

RESEARCH ARTICLE

THE ROLE OF EMPLOYEE ENGAGEMENT TO MEDIATE THE INFLUENCE OF ORGANIZATIONAL CULTURE AND WORKLOAD ONEMPLOYEE PERFORMANCE PT. ALEXIS CITRA FURNITAMA

Guston Sitorus¹, Edi Siregar², GL. Hery Prasetya² and Lucy Nancy¹

- 1. Management Study Program, Faculty of Economics and Business.
- 2. Universitas Satva Negar Indonesia Jakarta.

..... Manuscript Info

Abstract

Manuscript History Received: 20 February 2023 Final Accepted: 24 March 2023 Published: April 2023

Kev words:-

Workload, Culture, Organizational Employee Engagement, and Employee Performance

..... This study aims to determine the direct and indirect effect of organizational culture and workload on the performance of employees of PT. Alexis Citra Furnitama mediated by employee engagement. The research design uses quantitative causation. The population and sample in this study were 50 employee, the data analysis method used path analysis with SPSS software. The results of the study show that there is an influence of organizational culture, workload, and employee engagement on employee performance both simultaneously and partially, and there is an indirect effect of organizational culture and workload on employee performance as measured by employee engagement at PT. Alexis Citra Furnitama.

Copy Right, IJAR, 2023,. All rights reserved.

.....

Introduction:-

In an organization human resources are very important, being one of the factors that must be considered at any time for the progress of the company. Every company wants human resources who are knowledgeable and also professional in their field so that the work provided by the company can be done effectively and efficiently. Therefore human resources are assets that must be improved effectively and efficiently to improve employee performance as much as possible. Human resources survive and can even develop performance if they are managed optimally.

Performance is a series of activities that describe the extent to which the results are obtained from employees in carrying out their duties and responsibilities. Therefore good employee performance will bring the organization in a better direction. Employee performance is a measure that can be used as an assessment by management within the company to provide various rewards so that employees feel that their work has been appreciated and also as longterm partners.

The phenomenon that existed in 2019 was that employee performance with an average of 76 decreased in 2020 to 69 and in 2021 there was an increase of 72, which means that the average employee performance appraisal over the past 3 years has been less stable or fluctuating. Based on the results of the performance appraisal for the last 3 years in the good group, this proves that the performance of employees at PT. Alexis Cipta Furnitama has a problem. Researcher's observation of employee performance at PT. Alexis Cipta Furnitama is less effective, this is shown based on the results of employee appraisal resumes in the last 3 years.

No	Evaluation	2019	2020	2021
		Score	Score	Score
1	Quantity	80	65	75
2	Quality	85	65	70
3	Inisiative	80	70	70
4	Creativity	70	65	65
5	Cooperation	75	80	80
6	Discipline	70	70	70
7	Accuracy	75	65	75
	Amount	535	480	505
	Average	76	69	72

Table 1.1:- Average Employee Rating PT. Alexis Cipta Furnitama 2019 – 2021.

Note: Very Good (81-100), Good (71-80), Fair (61-70), Poor (< 60)

Based on the facts explained above, employee performance has an important influence on achieving organizational goals, therefore organizations must pay attention to various factors that can affect employee morale and performance, including organizational culture factors, reward engagement, compensation, work motivation, communication, and so on.

A strong culture clarifies behavior appropriately, is widely shared, and is internally consistent. A strong culture can enhance performance by energizing employees (employee performance), appealing to their higher ideals and values, and rallying them around a coherent set of meaningful goals. Because they are engaged, the culture will stimulate employee commitment and effort. If a strong organizational culture can make the organization more stable.

Based on the results of a pre-survey conducted on 30 employees of PT. Alexis Cipta Furnitama, there were 12 respondents (40%) employees who stated that the company did not update technology in completing their work. There were 7 respondents (23%) or employees who stated that the company did not empower employees by working together and optimizing their abilities. There were 10 respondents (37%) who stated that the company did not uphold values and agreements in making company regulations. 12 respondents (40%) employees stated that they did not understand the company's vision, goals, objectives and strategies. Pre-survey of problematic organizational culture, from all statements 34% of employees answered disagree.

In addition to providing a proper organizational culture for employees that affects their performance, there are different workloads received by employees. Workload is work given by the company to employees based on the skills or expertise of each employee. Excessive workload will have a negative impact on employees causing physical and mental fatigue. If the workload is small and the work is done continuously, it will cause boredom for employees and can reduce employee performance.

Based on the results of a pre-survey conducted on 30 employees of PT. Alexis Cipta Furnitama there were 12 respondents (40%) employees stated that the workload given was difficult to achieve. There were 24 respondents (80%) employees who stated that the job responsibilities given were quite large. There were 10 respondents (33%) who stated that the work tools provided were not in accordance with the workload provided by the company. There were 18 respondents (60%) stated that the company gave a large number of jobs to employees so that these employees could not concentrate on completing them, and in the last statement there were 17 respondents (53%) employees stated that completing work took a long time. The results prove that there is a workload problem that is given by the company to employees so that it can affect or reduce the performance of employees of PT. Alexis Citra Furnitama

In addition to organizational culture and workload, the causes of employee performance that are less than optimal are employee engagement. The company expects employees to have good performance and contribute to the progress of the company. But more than that, the company wants its employees to have a sense of wanting to participate in achieving the goals set for the company with integrity and employee engagement. With employee engagement, employees will work actively and have a high awareness of their duties and responsibilities in the company, or in other words, employees will have a sense of attachment to the duties and responsibilities assigned to them by the company.

Besides being able to improve employee performance, organizational culture and workload are also able to increase employee engagement. Today's employees are no longer functioned as supports, but more than that because they can become key resources and assets of a successful organization. Therefore, as the key to organizational success, it is necessary to have an engagement within the organization (employee engagement). When employees feel attached to the organization where they work it can make them feel more comfortable and comfortable working which will make the organization continue to grow, productivity will increase, profits will increase and customers will be more satisfied. Employees who have a high level of engagement will have a high emotional attachment to the organization, so that it will affect the completion of work and tend to have satisfactory work quality.

Based on the results of the pre-survey on employee engagement conducted on 30 employees, 10 respondents (33%) stated that they did not try their best, were full of enthusiasm, and gave their best in getting the job done. There were 12 respondents (40%) employees who stated that they did not like working regardless of the time. There were 12 respondents (40%) stated that I was not serious and not fully concentrated in completing work. There were 8 respondents (37%) stated that I was not responsible and not proud of completing the work, and there were 6 respondents (20%) employees stated that I did not try to make my work useful for others. Based on the results of the pre-survey above, it turns out that employee engagement can affect employee performance.

Based on the results of a study of several problem phenomena through pre-surveys and research gaps, the researchers created the title "The Role of Employee Engagement Mediates the Influence of Organizational Culture and Workload on Employee Performance at PT. Alexis Citra Furnitama"

Literature Review:-

Performance can mean the results (output) obtained or it can also be the average behavior or how the results are obtained and can even be the result of both. Meanwhile, according to Bernadin et. al. (1995) in Armstrong (2021: 196) that performance is defined as work results because they provide the strongest relationship with the organization's strategic objectives, customer satisfaction, and economic and behavioral contributions. Both definitions emphasize that employee performance is a result of work (output), meaning that performance is the result of the relationship between employee performance and organizational strategy, customer satisfaction, and economic and behavioral contributions.

The term employee engagement was first popularized by Kahn. According to Kahn (1990: 894) in Armstrong (2021: 210) defines employee engagement as the attachment of members of the organization to the organization itself not only physically, cognitively but also emotionally in terms of carrying out their work. According to Hewitt (2017:2) the concept of employee engagement is often confused with satisfaction or happiness, however, the real definition is deeper in meaning. Employee engagement is defined as the degree of psychological investment employees have in their organizations.

Organizational culture is what an employee feels and how this perception then forms a pattern of beliefs, values and expectations. Organizational culture is an important concept, where organizational culture can see a perspective in understanding individual and group behavior, but organizational culture has limitations. First, it is not the only way to view organization. Second, like many concepts, organizational culture has not always been defined in the same way by popular theorists and researchers.

Workload is the determination of the number of hours employees work to complete their tasks and workload is also too much work which can cause employees to feel tense and also stressed at work. Workload is closely related to work where the individual submits an evaluation of a number of task demands or activities that require mental and physical activity that he must complete within a certain predetermined time.

Conceptual Framework and Research Hypothesis

According to Colquitt, Levine, and Wesson there are several factors that can affect individual performance, as shown below:

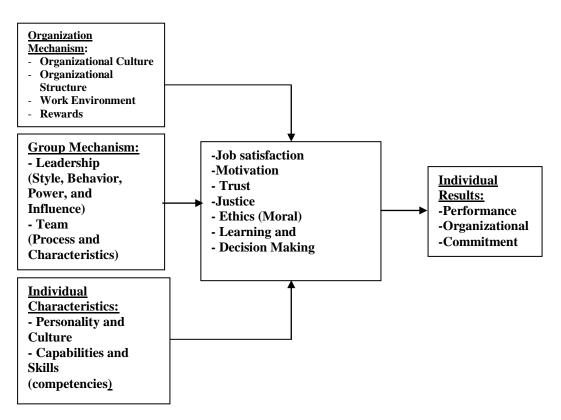


Figure 1:- Factors Affecting Performance.

Source: Colquitt, Lepine, dan Wesson, Organization Behaviour: Improving Performanceand Commitment in the workplace, New York: McGraw Hill, 2009, h.8.

The Influence of Organizational Culture and Employee Engagement

According to Sheridan (2012: 53) in Wibowo (2016: 84) there are 10 main drivers of employee engagement, namely: recognition, career development, manager leadership abilities, strategy and mission, job content, senior management's relationship with employees, open and effective communication, coworkers satisfaction, available of resources to perform the job effectively and organizational culture and core/shared values. Sheridan further explained the importance of organizational culture that not only produces solid values for employees to share, but also builds a framework that supports these values. The main drivers of core values or shared values include several different elements that give rise to employee engagement. Thus it can be assumed that Organizational Culture has a direct influence on Employee Engagement (Hypothesis 1).

Effect of Workload and Employee Engagement

According to Griffin et. al. (2020:122) employee engagement can increase when employees are given a proper workload. A decent workload has a big impact as a driver of employee performance and also on employee engagement. Management must be able to determine an appropriate workload for an employee. If the workload is too light, it can lower employee morale because the company's targets cannot be achieved. On the other hand, if the workload is too heavy, the employee is not able to complete it properly so that his engagement also decreases. Thus it can be assumed that Workload has a direct influence on Employee Engagement (Hypothesis 2).

The Influence of Organizational Culture and Employee Performance

Organizational culture is a value system that is believed and can be learned, applied and raised by always acting as glue, unifier, self-identity, image, brand, motivator, development that is different from other organizations that can be learned and passed on to the next generation, and can be used as a reference human attitudes that are oriented towards achieving goals or performance/objectives that are applied. According to Robbins & Judge (2018: 313) basically, organizational culture or personality can affect employee performance and satisfaction, with a stronger

culture having a bigger impact as illustrated in the image below. Thus it can be assumed that Organizational Culture has a direct influence on employee performance (Hypothesis 3).



Figure 2:- The Influence of Organizational Culture on Employee Performance. **Source:** Robbins & Judge (2018:313)

Effect of Workload and Employee Performance

Workload is one of the factors that can affect employee performance. Workload is a number of tasks and responsibilities assigned by the company to an employee to be completed within a certain time. The workload provided by this company must be measurable, meaning that the workload given must be in accordance with the abilities of an employee and must also be proportional to the compensation given to the employee, so that an employee can complete the work as planned. Based on research conducted by Riyadi et. al (2020) and Murali & Aggarwal (2020) regarding the effect of workload on employee performance, proving that workload has a positive and significant effect on employee performance. Thus it can be assumed that workload has a direct influence on employee performance (Hypothesis 4).

Effect of Employee Engagement and Employee Performance

According to Dessler (2020: 18) employee engagement psychologically refers to involvement, connectivity with work, and increasing commitment to completing a job. Employees will have high engagement with their work and that's why they want to work hard to achieve targets so employee engagement is very important for today's employers because it drives performance. Employee Engagement occurs when people are committed to their work and the organization, people are motivated to achieve great levels of performance. An engaged employee wants to feel loyal and concerned about the future of the organization. These employees have the willingness to make extra efforts to achieve organizational goals to develop and grow. The results of the study show that employee engagement has a positive effect on employee performance as did Rohman, et. al. (2021), Hazriansyah (2017), Murali & Aggarwal (2020), Kenny et. al.(2020). Thus it can be assumed that Employee Engagement has a direct influence on employee performance (Hypothesis 5).

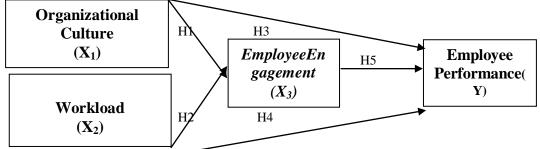


Figure 3:- Theoretical Thinking Framework.

Research Methodology:-

The research design used is causal quantitative to prove the direct effect of organizational culture on employee engagement, workload on employee engagement, organizational culture on employee performance, work culture on employee performance, and employee engagement on employee performance. Place of research at PT. Alexix Citra Furnitama. When the research was carried out from March 2022 to August 2022. The research method used was a descriptive survey research method with a questionnaire instrument, and the data analysis technique was path analysis.

The population in this study were all employees of PT. Alexis Citra Pratama as many as 50 people. While the number of samples using a saturated sample or census method, meaning that all populations become respondents so that the total population is the same as the number of samples, namely as many as 50 respondents.

Research Results and Analysis

1) The Influence of Organizational Culture (X1) on Employee Engagement (Z)

By using the Simple Regression Significance and Linearity Test of Organizational Culture (X1) on Employee Engagement (Z), a regression model can be made with the equation Z = 10.768 + 0.651X1. From the results of regression testing and the general linear model, it was found that the coefficient tcount (6.415) is greater than ttable (1.663), with a significance of 0.000 <0.05, then H01 is rejected and Ha1 is accepted. So it can be interpreted that Organizational Culture (X1) has a direct positive and significant effect on Employee Engagement (Z).

2) Effect of Workload (X2) on Employee Engagement (Z)

By using the Simple Regression Significance and Linearity Test of Organizational Culture (X1) on Employee Engagement (Z), a regression model can be made with the equation Z = 10.768 + 0.259X1. From the results of regression testing and the general linear model, it was found that the coefficient tcount (2.550) is greater than ttable (1.663), with a significance of 0.014 < 0.05, then H02 is rejected and Ha2 is accepted. So it can be interpreted that Workload (X2) has a direct positive and significant effect on Employee Engagement (Z).

3) The Influence of Organizational Culture (X1) on Employee Performance (Y)

By using the Simple Regression Test of Significance and Linearity of Organizational Culture (X1) on Employee Performance (Y), a regression model can be made with the equation Y = 10.233 + 0.321X1. From the results of regression testing and the general linear model, it was found that the coefficient tcount (3.619) is greater than ttable (2.585), with a significance of 0.001 <0.05, then H02 is rejected and Ha2 is accepted. So it can be interpreted that Organizational Culture (X1) has a positive and significant direct effect on Employee Performance (Y).

4) Effect of Workload (X2) on Employee Performance (Y)

By using the Workload Simple Regression Significance and Linearity Test (X2) on Employee Performance (Y), a regression model can be made with the equation Y = 10.233 + 0.390X2. From the results of regression testing and the general linear model, it was found that the coefficient tcount (5.629) is greater than ttable (2.585), with a significance of 0.000 <0.05, then H02 is rejected and Ha2 is accepted. So it can be interpreted that workload (X2) has a positive and significant direct effect on employee performance (Y).

5) Effect of Employee Engagement (Z) on Employee Performance (Y)

By using the Simple Regression Significance and Linearity Test of Employee Engagement (Z) on Employee Performance (Y), a regression model can be made with the equation Y = 10.233 + 0.464Z. From the results of regression testing and the general linear model, it was found that the coefficient tcount (4.981) is greater than ttable (2.585), with a significance of 0.000 <0.05, then H02 is rejected and Ha2 is accepted. So it can be interpreted that Employee Engagement (Z) has a direct positive and significant effect on Employee Performance (Y).

Discussion, Interpretation, and Implementation:-

1. Effect of Organizational Culture on Employee Engagement

Based on the results of the Path Analysis, it turns out that the Organizational Culture variable has a direct and significant effect on Employee Engagement. The results of this study interpret that by improving organizational culture, Employee Engagement will increase, for this reason companies need to improve organizational culture, namely making changes for employees through increasing the ability of technology-based (digital) employees so

that employees are accustomed to completing their tasks with high speed and accuracy according to established standards. has been determined by the company.

2. Effect of Workload on Employee Engagement

Based on the results of Path Analysis that Workload has a direct and significant effect on Employee Engagement. The results of this study indicate that providing a proper workload has increased Employee Engagement. The results of this study can be interpreted if the Work Culture is improved then it will be able to increase Employee Engagement. Then it can be implemented by the company, namely making the layout (lay out) of the production process efficient and effective, by improving the layout of production equipment so that the production process can run efficiently and effectively.

3. The Influence of Organizational Culture on Employee Performance

Based on the results of Path Analysis that Organizational Culture has a direct and significant effect on Employee Performance. The results of this study indicate that organizational culture can influence employee performance. The results of this study can be interpreted if Organizational Culture is improved it will be able to increase Employee Performance. So the implementation is that companies need to create change by conducting training in accordance with the times, science and technology, so that the products produced by the company are not outdated.

4. Effect of Workload on Employee Performance

Based on the results of Path Analysis that Workload has a direct and significant effect on employee performance. The results of this study indicate that workload can affect employee performance, these results can be interpreted if workload is considered, it will be able to improve employee performance. Its implementation is that the company needs to make the layout (lay out) of the production process efficient and effective, namely the company fixes the lay out of production equipment so that the production process can run efficiently and effectively, so that employee performance can increase.

5. The Effect of Employee Engagement on Employee Performance

Based on the path analysis, it proves that Employee Engagement has a direct and significant effect on employee performance. The research results show that by increasing Employee Engagement, it can improve employee performance. Companies need to increase employee resilience at work, namely by stipulating that work is only completed according to specified working hours and workplaces. So it is expected that employees can improve their performance.

Conclusion:-

1. Organizational culture has a direct and significant effect on employee engagement at PT. Alexis Citra Furnitama.

Alexis Citra Furnitama.

2. Workload has a direct and significant effect on employee engagement at PT. Alexis Citra Furnitama.

3. Organizational culture has a direct and significant effect on the performance of employees of PT. Alexis Citra Furnitama.

4. Workload has a direct and significant effect on employee performance at PT. Alexis Citra Furnitama.

5. Employee engagement has a direct and significant effect on employee performance at PT. Alexis Citra Furnitama.

6. Organizational culture has an indirect effect on employee performance through employee engagement at PT. Alexis Citra Furnitama.

7. Workload has an indirect effect on employee performance through employee

engagement at PT. Alexis Citra Furnitama.

Suggestion:-

1. In increasing the influence of Organizational Culture on Employee Performance, both directly and mediated by employee engagement, it is suggested that companies should maintain family-friendly ways in resolving various problems that occur within the company. In addition, the company should also conduct training in accordance with the development of science and technology, so that employees have the ability in accordance with the development of science and technology.

2. In increasing the effect of workload on employee performance, both directly and mediated by employee engagement, it is suggested that companies should provide workload that is not excessive, workload according to employee expertise, workload has quality and quantity standards, and so on so that it will increase engagement employees (Employee Engagement) and then improve the performance of these employees.

3. In increasing the influence of Employee Engagement on Employee Performance, it is suggested that companies should try to increase employee interest in their work, namely by providing rational targets, time and places so that employees can complete them with full responsibility.

Bibliography:-

- 1. Aon Hewitt (2017) Trends in global Employee Engagement: Global Employee Engagement rebounds to match its all-time high. Aons, 1–15.
- 2. Arifin, R., & Lo, S. J. (2020). The Effect Of Intrinsic Motivation And Organizational Culture On Employee Engagement Mediated Performance At PT XYZ. Dynasty
- 3. International Journal of Economics, Finance & Accounting, 1(5), 879-887.
- 4. Armstrong, Michael (2021). Handbook of Strategic Human Resource Management-Improve business performance through strategic people management. Seventhedition. Kogan Page Limited.
- 5. Budiasa I Komang. 2019. Workload and Human Resource Performance, CV. Pen Persada, Purwokerto.
- 6. Busro, Muhammad (2018). Human Resource Management Theories, Prenada Media.
- 7. Denison, D., Hooijberg, R., Lane, N., & Lief, C. (2012). Leading Culture Change in Global Organizations, Aligning Culture and Strategy. San Francisco: Published by Jossey-Bass.
- 8. Dessler, Gary (2020). Human Resources Management. Sixteen edition. Pearson Education, Inc.
- Fanggidae, T. S., Djani, W., & MNB, N. (2020). Analysis Of The Effect Of Quality Of Work Life And Organizational Culture On Employee Engagement At PT Jasa Raharja (Company) East Nusa Tenggara Branch. International Journal of Economics,
- 10. Business and Management Research, 4(02), 15-33.
- 11. Gallups (2013). The State of the American Workplace: Employee Engagement Insights for U.S. Business Leaders. Gallup.
- 12. Ivancevich, J. M., Konopaske, R., Matteson, M. T., (2013). Organizational Behavior and Management. Tenth Edition. McGraw-Hill Education.
- 13. Kenny A., P., A., Zeplin J. H. P, Rismawati B. S2, & Sanju K. S. (2020). Leadership Style, Employee Engagement, and Work Environment to Employee Performance in Manufacturing Companies. published by EDP Sciences.
- 14. Kinicki, A., Kreitner, R., Sinding, K., Waldstrøm, C., (2014). Organizational Behavior. Fifth Edition. New York: McGraw-Hill.
- 15. Mangkunegara A.A. Anwar King (2017). Corporate Human Resource Management.
- 16. Bandung: Rosda.
- 17. McBain, R., (2007). The practice of engagement: Research into current Employees Engagement practices. Strategic HR Review, 6(6).
- 18. Rachmawati, M (2014). Employee Engagement as the key to improve performance Employees (International Journal Review). Among Makarti, 6(2).
- 19. Ricky W. Griffin, Jean M. Phillips, Stanley M. Gully. (2020). Organizational Behavior:
- 20. Managing People and Organizations. Thirteenth Edition. Cengage. Boston USA Robbins, P. Stephen & Coulter Mary. (2018). Management, Global Edition, 161 Pearson
- 21. Education Limited.
- 22. Robbins, P. Stephen & Judge, Timothy A. (2018). Essentials of organizational behavior. Fourteenth edition-Pearson England.
- 23. Schein, Edgar H. (2017). Organizational Culture and Leadership, 5th Edition. Now Jersey: Published by John Wiley & Sons, Inc.
- 24. Tewal, B. Adolfina, Merinda Ch. H. Pandowo, Hendra N. Tawas (2017) Behavior Organization, Bandung: CV.Patra Media Grafindo.
- 25. Wibowo (2016). Organizational culture. 4th printing . Jakarta: Rajawali Press
- 26. Wibowo (2016). Work management. Fifth Edition. 11th printing. Jakarta: Rajawali Press.