

Effect Of Organizational Culture, Rewards, Competence, And Organizational Citizenship Behavior

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Abstract: The purpose of this study is to knowing the Effect of Organizational Culture, Rewards, Competence, and Organizational Citizenship Behavior (OCB) on the Performance of Hotel Employees in Batam City with Organizational Commitment as Intervening Variables. Respondents used in this study were four-star hotel employees in Batam City with a total of 221 respondents. The method of data analysis uses multiple linear data analysis and by using the Amos SEM program. The results of the study concluded that organizational culture has a significant effect on performance. Organizational culture has a significant effect on organizational commitment, the better the organizational culture, the stronger the organizational commitment of employees, the reward system has a significant effect on organizational commitment, the better the reward system the stronger organizational commitment of employees, the better the organizational commitment, the stronger employee organizational commitment, OCB influences towards organizational commitment, the better the OCB behavior of employees, the stronger the organizational commitment of employees, OCB affects employee performance, the better the behavior of OCB employees, the higher the performance and organizational commitment influences employee performance, the better organizational commitment the better performance of hotel employees four stars in Batam City.

Keywords: Organizational Culture, Rewards System, Competence, OCB, Organizational Commitment, Employee Performance

1 INTRODUCTION

In General, Understanding Organizational Culture is a characteristic that is respected by the organization and becomes a role model for the organization as a differentiator between one organization and another organization. Organizational culture is also interpreted as values and norms of behavior that are accepted and understood jointly by members of the organization as a basis in the rules of behavior contained in the organization. Employee performance will be considered as the backbone organization because it leads to effective development. Employee loyalty depends on cultural knowledge and awareness that increases organizational behavior (Robin 2010: 58) Performance comes from English performance which means performance. The concept of performance stands for work energy kinetics. Performance is the output produced by the function or indicator of a job or a profession in a certain time [1]. Broadly speaking, performance can be understood as the work that can be achieved by a person or group of people in an organization in accordance with authority and responsibility, in order to achieve the objectives of the organization concerned legally, not violating the law and in accordance with morals and ethics.

1. Does Organizational Culture have a significant effect on the performance of four-star hotel employees in Batam City?
2. Does Organizational Culture have a significant effect on the organizational commitment of four-star hotels in Batam City?
3. Does the Rewards System have a significant effect on the organizational commitment of four-star hotels in Batam City?
4. Does Competence have a significant effect on the organizational commitment of four-star hotels in Batam City?
5. Does Organizational Citizenship Behavior (OCB) significantly influence the organizational commitment of four-star hotels in Batam City?

6. Is Organizational Citizenship behavior (OCB) has a significant effect on the performance of four star hotel employees in Batam City?
7. What is organizational commitment has a significant effect on the performance of four star hotel employees in Batam City?

Based on the above formula, the purpose of this study is to analyze and prove:

1. The influence of organizational culture on the performance of four-star hotel employees in Batam City?
2. Effect of organizational culture on the organizational commitment of four-star hotels in Batam City?
3. Effect of the Rewards System on the four-star hotel organizational commitment in Batam City?
4. Effect of Competence on the organizational commitment of four-star hotels in Batam city?
5. The influence of Organizational Citizenship behavior (OCB) on the organizational commitment of four-star hotels in the city of Batam?
6. Effects of Organizational Citizenship behavior (OCB) on the performance of four-star hotel employees in Batam City?
7. Effects of organizational commitment on the performance of four-star hotel employees in Batam City?

2 LITERATURE REVIEW

2.1 Organizational Culture

According to Sutrisno [2], defining organizational culture as a system of values, beliefs and norms that have long been valid, agreed and followed by members an organization as a guideline for behavior and solving organizational problems. Organizational culture is also called corporate culture, namely a set of values or norms that have been relatively long-lived, shared by the members of the organization (employees) as norms of behavior in solving organizational problems (companies). Robbins and Coulter suggest that "or Organizational culture organizational

culture is the values, principles, traditions and ways of working that are shared and influence the behavior and actions of members of the organization" [3]. In most organizations, the values and practices shared and developed rapidly along with the times and really greatly influence how an organization is run. Robbins and Judge asserted "Organizational culture is a system of shared meaning held by members who distinguish one organization from another organization"[4].

2.2 Rewards System (Compensation)

The reward system (compensation) is an important thing in the company. Some of the reasons for this opinion are partly because: Often rewards are the largest proportion of costs that must be spent by the company. Can be an attraction to get good employees. Can be a stimulus for employees to improve their work performance Can avoid the appearance of job dissatisfaction, or in other words can increase work motivation and improve employee performance towards the company. According to Robin and judge (2012: 180) compensation is not only important for employees, but also important for the organization itself. Reward system programs are a reflection of the organization's efforts to maintain human resources. Attention of organizations that are not good at paying attention to compensation for their employees, sooner or later will lose high-quality human resources.

2.3 Competence

According to Miyawaki in Mohd Noor & Dola provides a definition of "competency including the aptitude necessary to enhance basic abilities and to raise job performance to a higher level"[5]. The definition explains that competency can be defined as the talent needed to improve basic abilities and to increase performance to a higher level [6]. A competency is an underlying characteristic of an individual that is related to criterion-referenced effective and / or superior performance in a job or situation". This view explains that one's competency is the basis of an individual that is associated with effective and superior performance in a job. Competencies can be in the form of goals, temperament, self-concept, attitude or value, mastery of the problem, or cognitive skills and behavioral skills. Any individual traits that can be measured or calculated clearly and can be shown to clearly distinguish a superior behavior from an average achiever's behavior, or an effective behavior from an ineffective actor.

2.4. Organizational Citizenship Behavior (OCB)

Organizational citizenship behavior (OCB) is extra individual behavior, which is not directly or explicitly recognizable in a formal work system, and which in

aggregate can improve the effectiveness of organizational functions [7]. Organizations in general believe that to achieve excellence must seek the highest individual performance, because basically individual performance affects the performance of a team or work group and ultimately affects overall organizational performance. OCB is an individual voluntary behavior that is not directly related to the compensation system but contributes to the effectiveness of the organization. In other words, OCB is the behavior of an employee not because of the demands of his duty but rather based on his volunteerism [8]. OCB indicators are as follows: 1 Altruism 2. Courtesy, 3. Conscientiousness 4. Civic Virtue, 5 Sportsmanship. [9] Some factors that are thought to influence OCB include: Organizational commitment Perceptions of leadership and organizational support, [10] , person organization fit [11] Job satisfaction

2.5. Organizational Commitment

Organizational commitment is a strong desire to remain as a member of the organization, the desire to strive according to the wishes of the organization, certain beliefs, and acceptance of values and goals of the organization. Organizational commitment is an attitude that reflects employee loyalty to the organization and the sustainability process where members of the organization express their concern for the organization and ongoing success and progress [12]. Organizational Commitment is a degree to which employers believe in and accept organizational goals and desires to remain with the organization [13].

2.6 Employee Performance

Performance is a description of the level of achievement of an activity program or policy in realizing the goals, objectives, vision, and mission of the organization as outlined through the strategic planning of an organization [14]. Assessment of employee performance is to find out the results of the work expected to be more optimal with a performance assessment that includes: (1) Cooperation, (2) Leadership, (3) Quality of work, (4) Technical Ability, (5) Initiative, (6) Passion (7) Durability / reliability, (8) Quantity of work [15]. Performance is a description of the level of achievement of an activity program or policy in realizing the goals, objectives, vision and mission of the organization which is poured through an organization's strategic planning. measured if individuals or groups of employees already have criteria or standards of success benchmarks set by the organization. Therefore, if there is no goal or target set in the measurement, then the performance of someone or the organization's performance cannot be known if there are no benchmarks for success [16].

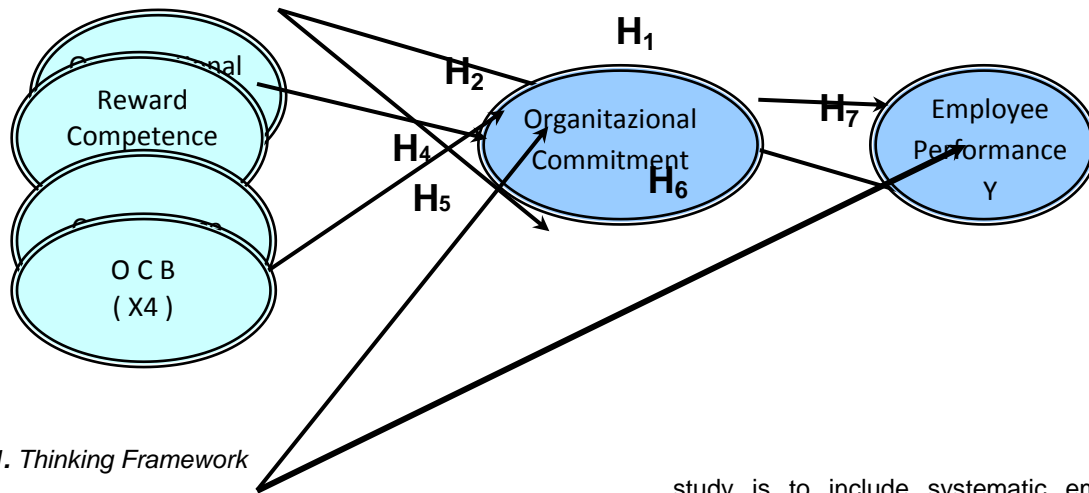


Figure 1. Thinking Framework

2.7 hypothesis

- H1. Organizational culture has a significant effect on the performance of four-star hotel employees in Batam city
- H2. Organizational culture has a significant effect on the organizational commitment of four-star hotels in Batam City
- H3. The Rewards system has a significant effect on the organizational commitment of four-star hotels in Batam City
- H4. Competence has a significant effect on the organizational commitment of four-star hotels in Batam City
- H5. Organizational citizenship behavior (OCB) has a significant effect on the organizational commitment of four-star hotels in Batam city
- H6. Organizational citizenship behavior (OCB) significantly influences the performance of four-star hotel employees in Batam city
- H7. Organizational commitment significant effect on the performance of four-star hotel employees in the city of Batam

3 RESEARCH METHODS

3.1 Research Design

According to Nazir M, (2010: 45) suggests that research design or research design are all processes needed in planning and conducting research. The purpose of this

DISCUSSION

Discussion of each influence of variables can be explained as follows:

study is to include systematic empirical research and provide explanations (explanatory research) including explanatory survey research because research explains a causal comparative relationship between independent variables namely organizational culture (X1), reward system (X2), competency (X3) and Organizational Citizenship Behavior (OCB) (X4) on intervening variable organizational commitment (Z) and its impact on employee performance (Y) four-star hotels in Batam City

3.2 Population

Population is a generalization region consisting of: object / subject that has certain qualities and characteristics determined by the researcher to be studied without conclusions then drawn[17]. The population in this study were 600 populations who were employees of four-star hotels in Batam City, Samples as part of the number and characteristics of the population. Various methods in determining samples are ways that are used in situations that do not allow and it is not possible to learn all that exists in the population, for example due to limitations of time, energy, and funds, the researcher can use samples taken from the population. By using Slovin formula with an error rate of 5%, the samples used in this study were 221 samples [18].

3.3 Data Collection Techniques

In this study data collection techniques were carried out by means of interviews, questionnaires, observations, and a combination of the three.

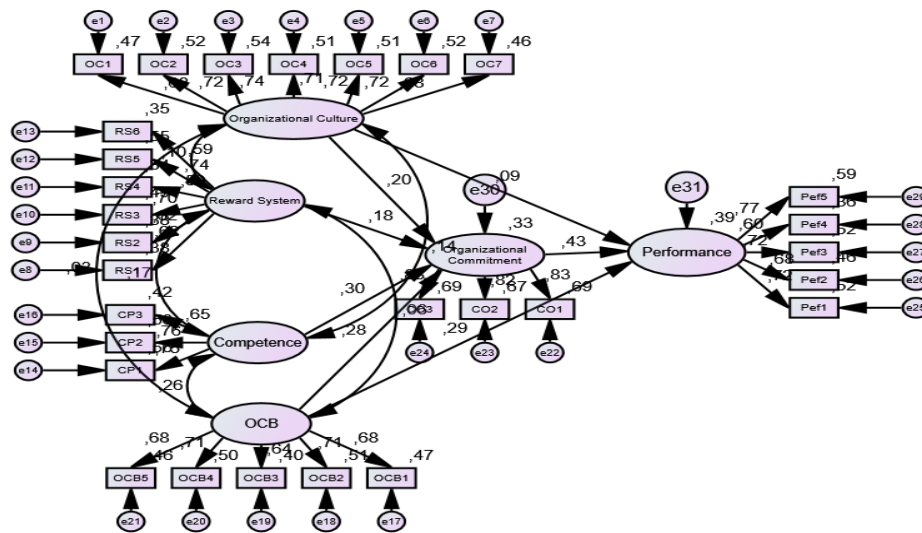


Figure 2. Analysis Results

H1. The Effect of Organizational Culture on Employee Performance The results of research and testing using SEM with AMOS v.20 Software indicate that organizational culture has a significant effect on employee performance in Four Star Hotels in Batam City. The parameter estimation effect of organizational culture influences employee performance shows significant results with a CR value greater than 1.96, and a significance value (p-value) smaller than 5%, meaning that organizational culture is able to have a large impact on employee performance. Thus, the first hypothesis which states that organizational culture has a significant effect on the performance of employee employees at Four Star Hotels in Batam City, is acceptable.

H2. The Influence of Organizational Culture on Organizational Commitment The results of research and testing using SEM with AMOS v.20 Software show the influence of organizational culture on employee organizational commitment at Four Star Hotels in Batam City. The parameter estimation effect of organizational culture on organizational commitment shows significant results with a CR value greater than 1.96, and a significance value (p-value) smaller than 5%, so the second hypothesis which states that organizational culture has a significant effect on organizational commitment employees at Four Star Hotels in Batam City are acceptable.

H3. Effect of Rewards System on Organizational Commitments The results of research and testing using SEM with AMOS v.20 Software also showed the effect of a reward system on employee organizational commitment at Four Star Hotels in Batam City. The results of the parameter estimation of the effect of the reward system on organizational commitment show significant results with CR values greater than 1.96, and the significance value (p-value) is smaller than 5%, so the third hypothesis which states that the reward system has a significant effect on organizational commitment employees at Four Star Hotels in Batam City are also acceptable.

H4. Effect of Competence on Organizational Commitment The results of research and testing using SEM with AMOS v.20 Software also showed the influence of competence on employee organizational commitment in Four Star Hotels in Batam City. The estimation results of the parameters of the influence of competencies on organizational commitment show significant results with a CR value greater than 1.96, and a significance value (p-value) smaller than 5%, so the fourth hypothesis states that competence has a significant effect on employee organizational commitment at Four Star Hotels in Batam City are also acceptable.

H5. Effect of OCB on Organizational Commitment The results of research and testing using SEM with AMOS v.20 Software also showed the influence of OCB on employee organizational commitment in Four Star Hotels in Batam City. The parameter estimation effect of OCB on organizational commitment shows significant results with a CR value greater than 1.96, and a significance value (p-value) smaller than 5%, so the fifth hypothesis which states that OCB has a significant effect on employee organizational commitment at Four Star Hotels in Batam City are also acceptable.

H6 Effect of OCB on Employee Performance The results of research and testing using SEM with AMOS v.20 Software also showed the influence of OCB on employee performance in Four Star Hotels in Batam City. The parameter estimation effect of OCB on employee performance shows significant results with a CR value greater than 1.96, and a significance value (p-value) smaller than 5%, so the twelfth hypothesis which states that OCB has a significant effect on employee performance at Four Star Hotels in Batam City are also acceptable.

H7 Effect of Organizational Commitment on Employee Performance The results of research and testing using SEM with AMOS v.20 Software also showed the influence of organizational commitment on employee performance at Four Star Hotels in Batam City. The parameter estimation effect of organizational commitment on employee performance

shows a significant result with a CR value greater than 1.96, and a significance value (p-value) smaller than 5%, so the thirteenth hypothesis states that organizational commitment has a significant effect on performance employees at Four Star Hotels in Batam City are also acceptable.

4 CONCLUSION

The research research variables consisted of organizational culture, reward system, competency, OCB, organizational commitment, and employee performance. It can be concluded as follows:

1. Organizational culture has a significant effect on employee performance, the better the organizational culture is able to give a big impact on improving employee performance.
2. Organizational culture has a significant effect on organizational commitment, the better the organizational culture, the stronger the organizational commitment of employees.
3. The reward system has a significant effect on organizational commitment, the better the reward system, the stronger the organizational commitment of employees.
4. Competence has a significant effect on organizational commitment, the better the competency of employees, the stronger the organizational commitment of employees.
5. OCB has a significant effect on organizational commitment, the better the OCB behavior of employees, the stronger the organizational commitment of employees.
6. OCB has a significant effect on employee performance, the better the employee's OCB behavior, the higher the performance.
7. Organizational commitment has a significant effect on employee performance, the better organizational commitment, the higher employee performance

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