

Analysis of Strategy in Increasing Employee Productivity through the Establishment of Organizational Culture with Organizational Commitment as a Variable between in PT. Gading Mas Indah, Malang

Michael Samuel¹, Nazarudin², Isfenti Sadalia³

^{1,2,3} Master of Management Universitas Sumatera Utara, Indonesia

Corresponding Author: Michael Samuel

ABSTRACT

This study aims to explain the Strategy in Increasing Employee Productivity through the various facts of Organizational Culture on Employee Productivity through a Commitment Organisasidi PT. Gading Mas Indah, Malang. This type of research is empirical research. Population in this research is all employees of PT. Gading Mas Indah, Malang as many as 60 people. The sampling technique used is census method, where all the sampled population of 60 respondents only 53 respondents that can be used as the sample because 7 of those respondents not present at the time of data retrieval research. This study uses a quantitative approach and methods of data analysis used in this research are Partial Least Square – Structural Equation Modeling (PLS-SEM) by using the application SmartPLS. Source of data used is primary data and secondary data by distributing questionnaires. The results of the research show that Organizational Culture influence on Organizational Commitment in PT Gading Mas Indah, Malang. Organizational culture influence on the Increase of Work Productivity in PT Gading Mas Indah, Malang. Organizational commitment influence the Work Productivity in PT Gading Mas Indah, Malang. Organizational culture has a positive effect on Labor Productivity through the Organizational Commitment in PT Gading Indah Mas, Malang.

Keywords: *Organizational Culture, Organizational Commitment, Productivity*

INTRODUCTION

Important issue in the management of human resources (HR) is the productivity of labor, which is basically the ability of employees to produce output. Productivity becomes essential in industries that rely on power or strength of Human resources, because the company will measure the extent of the results obtained from the labor. In order to obtain high productivity, of course the company doing a business or called with input, the principle of input issued considering the elements of efficiency, namely the use of resources as precisely as possible. The output of the input or output, its value must be greater than the input, this is called effective. The results obtained by the company its value must be higher than the business they do (Gasperz, 2011). This principle is used by the industry to get the profits as much as possible by utilizing existing resources, in this case human resources.

Different forms which affect the productivity of labor one of which is the culture of the organization. A study conducted by the Drastitin, Siregar and Nurmaningsih (2016) shows that productivity is influenced by a strong organizational culture in the company.

Organizational culture is the result of the accumulation of a collection of values adopted daughter companies. Organizational

culture is not formed in a short time, need adjustment the actions of the perpetrators of the organizations in it, including employees. A strong organizational culture is formed from the action and the positive value of all employees and the top management so that in the end have a positive impact on organizational performance. On the contrary the culture of the organization that are weak tend not to have action which is real and obvious value in the organization and performance of the company also did not show the positive (Schermerhorn, et al., 2010).

However, not many companies are able to form a positive organizational culture. Some companies still do not have company values that are clear and focused. Value-the value of the company which should be the main components forming the culture of the organization is unfortunately not implemented properly by all employees. this, in addition to making the company such as without direction and control, also have an impact on employee productivity. One of the companies that experienced difficulties in the formation of a positive organizational culture are PT. Gading Mas Indah is located in Malang, East Java.

PT. Gading Mas Indah, Malang is a company engaged in the field of distribution of lpg from Pertamina to the working area of Malang City, East Java. The reason for the formation of the company as to fulfill the gas needs for the City of Malang. Gas usage has become a basic requirement for households in almost all regions of Indonesia, while it was the fulfillment of household gas is still considered not well distributed, as a result there are areas that easily get lpg but there is also a difficulty in getting lpg gas, especially the 3 kg lpg gas subsidy. Gas consumption of 3 kg is basically meant for the poor and industrial SMES.

PT. Gading Mas Indah understand that the pattern of distribution of lpg gas should be quick and right on target, because the needs that are fundamental for society. In order to support the company's vision,

PT. Gading Mas Indah, Malang try applying company values i.e. Professional, Integrity and Responsiveness or referred to with Profit.

Value-the value of the company is built as the foundation of the company so that all employees promoting an attitude of professionalism – in the sense of behave and act in accordance with the demands of work with the traits: promoting customers as a good partner, shows a positive working attitude and ready to work in a team (teamwork) in order to achieve the objectives of the company. The company is also promoting an attitude of a work (Integrity) in the sense of doing and acting in accordance with the regulations that apply to the traits of discipline, honest, and maintain the good name of the company. And the company set the Response as part of the value-the value of the company, within the meaning quickly gave a response to a specific situation with characteristics answering customer complaints must be accommodated with the right and shows concern for the company.

Investment value-the value of the company to all employees is the process of formation of organizational culture (Langton, Robbins dan Judge, 2016). Organizational culture is built with the aim that anyone who is in an organization have the same identity, the same pattern so that the togetherness and each other has also the same. This will of course redirect people to understand the same vision and mission. Some research results show that companies that have roots strong organizational culture tends to be more survive and able to adapt compared to companies that do not have a strong organizational culture (Arifin, 2014). It is well understood by the PT. Gading Mas Indah, Malang so draw up the concept of company values so they can be interpreted and also implemented by all employees.

Through the values of the organization that has been designed by the company, the company expects the guidelines of such work become the culture in the work or who is known by the culture

of the organization. As described earlier, that the culture positive at the end show the results of one of them is the productivity of the employees increases. Unfortunately, the company's expectations of employee productivity are still not realized well.

Based on internal company data, 2020 show that each year the company experienced inefficiencies to the use of the cost of delivery of lpg gas to each destination. Inefficiency occurs at Rp. 18 millions in the year 2017, then Rp. 22 millions in the year 2018 and Rp. 20 millions in the year 2019. This happens due to employees (either part delivery, warehouse and also financial) are not careful in anticipating and minimizing the cost of delivery. Collectivity of the work team it shows a pattern of work-the same which is not good and does not reflect the values of the company, namely professionalism in work and responsiveness to problems that occur in the company's internal.

Talk about the culture of the organization not apart from the commitment of the organization, where the organizational cultures according to some studies have a positive impact on organizational commitment. A study conducted by the Goddess and Surya (2017) find to the fact bring a positive organizational culture able to be a predictor of organizational commitment. The research thing is also done by Aranki, Suifan and Sweis (2019) where they stated that the better the culture of the organization then the higher the organizational commitment. Organizational commitment essentially is a reflection of the attitude of the workers towards the organization or their place of work, employees who are committed to high indicates the viscosity with the organization, demonstrate a positive work and intends to continue to be in the company. On the contrary, employees have a low commitment shows the attitude that is indifferent to the company, the results of that work are not according to expectations

and have a strong desire to leave the company.

Previously outlined that due to the lack of implementation of organizational culture in PT Gading Mas Indah, Malang especially points to the Professionalism and Responsiveness resulted in the productivity of the workers generates the inefficiency of the company in the cost of delivery from 2017, 2018 and 2019. Another impact from the weak organizational culture is about employee commitment to the organization, this is indicated by the turnover rate of employees in PT. Gading Mas Indah, Malang as in Table 1.2 below:

Table 1.1 Data the Turnover of PT. Gading Mas Indah

No	Year	Number Of Employees	Turnover Rate
01	2017	35 People	7%
02	2018	48 People	5%
03	2019	60 People	8%

Source: Internal Data of PT. Gading Mas Indah, Malang, 2020

Based on the data in the table 1.1 above shows that the average employee turnover in the last 3 years is above 5%, where the rate is already considered high (the Talents.co., 2020). This suggests that the level of loyalty / organizational commitment by employees in PT. Gading Mas Indah, Malang does not indicate a good thing, where there is turnover rate turnover is quite high.

As a newly established company, PT. Gading Mas Indah, Malang need employees who can move together in the long term. Employees who are in and out of course resulted in the company's operations being hampered, it is due to the need to educate employees again start from the beginning and will also have to adapt to the culture of the organization. PT. Gading Mas Indah expect the employees they have can survive and make a positive contribution in the long term.

Based on the results of interviews with the management of PT. Gading Mas Indah, Malang, stated that as other companies, hoping to be a professional company which is sustainable in the long term. PT. Gading Mas Indah, Malang has employees as many as 60 people and most of them are field employees whose duties do

products distribution of lpg 3 kg. The company sought the maximum so that employees can show loyalty with the company and always maintain their productivity. However, on the other hand, management also recognizes that the company currently does not have a strong organizational culture, it is indicated by weak coordination of the work and the attitude of apathy (not responsive). There are several causes of the culture of the organization that has not yet been formed in the PT Gading Indah Mas, Malang, among others:

1. Employees do not understand and interpret the values of the company that became the shaper of organizational culture. This makes the employees not been that the value of the company's values in their work activities day-to-day.
2. The company is small scale, so that the activity is still preoccupied with the completion of the target job, yet touching on the activity of training or learning. This resulted in the company not carrying out the socialization and or training company values to all employees.
3. The company also does not have a system of Human Resource development that is comprehensive, so that there has been no reward and punishment clear, what are the consequences if they violate company values are not set clearly. The problem of reward and punishment still is subjective according to the judgment of superiors.

Based on the explanation above, the writer find the red thread that PT. Gading Mas Indah, Malang has constraints in terms of the implementation of a strong organizational culture, where it is shown by the low level of coordination and team work (professionalism in the work) and being not sensitive to the achievement of the work. This of saa resulted in a decreased labor productivity collectively where the occurrence of the inefficiency of the

shipping cost. The anticipation of this inefficiency is a collective work, not only imposed on the employee section of delivery, but also part warehouse and finance. Another impact is caused the employee does not feel intimate and commit with the company, this is demonstrated by the high employee turnover rate which is always above 5% (data year 2017, 2018 and 2019).

LITERATURE REVIEW

Productivity

Productivity means output (results) in line with input (input). If productivity rises, this is only made possible by the increased efficiency (time, materials, workforce) and work systems, production techniques and the increase of skills of its workforce (Edyun, 2012). Productivity is also defined as the increase in the works which is influenced by the ability of the employee (input) and produce goods or services (Agustín, 2014).

Organization Culture

Is a set of shared values that control the interaction of each member of the organization as well with suppliers, customers and other parties outside the organization (Jones, 2007). So in the sense that culture is a pattern of basic assumptions invented, discovered or developed by a particular group when learning to face problems of external adaptation and integration of the internal – which has been running well enough to be considered valid and therefore, to be taught to new members as the correct way to perception, thinking and callous in connection with the problems encountered (Shein, 2005).

Organizational Commitment

Organizational commitment is the degree to which an individual identifies and is involved with the organization and / or do not want to leave it (Greenber and Baron, 2003). In any other case it is said also that organizational commitment is the degree to which workers identify with the

organization and wants to continue actively participating in it (Newstorm, 2011).

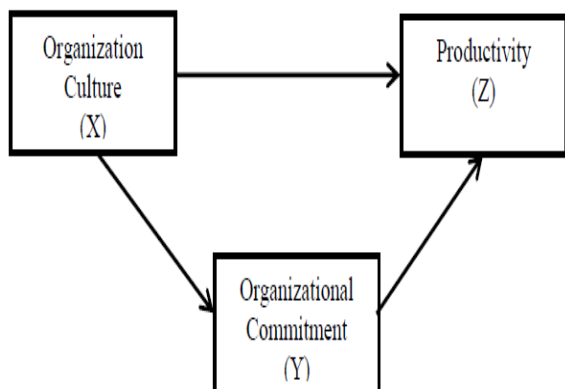


Figure 1. Conceptual Framework

Hypothesis

Based on the background research and the relationship between variables, then the research hypothesis:

1. Directly there is a positive and significant influence between Organizational Culture (X) to Employee Productivity (Z) in PT. Gading Mas Indah, Malang.
2. Directly there is a positive influence and significant langsungantara Organizational Culture (X) to Organizational Commitment (Y) in PT. Gading Mas Indah, Malang.
3. There is a positive and significant directly between the Organizational Commitment (Y) Productivity (Z) in PT. Gading Mas Indah, Malang.
4. There is a positive and significant indirect between Organizational Culture on Employee Productivity through Organizational Commitment at PT. Gading Mas Indah, Malang.

MATERIAL AND METHODS

This research is analytic correlation, namely the type of research conducted with the purpose of detecting the extent to which variations in one factor is associated (correlated) with one or more other factors based on correlation coefficient (Sinulingga, 2017). The selection and use of design is linked with the purpose of the research, namely to explain the influence and

hypothesis testing by analyzing the various data in the field. In the context of this research is to obtain facts of Organizational Culture on Employee Productivity through a Commitment Organisasidi PT. Gading Mas Indah, Malang.

Population in this research is the whole employees that were recorded in PT. Gading Mas Indah, Malang as many as 60 people. The sampling technique used is census method, where all the sampled population of 60 respondents only 53 respondents that can be used as the sample because 7 of those respondents not present at the time of data retrieval research. This study uses a quantitative approach and methods of data analysis used in this research are Partial Least Square – Structural Equation Modeling (PLS-SEM) by using the application SmartPLS.

Method of data analysis used in this study is Partial Least Square – Structural Equation Modeling (PLS-SEM) by using the application SmartPLS (v 2.3.8). Steps PLS – SEM is to create a Path Analysis (path analysis) where the analysis of the actual is a development of regression analysis (Sugiyono, 2017). Model PLS – SEM consists of 2 (two) elements, namely the structural model or inner model, and measurement model or outer model (Widarjono, 2015). The Inner model shows the relationship between the latent variables independent, on the other hand, the outer model describing the relationship between latent variables and indicator variables. There are 2 (two) approaches in estimating SEM, namely the approach based on the covariance or the so-called Covariance Based (CB – SEM) and the approach based on a variant or so-called Partial Least Square (PLS – SEM). CB – SEM is primarily used for research that aims to prove the truth of the theory while PLS – SEM is primarily used to develop the theory in the research is exploratory so the main purpose of the use of PLS – SEM in structural equation is to make predictions and explanations of the latent variables (Widarjono, 2015).

Data collection is done through a set of questionnaire distributed to all respondents. The questionnaire is prepared based on the indicators contained in each variable.

RESULTS AND DISCUSSION

Analysis of the Results

The results of this study directly found that the Organizational Culture influence the increase of Work Productivity in PT Gading Mas Indah, Malang. The results of this study in line with research conducted by Drastitin, Siregar and Nurminingsih (2016), which states that a strong Organizational Culture to improve the productivity of employees. This is of course an important input for the company, so that he could pay attention to the problems of the application of the organizational culture. The culture of the organization was born from the accumulation of actions, thoughts and beliefs of all stakeholders involved in a company. Therefore, organizational culture is a reflection of the accumulation of such. If the accumulation of actions and beliefs that are positive, then forming a positive organizational culture.

Organizational culture is not merely derivative of the Value-the value of the Company. value-the value of the company does not guarantee to be the culture of the organization. This could happen because the values of the company formed not to be guidelines for stakeholders in the act and day.

Organizational culture in this study also found affect organizational commitment. This is in line with research conducted by the Goddess and Surya (2017). So also with the results of research conducted by Aranki, et al (2019) who found that organizational culture that is conducive to macroeconomic predictors to organizational commitment.

In this study, Organizational Commitment was selected to be variable between Work Productivity. Some research suggests a relationship between

Organizational Commitment with Work Productivity, among others, performed by Hernawaty (2017). Results of the study indirectly proved the role of Organizational Commitment as a variable between the effective in increasing productivity. This is indicated by a positive result from the influence of the indirectly.

Managerial Implications

Based on the results of the study indirectly found that the Organizational Culture affect Productivity through Organizational Commitment as a variable between. This suggests that the mediating variable (Organizational Commitment) was instrumental in the formation of Organizational Commitment. The results of this study give input to management of PT Gading Indah Mas, Malang that increase Labor Productivity will be more easily achieved if companies pay attention to factors of Organizational Commitment.

As for the intervention that can be done is with how the form of employee commitment to the organization. Companies can do several things to encourage the organizational commitment of employees among others with:

1. Nurturing Trust, maintaining the trust. The quality and style of leadership is a major factor to gain the trust and commitment of workers. A trustworthy leader inspires subordinates to keep the mandate of the company, on the contrary the leader that does not maintain the integrity of the make employees consider low against the rules made by the company.
2. Winning Mind, spirit, and heart, win the mind, the soul and the hearts of the workers. Companies pay attention to the balance between all three of these needs. Workers needed to work in the mind clear, the soul that is calm and also comfortable mood. The company must support the needs of non-financial above with one of them keeping a conducive working environment.

3. Keeping staff committed, keep employee commitment. One way that is quite effective in maintaining the commitment of employees is to enrich their work and also increase motivation. This can be by facilitating a career ladder in the sense of giving the widest opportunity for employees to pursue a career in the company. Manakalah the company requires managerial level, then the company got it from company's internal, rather than external. This motivates employees to explore their ability and also the potential that they have, because they realize there is a growing opportunity in the places they work.
4. Rewarding excellence, value excellence. Recognition of excellence is an important issue in maintaining commitment and job satisfaction of employees. The process of the preparation of this award should be right on target and also in accordance with the performance. The granting of awards that are closed, not transparent, instead make employees become apathetic. Therefore companies need to be more open in preparing the award to the employee. All employees berkemsemptan the same in the award, there is no difference and also the process through which open, so that all people know and understand where their position is and what their shortcomings.
5. Staying positive, keep being positive. Companies have to promote optimism to all employees, instill the attitude that they "can do" to any work that has been assigned to them. On the other hand, the company also mmfasilitasi what are the means and infrastructure to support this positive attitude, such as the provision of training, coaching and mentoring, comparative study and so on.

CONCLUSIONS AND RECOMMENDATIONS CONCLUSIONS

Based on the results of the research can be summed up as follows:

1. That Organizational Culture influence on Organizational Commitment in PT Gading Mas Indah, Malang Lestari.
2. That the Culture of the Organization affect the Work Productivity in PT Gading Mas Indah Mas, Malang.
3. That Organizational Commitment affect the Work Productivity in PT Gading Mas Indah, Malang.
4. That Organizational Culture has a positive effect on Labor Productivity through the Organizational Commitment in PT Gading Mas Indah, Malang.

RECOMMENDATIONS

The advice of researchers from the research that has been done is as follows:

1. The results showed that the intervention Commitment of the Organization effective in increasing Work Productivity. This becomes input for the company to enhance work productivity with attention to the variable of Organizational Commitment.
2. The results of the test of determination mention there 9,3% other variables that influence this study. Therefore should to research next take the other variables in making the prediction of the increase of Work Productivity in PT Gading Indah Mas, among others, such as Compensation or Leadership.

REFERENCE

1. Aamodt, Michael G. (2010). Industrial/Organizational Psychology: An Applied Approach, Sixth Edition. Cengage Learning.
2. Aranki, Dima H., Taghrif S. Suifan dan Rateb J. Sweis. (2019). The Relationship between Organizational Culture and Organizational Commitment. Modern Applied Science, Published by Canadian Center of Science and Education. Vol. 13, No. 4; Hal. 137 – 154. ISSN 1913-1844 E-ISSN 1913-1852.
3. Arifin. (2014). Pengaruh Budaya Organisasi terhadap Kinerja Perusahaan Daerah Air Minum Kabupaten Bone

- Bolango. Jurnal Akuntansi, STIE Muhammadiyah Palopo. Vol I, No. 2, Hal. 29 – 42.
4. Armstrong, Michael. (2014). Armstrong's Handbook Of Human Resource Management Practice, Thirteenth Edition. Koganpage.
 5. Buchanan, David A. dan Andrzej A. Huczynski. Organizational Behaviour, Ninth Edition. Pearson.
 6. Cheng, Ng Pek dan Suhaida Abdul Kadir. (2018). Relationship between Work Environment and Organizational Commitment among Private School Teachers in Klang Valley. International Journal of Academic Research in Business and Social Sciences. Vol. VIII, No 7, Hal. 781 – 793.
 7. Dewi, I Gusti Ayu Ketut Ratna dan Ida Bagus Ketut Surya. (2017). Pengaruh Budaya Organisasi terhadap Komitmen Organisasional dan Organizational Silence pada PT. PLN (Persero) Rayon Denpasar. E-Jurnal Manajemen Unud, Fakultas Ekonomi dan Bisnis Universitas Udayana, Bali. Vol. 6, No. 1, Hal. 289-316, ISSN: 2302-8912.
 8. Drastitin, Robert Siregar dan Nurminingsih. (2016). Pengaruh Budaya Organisasi terhadap Produktivitas Kerja Karyawan pada Badan Pengelola dan Pengembangan Taman Mini Indonesia Indah. Jurnal Administrasi dan Manajemen, Universitas Respati Indonesia Jakarta. Vol. 7, No. 1, Hal. , 328 – 336. ISSN: 1693 – 6876.
 9. Duha, Timotius. (2018). Perilaku Organisasi, Edisi I, Cetakan I. Yogyakarta: Deepublish.
 10. Gaspersz, Vincent. (2011). Total Quality Management (untuk Praktisi Bisnis dan Industri). Jakarta: Penebar Swadaya.
 11. Guritno, Purwaningdiah. (2020). Menanamkan Dan Mengubah Budaya Organisasi Di Perusahaan Indonesia. The 7th International Symposium Journal of Antropologi Indonesia.
 12. Hernawaty. (2017). Pengaruh Komitmen Organisasi dan Budaya terhadap Produktivitas Karyawan pada PT Home Center Medan. Jurnal SMART, STMB Multi Smart, Medan. Vol. I No 1, Hal. 1-10, ISSN: 2549-5836.
 13. Langton, Nancy, Stephen P. Robbins dan Timothy A. Judge. Organizational Behaviour, Concepts, Controversies, Applications, Seventh Canadian Edition. Toronto: Pearson.
 14. Mahdiyeh, Mohammad, Hosein Nakhaei, Ali Kebriaei. (2016). Impact of Organizational Culture on Productivity: A Study among Employees of Ministry of Youth and Sports, Iran. International Journal of Humanities and Cultural Studies, Islamic Azad University, Tehran, Iran. Vol. 3, No. 3, Hal. 170 – 177. ISSN 2356-5926.
 15. Robbins, Stephen P., Timothy A. Judge dan Katherine E. Breward. (2018). Essentials of Organizational Behaviour, Canadian Edition. Pearson Canada.
 16. Rukmini. (2014). Pengaruh Motivasi Kerja, Budaya Organisasi dan Komitmen Organisasi terhadap Produktivitas Kerja Dosen dan Karyawan pada Akademi Akuntansi Surakarta Tahun 2013. Jurnal Akuntansi dan Pajak, STIE AAS Surakarta. Vol. 15 No. 01, Hal. 81 – 97. ISSN : 1412-6029X.
 17. Sarwono, Jonathan. (2018). Statistik Multivariat Aplikasi untuk Riset Skripsi. Yogyakarta: Penerbit Andi.
 18. Schermerhorn, John R., James G. Hunt, Richard N. Osborn, dan Mary Uhl-Bien. (2010). Organizational Behavior, 11th Edition. John Wiley and Son, Inc.
 19. Shalahuddin, Ahmad. (2013). Pengaruh Kepemimpinan dan Lingkungan Kerja terhadap Komitmen Organisasional dan Kinerja Karyawan PT. Sumber Djantin di Kalimantan Barat. Jurnal Manajemen Teori dan Terapan. Vol. VI, No. 1, Hal. 89 – 104.
 20. Sinulingga, Sukarya. (2017). Metodologi Penelitian. Medan: Universitas Sumatera Utara Press.
 21. Sugiyono. (2017). Statistika untuk Penelitian, Cetakan XIX. Bandung: Penerbit Alfabeta.
 22. Wibawa, I Wayan Sucipta dan Made Surya Putra. (2018). Pengaruh Budaya Organisasi Terhadap Komitmen Organisasional dimediasi Kepuasan Kerja

Michael Samuel et.al. Analysis of strategy in increasing employee productivity through the establishment of organizational culture with organizational commitment as a variable between in PT. Gading Mas Indah, Malang.

(Studi pada PT. Bening Badung – Bali).
E-Jurnal Manajemen, Universitas Udayana. Vol. VII, No. 6, Hal. 3027 – 3058.

23. Wibowo. (2016). Perilaku dalam Organisasi, Edisi II. Jakarta: PT. Raja Grafindo Persada.
24. Widarjono, Agus. (2015). Analisis Multivariat Terapan, Edisi Kedua. Yogyakarta: UPP STIM YKPN.

How to cite this article: Samuel M, Nazarudin, Sadalia I. Analysis of strategy in increasing employee productivity through the establishment of organizational culture with organizational commitment as a variable between in PT. Gading Mas Indah, Malang. *International Journal of Research and Review*. 2021; 8(1): 439-447.
