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# The Influence of Organizational Culture on Employee Performance at PT. Hoga Mutual Garment

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**Abstract.** This study aims to determine how the organizational culture at the company affects worker performance. This study employed quantitative research and a survey of 58 participants who worked at PT Hoga Mutual Garment. The IBM SPSS Statistics 25 tool was used to perform a straightforward linear regression test as part of the data analysis process. The findings demonstrated that organizational culture significantly and favorably impacted employee performance. Likewise, they showed a direct connection between employee performance and organizational culture. This study represents an advancement in applied theory. According to this study, there was a direct correlation between corporate culture and employee performance. The author expects that the research can be expanded for further studies. This study may be beneficial.

**Keywords:** Organizational Culture · Employee Performance

## 1 Introduction

Human resources are an integral part of the success of an organization. Human resources are essential for every company to meet the needs of its employees and customers. Each company is constantly looking for and recruiting employees with good HR skills, which can help increase the organization's effectiveness and get results that lead to the organization's or company's goals. Any organization needs not only qualified human resources but also needs employees that give their best performance. In today's fast-paced world of work, the tasks are increasingly team-based and require flexibility. Therefore, organizations need employees who can perform well. Since each employee has unique skills and abilities to carry out their duties, their work is a very personal endeavor. The main point of contact for any given organization is its employment status. Employee performance is the employee's skill to acquire a specific ability [1].

Employee performance is critical because, from the performance of employees, we can see how they execute assigned tasks. For this reason, it is necessary to determine the size carefully and put it together in one application. Performance evaluation is essential

in improving an organization's effectiveness and efficiency because planning or infrastructure is even better for HR and the organization. Self-efficacy assessment has a good effect on the development potential of this organization. Performance evaluation can show how well an employee is performing. Performance evaluation is a way to measure an individual's involvement in a particular workplace. The performance can be seen from the employee's work for a particular time and in the results of the work that the employee completed at a certain time. The thing that can contribute to employee performance is the creation of a good organizational culture, which can be accepted by all employees, and motivating employee morale in the form of position promotion so that their performance can increase [2]. To measure the performance of individual employees, there are five indicators, [3] namely: quality, quantity, punctuality, effectiveness, and independence.

Referring to the Labor data By Region and Business Scale, the business scale of MSEs in Garut is greater than UMB. This shows that many Garut residents work in private companies in Garut. One of them is PT. Hoga Reksha Garment is a company that can absorb many laborers and has a high job interest. Pt. Hoga Reksha Garment is a clothing or convection industry of textile materials that are easily found in a country, with a production capacity of 250,000 pcs/month. Pt. Hoga Reksha Garment is located on Jln. Raya leles km.13 Kp. Tutugan RT 01/002 Garut Regency, West Java. Currently, PT. Hoga Reksha Garment has many tools and absorbs a lot of laborers, including those living in the surrounding area. The factor that can affect performance is organizational culture. An employee will feel comfortable at work if the values he adheres to are in line with the company's values. This will help employees quickly adapt to the company environment, from which employees will be motivated and improve even better work performance. Organizational culture can be defined as values, beliefs, assumptions, or norms used, accepted, and followed within the organization as a code of organizational behavior and problem-solving. A strong organizational culture is needed to unify the vision and mission between the company and its employees [4].

A rule or obligation that employees must fulfill, if it has been transformed into a culture, will make it easier for management to manage existing employees with minimum warning actions for employees [5].

Organizational culture has four basic functions, namely the feeling of identity and increasing organizational commitment, member organizing tools, strengthening values in the organization, and a strong mechanism of control over cultural behavior that puts trust, behavior, and ways of doing things without question [6]. Thus, the function of organizational culture is a social unifier among members in accomplishing company purposes for the provision of values that must be said and carried out by all elements. It can also serve as control over the behavior of all aspects.

The ten indicators that are crucial to governance and workforce as indicators of corporate organizational culture are mission and strategy; effective leadership and management; connectivity and decision-making; organizational design and structure; organizational performance; knowledge and competence; business and organizational interventions; innovation and risk-taking; performance and willingness to change; and management [7].

Dimension of organizational culture [8], described as follows:

1. Being innovative and being able to take risks.

2. Paying more attention to the detail
3. Result-oriented is the degree to which management is concerned more about the results and the techniques and processes applied to get the results.
4. The decision that the companies should take should be human-oriented.
5. The work within companies should be oriented in the team, not individual.

Another factor that affects performance is job satisfaction. By increasing job satisfaction, the employees can be more productive and professional in working; therefore, their work performance can help companies achieve their goals. Job satisfaction can be in the form of a positive attitude derived from the evaluation of the work situation [9]. A satisfied employee prefers his work situation to an unsatisfied employee who does not like his work situation. To increase employee productivity, PT. Hoga Reksa Garment should have an organizational culture supported by good employee performance, which is expected to increase employee discipline and productivity at PT. Hoga Reksa Garment will increase.

It is obvious that PT. based on this identification and description. Employee productivity must be improved at Hoga Reksa Garment because company culture affects employee productivity. The issue comprises the following elements: 1) How does organizational culture influence PT? How has Hoga Mutual Garment performed? 2) What effect does PT have on organizational culture? How has Hoga Mutual Garment performed? This study aims to determine how organizational culture affects PT. to assess the performance of Hoga Mutual Garment and ascertain how organizational culture influences performance.

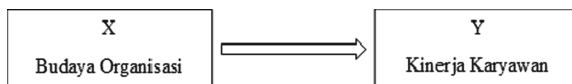
## 2 Methods

### 2.1 Hypothesis Development

This study was casual research. It is a research method that finds the effect of one or more independent variables on dependent variables [10]. This study aimed to determine the relationship between employee performance and PT as dependent factors and organizational culture and work satisfaction as independent variables. Hoga Mutual Clothing.

Based on the previous description, the following conceptual framework for the relationship between corporate culture and job satisfaction, and employee performance was developed as shown in Fig. 1.

There are two factors in this study. Employee performance (Y) is the dependent variable, and organizational culture (X1) is the independent variable. This study's hypothesis was:



**Fig. 1.** Research Framework

Ho: Organizational culture does not have a positive and significant effect on the performance of PT. Hoga Mutual Garment.

Ha: Organizational culture has a positive and significant effect on the performance of PT. Hoga Mutual Garment.

### 2.1.1 Sample and Data Collection

The term “population” refers to a generalized region of things or individuals with predetermined attributes and characteristics that the researcher would analyze and then make inferences from [11]. All PT employees made up the study’s population.

The sample is representative of the population [12]. The number of samples appropriate for a study follows the formula  $N > 50 + 8m$ ,  $m$  is a free variable and  $N$  is the number of samples [13]. Based on this formula, the number of samples in this study was 58 employees at PT. Hoga Mutual Garment.

### 2.1.2 Measurements

Research of this kind is quantitative. A positive-based methodology known as quantitative research uses sampling procedures to examine a particular population or sample. Utilizing research tools to acquire data and quantitative and statistical analysis to test ideas [14]. The way to obtain data in quantitative research is through a survey. The survey method is used to gather data from some locations, but researchers also utilize other methods, like distributing questionnaires, tests, structured interviews, etc. [15]. A questionnaire becomes one of the survey data collection techniques by presenting prepared questions that are in accordance with the purpose of the survey that has been carried out. A test or list of questions is a collection of inquiries that provide an insightful response to test a particular hypothesis and are logically related to a specific research issue. The list of inquiries is thorough and comprehensive [16]. The scale that researchers use is an interval scale. The interval scale is a scale that allows the researcher to perform arithmetic calculations on the data collected from the respondent [17]. The instruments are ranked using the Likert scale. The Likert scale is utilized to gauge attitudes, views, and perceptions regarding social concerns [18].

The Likert scale uses 5 (five) levels of answers as shown in Table 1.

**Table 1.** Likert scale answer value

No	Answer	Value
1.	Strongly Agree	5
2.	Agree	4
3	Neutral	3
4	Disagree	2
5	Strongly Disagree	1

Source: [18]

**Table 2.** Respondents' Criteria

Profile	Criterion	Sum	Percent
Gender	Man	10	17,2%
	Woman	48	82,8%
Age	18–23	37	63,8%
	24–29	13	22,4%
	30–35	5	8,6%
	> 35	3	5,2%
Length of Work	< 1	31	53,4%
	1–3	19	32,8%
	4–6	6	10,3%
	> 6	2	3,4%

Source: (SPSS, 2022)

The determined criteria of respondents were men and women aged 18 to 35 who were adjusted to the minimum age in the recruitment collection at PT. Hoga Rekza Garment and the productive age of work (Table 2).

Statistics are used in this study's data analysis method. Statistical Product and Solution is the program used to carry out this statistical calculation (SPSS).

### 3 Results and Discussion

#### 3.1 Validity Test

The validity test determines and evaluates a measuring device's accuracy and suitability for usage as a gauge of anything that has to be measured [19]. Based on the management of data on 58 respondents, then a validity and rehabilitation test of the research instruments using SPSS and Microsoft Excel was obtained, which obtained the following output conclusions as shown in Fig. 2.

Based on the output as shown in Fig. 2, researchers can find out the items of valid or invalid instruments. To interpret the above data requires the r table to compare r from the output. ...The table's r value is obtained from  $N = 58$  and  $\alpha = 0.05$ , i.e. table  $r = 0.354$ .

Validity test decision-making is:

- If  $r \text{ counts} \geq r \text{ table}$ , then the data is valid
- If  $r \text{ counts} < r \text{ table}$ , then invalid data Decision as shown in Table 3.

Table 3 shows four invalid items, so these instrument items were eliminated in the study. The instrument used in this study only had 26 items out of 30 items that could be used as a data collection tool on the aspects studied A research instrument's reliability test is used to determine whether the questionnaire used to collect research data can be considered reliable [20].

Cronbach's alpha, which includes 26 components, has a value of 0.902, as seen in Fig. 3. It could be inferred that the assertion or thing is highly reliable.

**Fig. 2.** Validity Test Results

## 3.2 Hypothesis Testing

### 3.2.1 Regression Coefficient Test

In the initial study, the value of the regression coefficient on each dimension of organizational culture against the variable's dimension of employee performance is calculated. The data grouping's findings demonstrate that the variable dimensions of corporate culture impact employee performance.

From the picture above, it can be interpreted that:

- In this instance, there are 18 constant unstandardized coefficients. 341 This number indicates that the consistent value of Employee Work K (Y) is 18 in the absence of Organizational Culture (X). 341.
- In Fig. 4, the regression coefficient value is 0.544. This figure indicates that the Employee's Employment (Y) will increase by 0 for every 1% increase in the Organizational Culture level (X) 0.544. The organizational culture (X) has a beneficial effect on employee performance, as seen by the positive (+) regression coefficient (Y). The resulting regression equation is  $Y = 18.341 + 0.544X$ .
- The second analysis aimed to determine the significance of the regression coefficient. In this straightforward linear regression study, the researchers' hypotheses were:  $H_0$ : The performance of PTs is not positively and significantly impacted by organizational culture. Hoga Mutual Clothing
- $H_a$ : Organizational culture significantly and favorably affects PT performance. Hoga Mutual Clothing
- We can test the hypothesis to determine whether or not the regression coefficient is significant by comparing the signification value (Sig) with the probability of 0.05 and the significant value of t obtained with the t table (in the sense that variable X impacts variable Y).

**Table 3.** Validation Test Results

No Grain	R Calculate	Information	Interpretation
1	0,526	$\geq 0,254$	Valid
2	0,523	$\geq 0,254$	Valid
3	0,468	$\geq 0,254$	Valid
4	0,679	$\geq 0,254$	Valid
5	0,694	$\geq 0,254$	Valid
6	0,586	$\geq 0,254$	Valid
7	0,332	$\geq 0,254$	Valid
8	0,624	$\geq 0,254$	Valid
9	0,406	$\geq 0,254$	Valid
10	0,593	$\geq 0,254$	Valid
11	0,567	$\geq 0,254$	Valid
12	0,593	$\geq 0,254$	Valid
13	0,438	$\geq 0,254$	Valid
14	0,245	$< 0,254$	Invalid
15	0,442	$\geq 0,254$	Valid
16	0,098	$< 0,254$	Invalid
17	0,304	$\geq 0,254$	Valid
18	0,370	$\geq 0,254$	Valid
19	0,087	$< 0,254$	Invalid
20	0,546	$\geq 0,254$	Valid
21	0,502	$\geq 0,254$	Valid
22	0,258	$< 0,254$	Invalid
23	0,542	$\geq 0,254$	Valid
24	0,583	$\geq 0,254$	Valid
25	0,792	$\geq 0,254$	Valid
26	0,663	$\geq 0,254$	Valid
27	0,659	$\geq 0,254$	Valid
28	0,409	$\geq 0,254$	Valid
29	0,516	$\geq 0,254$	Valid
30	0,582	$\geq 0,254$	Valid

Source: (SPSS, 2022)

f. The significance value of 0.000 was less than the probability of 0.05, according to the study's findings. This suggests that organizational culture and employee performance have a favorable and significant relationship. Ho and Ha were therefore approved.



### Reliability Statistics

Cronbach's Alpha	N of Items
.902	26

Fig. 3. Reliability Test Output. Source: (SPSS, 022)

### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	18.341	5.411		3.390	.001
	Budaya Organisai	.544	.095	.609	5.750	.000

a. Dependent Variable: Kinerja Karyawan

Fig. 4. Regression Coefficient Test Results. Source: (SPSS, 2022)

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change
						F Change	df1	df2	
1	.609 <sup>a</sup>	.371	.360	4.958	.371	33.059	1	56	.000

a. Predictors: (Constant), Budaya Organisai

Fig. 5. Determination Test. Source: (SPSS, 2022)

### 3.2.2 Value of the Coefficient of Determination

- a. The second analysis used a high R-value of 0.609 to reflect the relationship between corporate culture and employee performance. While the R<sup>2</sup> value of 0.371 is expressed as a coefficient of determination, it suggests that corporate culture has a 37.1% influence on employee performance. Another independent variable not included in the regression model used is 62.9% (Fig. 5).

### 3.2.3 Hypothesis Test

- a. The final analysis was conducted to find out whether organizational culture factors, individually or jointly, affect employee performance. This investigation tests the central hypothesis, H<sub>a</sub>: The influence of corporate culture significantly impacts employee performance at PT. If H<sub>a</sub> has a significance value of 0.00 or 0.05, it is considered legitimate and has numerous applications. Hoga Mutual Clothing (Fig. 6).

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	812.972	1	812.972	33.059	.000 <sup>b</sup>
	Residual	1377.114	56	24.591		
	Total	2190.086	57			

a. Dependent Variable: Kinerja Karyawan  
b. Predictors: (Constant), Budaya Organisasi

**Fig. 6.** Hypothesis Test. Source: (SPSS, 2022)

## 4 Conclusions

After analyzing the theory analysis and the results of the previous research, a study was conducted on 58 respondents of PT. Hoga Reksa Garment, The following conclusions were found:

1. This study aimed to determine the relationship between corporate culture and worker performance.
2. This research has advantages in creating the applied theory that the influence of organizational culture on employee performance is expected to be the extent of the observed influence. Future studies are suggested to investigate dependent variables that are not covered by the current research model even more thoroughly.

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