating work satisfaction at OJK Malang is contentment with the chance for promotion. Employee success at OJK Malang depends on productive performance, committed performance and quality performance. The essential thing in molding employee performance at OJK Malang is the existence of performance that is necessary to have a strong sense of integrity and devotion to work. This is congruent with the OJK Way, which is a work culture program formed from strategic principles, including honesty, professionalism, synergy, inclusiveness and visionary or outstanding. This work culture goals as the execution of change management in developing an organization and work culture. The work culture programs of the OJK Malang Office include "Ngalam Sadrec" or Malang Smart, "Ngalam Sakngat" or Malang Tangkas and "Ngalam Sakngir" or Malang Brief. These three cultures are intended to increase the quality of employee performance both in terms of technology.

Work culture and work motivation are proven to be able to form job satisfaction which means that OJK Tangkas work culture is able to optimize cohesive activities and is supported by employees who have work motivation. On the other hand, the leadership appreciates employee performance can increase job satisfaction.

Work culture and work motivation are proven to optimize employee performance. This demonstrates that employee performance can be achieved through a work support culture and job motivation that is delivered in line with employee expectations.

Job satisfaction is proven to be able to optimize employee performance, which means that job satisfaction can affect employee performance levels.

Job satisfaction as an intermediate variable is perceived as insufficient to foster work culture and job motivation with respect to employee performance at OJK Malang, with this work culture and work motivation have a significant direct effect on employee performance.

7. SUGGESTION

To improve job satisfaction in order for employee performance to be more optimal, there is a need to improve in terms of resolving internal work problems correctly and rewards for achieving employee performance need to be increased in order to increase employee work motivation. Given the current work culture, OJK Malang has the potential to improve work, especially during the COVID-19 pandemic, institutions tend to implement the WFH/WFO program to ensure that employee performance is optimally maintained without diminishing the quality of their own performance.

To improve employee performance and provide job satisfaction at OJK Malang it is necessary to have a work culture that can increase motivation and satisfaction in daily work, in order to realize more integrity and quality performance. In addition, OJK Malang employees need more motivation, both internally and in training that has been provided to support the performance of OJK Malang employees themselves.

For future researchers, the findings of this study can be investigated and weaknesses can be continued in future research. In addition, may develop research such as a culture of discipline and reward motivation for the achievement of employee performance in order to form the quality of employee performance desired by the institution.

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