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### Effect of work Environment and Cultural Organization through Job Satisfaction on Organization Performance PT. DHARMA Electrindo Manufacturing

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# ABSTRACT

This study aimed to determine the effect of the work environment and organizational culture on organizational performance, determine the effect of the work environment on the performance of the organization, knowing the influence of organizational culture on organizational performance, determine the effect of job satisfaction on organizational performance, determine the effect of the work environment and organizational culture on performance through job satisfaction. The study was conducted on the organization of PT. Dharma Electrindo Manufacturing. Sampling using saturated samples involving 92 employees in all parts of the organization. Analysis of data using path analysis. Based on the analysis of the data found that the work environment and organizational culture affect the performance of the organization, job satisfaction variables affect the performance of the performance of the organization, job satisfaction variables affect the performance of the organization, job satisfaction variables affect the performance of the performance performance performance pe

Keywords: work environment, organizational culture, job satisfaction, organizational performance

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#### Introduction

The performance of the organization is generated by organizations that include results (outcomes) that the financial performance such as profit, as measured by return on assets, return on investment and so on, the performance of the market(product market performance) such as the expansion of market share, and sales. Besides the return of shareholders a return of shareholders and increase the economy of shareholders.

The organization's performance is influenced by the work environment, organizational culture and job satisfaction. The working environment is both internal and external conditions that can affect morale and thus can be expected to finish the job faster and better. Suitability of the working environment can be seen as a result in a longer period of time further work environments are less well able to sue labor and more time and do not support obtaining an efficient work system design.

In some areas of the organization's performance can also be measured by other things such as strategic planning, operations, and finance, legal and organizational development. In developing the institution or organization is a necessity to survive in the competitive world climate.

Cultural organizations are also expected to affect the performance of the organization. Robbins (2000) states that organizational culture is a system of shared meaning in an organization that determines the higher level of how employees act. Organizational culture is a value system that is believed by all members of the organization and learned and applied and developed on an ongoing basis which serves as the overall system.

Job satisfaction also has an impact on organizational performance. Job satisfaction is one of the psychological aspects that reflect one's feelings toward his work; he will be satisfied with the fit between the capabilities, skills, and expectations with the job he faced. Satisfaction is actually a condition that is subjective is the result of conclusions based on a comparison of what is received by employees from their jobs compared with the expected, desired, and thinking as being inappropriate or entitled to it. While every employee subjectively determines how the work was satisfactory. Job satisfaction is a person's feelings toward his work. This means that the concept of job satisfaction to see it as the result of human interaction to their work environment.

#### **Literature Review**

#### Work Environment

According to Nitisemito (2000 159), the working environment is both internal and external conditions that can affect morale and thus can be expected to finish the job faster and better. According to Sedarmayanti (2009: 12) is said to be a good working environment or as if a human can undertake an optimal, healthy, safe, and comfortable. Suitability of the working environment can be seen as a result in a longer period of time further work an environment are less well able to sue labor and more time and does not support obtaining an efficient work system design.

Type of work environment is divided into two, namely: (a) Environmental physical labor is a state of physical objects that are around the workplace that may affect personal either directly or indirectly (b) Work environment Non-physical is all the circumstances occur with regard to the employment relationship, good relations with superiors and with the relationships among co-workers, or subordinates.

The working environment is influenced by several factors that can affect the formation of the working environment according to Sedarmayanti (2009: 46) is as follows:

#### 1. Work atmosphere

Each personally always wanted a pleasant working atmosphere, a comfortable working atmosphere that includes light/illumination clear, low noise and quiet, safety in the work.



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#### 2. Relationships with colleagues

One of the factors that may affect the person remains in the organization is the harmonious relationship among co-workers.

### 3. Availability of working facilities

It is intended that the equipment used to support the work that is complete and up to date. There are complete working facilities, although not sophisticated and modern is one of supporting the smooth process of the work.

#### **Organizational Culture**

Robbins (2010) states that organizational culture is a system of shared meaning in an organization that determines the higher level of how employees act. Organizational culture is a value system that is believed by all members of the organization and learned and applied and developed on an ongoing basis which serves as the overall system. Robbins (2010) states: organizational culture Refers to a system of shared meaning held by members that distinguish the organization from other organization. This system of shared meaning is, on closer analysis, a set of key characteristic that the organization values.

Organizational culture as a series of values and norms that control the organization's members to interact with each other and with suppliers, customers, and others outside the organization. Organizational culture consists of the final state that the organization seeks to achieve (terminal value) and model drives organizational behavior (instrumental values). Ideally, the instrumental value to help organizations achieve terminal objectives. Actually, different organizations have different cultures because they process setting terminal and instrumental values are different.

Organizational culture has a broad meaning. According to Dessler (2008), organizational culture is characteristic of values, traditions, and behavior of employees in the company. According to Luthans (2000) is the organizational culture norms and values that guide the behavior of members of the organization. Each member will behave in accordance with the prevailing culture in order to be accepted by the environment.

Schein in Luthan (2000) defines organizational culture as a pattern of basic assumptions that are found, created or developed by a certain group with the intention that the organization learns to overcome or cope with his problems arising from external adaptation and internal integration that is already running pretty good, so it needs to be taught to new members as the correct way to perceive, think and feel pleased with these problems.

### Job Satisfaction

Job satisfaction according to Martoyo (1992:115), essentially a psychological one aspect that reflects one's feelings toward his work, he will be satisfied with the fit between the capabilities, skills, and expectations with the job he faced. Satisfaction is actually a condition that is subjective is the result of conclusions based on a comparison of what is received by employees from their jobs compared with the expected, desired, and thinking as being inappropriate or entitled to it. While every employee subjectively determines how the work was satisfactory.

According to Tiffin (1988) in As'ad (1995:104) job satisfaction is closely related to the attitude of employees toward his own work, the work situation, cooperation between leaders and employees. Meanwhile, according to Blum (1986) in As'ad (1995:104) suggests that job satisfaction is the general attitude is the result of some special attitude towards factors-factors work, adjustment and individual social relationships outside of work.

Of limits-limits on job satisfaction, we can conclude simply that job satisfaction is one's feelings toward his work. This means that the concept of job satisfaction to see it as the result of human interaction to their work environment. Hasibuan (2012:202) job satisfaction is a pleasant emotional attitude and loves his job. This attitude



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the mirror to morale, discipline, and work performance. Job satisfaction to enjoy in the job, off the job, and the combination both. Rivai (2009:475) which describes the evaluation of a person's satisfaction is a top feeling happy or not a desire of attitude to work. Meanwhile, according to Cherirington (1995) "job satisfaction basically refers to how much an employee enjoys his work"

Nelson and Quick (2006) revealed that job satisfaction is affected by five specific dimensions of work, namely the salary, the job itself, promotion, supervision, and co-workers.

a. Salary: the number of wages received and the degree to which this can be considered as an acknowledgment is it appropriate than others in the organization. Employees view salary as a reflection of how management considers their contribution to the company.

b. Promotion is the factor associated with the presence or absence of the opportunity to gain career advancement for work. This is an opportunity that has a different effect on job satisfaction.

c. Supervision of an employer's ability to provide technical assistance and support behavior to subordinates who experience problems at work.

d. A colleague is a tool in which a co-worker, intelligent and socially supportive is the factor that relates to the relationship between employees and with either the same or a different type of work.

### **Organizational Performance**

According to Richard et al (2010) the performance of the organization is generated by organizations that include results (outcomes) that the financial performance such as profit, as measured by return on assets, return on investment and so on, the performance of the market (product market performance) such as the expansion of market share, and sales. Besides the return of shareholders a return of shareholders and increase the economy of shareholders.

In some areas of the organization's performance can also be measured by other things such as strategic planning, operations, and finance, legal and organizational development. In developing the institution or organization is a necessity to survive in the competitive world climate.

The purpose of productivity associated with the development of those organization (Shrestha,1997) small organizations that have a desire to continue to grow and become large. The growing organization in order mengkomadi development itself.

## **Research Methods**

### Population and Sample

The population is a generalization region consisting of the objects/subjects that have a certain quantity and characteristics defined by the researchers to learn and then drawn conclusions (Sugiyono,2011). Samples were towing the majority of the population to represent the entire population, (Surakhmad,2010). The sample used by the author in this study was firm. The total number of employees 1200 people in the field of organization. Sampling using formula Slovin for n = 1200/(1 + 0.12 \* 1200) = 92. Samples are taken randomly or simple random sampling.

### Data Collection Technique

To obtain concrete and objective data that must be made a study of the problems examined, while the steps that researcher takes in data collection is the primary data.



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### Quality Test Data

The questionnaire will be used in research, to produce a valid and reliable instrument first tested the validity and reliability of the instrument. According to Sugiyono (2011: 219) "Validity is a state that describes the level of the relevant instruments able to measure what should be measured". While reliability is a value indicating a measure of consistency in measuring the same symptoms (Riduwan, 2011:86). By using a valid and reliable instrument, it is expected that the results will be valid and reliable.

### **Results and Discussion**

### 1. Influence of Work Environmental and Organizational Culture on Organizational Performance Table 1. Results of the analysis of the first equation

	Unstandardized coefficients		Standardized coefficients		
Model	В	Std. Error	beta	t	Sig.
1 (Constant)	17.886	2,386		7.495	, 000
ENVIRONMEN T	, 687	, 109	, 437	6.307	, 000
CULTURE	, 526	, 065	, 564	8.146	, 000

a. Dependent Variable: PERFORMANCE

Based on the table above, the simultaneous structural equation: Y = 0.437X1 + 0.564X2

 Table 2. Calculate the F value equations simultaneously

Mo	del	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1648.668	2	824.334	62.166	, 000b
	Residual	1180.158	89	13.260		
	Total	2828.826	91			

a. Dependent Variable: PERFORMANCE

## b. Predictors: (Constant), CULTURE, ENVIRONMENT

Based on the above table it is known that the value f calculated at 62.166 and significance of 0.00. This value is less than 0.05. This means that the work environment and organizational culture influence on organizational performance simultaneously. The magnitude of the effect of the independent variable on the dependent variable can be seen from the following values of r squared.

### Table 3. Values r squared regression model first

			Adjusted R	Std. Error of				
Model	R	R Square	Square	the Estimate	Durbin-Watson			
1	, 763a	, 583	573	3.64146	1,313			

a. Predictors: (Constant), CULTURE, ENVIRONMENT

b. Dependent Variable: PERFORMANCE

Based on the above table it is known that the value of r squared of 53.8% means that the work environment and organizational culture influence on organizational performance at 53.8% while the rest influenced by other variables that are not incorporated into the model equations.



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# 2. Influence Analysis of Work Environment on Organizational Performance Table 3. The results of the analysis of the second regression equation

	Unstandardized coefficients		Standardized coefficients		
Model	В	Std. Error	beta	t	Sig.
1 (Constant)	26.523	2,809		9.443	, 000
ENVIRONMEN T	, 820	, 142	, 521	5.796	, 000

a. Dependent Variable: PERFORMANCE

### Structural equation of the data: Y = 0.521X1

Based on the chart above analysis it is known that the working environment coefficient of 0.521. T value of 5.796. The significant value of 0.00. The significance value smaller than 0.05. This means that the work environment variables affect the performance of an organization partially. The amount of the work environment influence on organizational performance can be seen in the following table.

	Tuble 4. Values I squared second equation								
				Std. Error of the					
Model	R	R Square	Adjusted R Square	Estimate					
1	, 521a	, 272	, 264	4.78427					

Table 4. Values r squared second equation

a. Predictors: (Constant), ENVIRONMENT

Based on the above table it can be seen r squared value of 0.272. This means that the work environment variables influence on the performance of 27.2% and the rest influenced by other variables not included in the model equations.

#### **3.** Influence Analysis of Organizational Culture on Organizational Performance Table **5.** Results of the analysis of the third regression equation

	Unstandard coefficie			Standardized coefficients		
Model		В	Std. Error	beta	t	Sig.
1 (Cons	stant)	30.002	1,693		17.717	, 000
CULI E	ΓUR	, 587	, 076	, 630	7.687	, 000

a. Dependent Variable: PERFORMANCE

Structural equation of the data: Y = 0,630X2

Based on the chart above analysis it is known that the coefficient of 0.630 organizational culture. T value of 7.687. The significant value of 0.00. The significance value smaller than 0.05. This means that the organizational culture variables affect the performance of an organization partially. The magnitude of the influence of organizational culture on organizational performance can be seen in the following table.



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Table 6. The third equation r squared								
				Std. Error of the				
Model	R	R Square	Adjusted R Square	Estimate				
1	, 630a	, 396	, 390	4.35581				

. .

a. Predictors: (Constant), CULTURE

Based on the above table it can be seen r squared value of 0.396. This means that the influence of organizational culture variables on the organizational performance of 39.6% and the rest influenced by other variables not included in the model equations.

# 4. Influence Analysis of Organizational Performance on Job Satisfaction

	Unstandardized coefficients		Standardized coefficients		
Model	В	Std. Error	beta	t	Sig.
1 (Constant)	11.443	2,060		5.554	, 000
SATISFACTIO N	, 744	, 049	, 849	15.268	, 000

a. Dependent Variable: PERFORMANCE

## Structural equation of the data: Y = 0.849X3

Based on the chart above analysis it is known that job satisfaction coefficient of 0,849. T value of 15.268. The significant value of 0.00. The significance value smaller than 0.05. This means that job satisfaction variables affect the performance of an organization partially. The magnitude of the effect of job satisfaction on organizational performance can be seen in the following table.

Tuble of the value i squared fourth equation							
				Std. Error of the			
Model	R	R Square	Adjusted R Square	Estimate			
1	, 849a	, 721	, 718	2.95890			

### Table 8. The value r squared fourth equation

a. Predictors: (Constant), SATISFACTION

Based on the above table it can be seen r squared value of 0.721. This means that the influence of job satisfaction variables on organizational performance and the remaining 75.3% is influenced by other variables that are not incorporated into the model equations.

#### 5. Influence Analysis of Work Environment to Organizational Performance through Job Satisfaction Table 9. Effect of the working environment on job satisfaction working

		2			0
	Unstandardized coefficients		Standardized coefficients		
Model	В	Std. Error	beta	t	Sig.
1 (Constant)	18.648	2.823		6,607	, 000
ENVIRONMEN T	1,184	, 142	, 660	8.328	, 000

a. Dependent Variable: SATISFACTION





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Based on the above table it can be seen that the work environment influence on organizational performance is .521. The influence of the working environment on performance through job satisfaction is  $0.660 \times 0.849 = 0.560$ . In this case the indirect effect is greater than the direct effect so that it can be said that the variables of job satisfaction as an intervening variable.

### 6. Influence Analysis of Organizational Culture to Organizational Performance through Job Satisfaction Table 10. The coefficient of the influence of organizational culture on job satisfaction

		Unstandardized coefficients		Standardized coefficients		
Model		В	Std. Error	beta	t	Sig.
1	(Constant)	24.272	1,586		15.304	, 000
	CULTUR E	, 820	, 072	, 770	11.461	, 000

a. Dependent Variable: SATISFACTION

Based on the above table it can be seen that the direct effect of organizational culture on organizational performance is .630. While the influence of organizational culture on organizational performance through job satisfaction is  $0.770 \times 0.849 = 0.654$ . In this case smaller than the direct influence indirect influence so that it can be said that job satisfaction variables work as an intervening variable.

## **Conclusions and Recommendations**

#### Conclusion

Work environment variables affect the performance of an organization partially. T value of 5.796. The significant value of 0.00. The significance value smaller than 0.05. R squared value of 0.272. This means that the work environment variables influence the performance of 27.2% and the rest influenced by other variables not included in the model equations.

Organizational culture variables affect the performance of an organization partially. T value of 7.687. The significant value of 0.00. The significance value smaller than 0.05. R squared value of 0.396. This means that the influence of organizational culture variables on the organizational performance of 39.6% and the rest influenced by other variables not included in the model equations.

Job satisfaction variables affect the performance of an organization partially. T value of 15.268. The significant value of 0.00. The significance value smaller than 0.05. R squared value of 0.721. This means that the influence of job satisfaction variables on organizational performance and the remaining 75.3% is influenced by other variables that are not incorporated into the model equations.

The influence of the environment work on organizational performance is 0.521. The influence of the environment work on performance through job satisfaction is  $0.660 \ge 0.560$ . In this case the indirect effect is greater than the direct effect so that it can be said that job satisfaction variables work as an intervening variable.

The direct effect of organizational culture on organizational performance is 0.630. While the influence of organizational culture on organizational performance through job satisfaction is  $0.770 \times 0.849 = 0.654$ . In this case smaller than the direct influence indirect influence so that it can be said that job satisfaction variables work as an intervening variable.

### **Recommendations**

The working environment is both internal and external conditions that can affect morale and thus can be expected to finish the job faster and better. To improve the comfort of the work environment needs to be



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addressed conducive working atmosphere, improving relationships with co-workers, and provide working facilities.

Cultural organizations also need to be considered in improving organizational performance. Organizational culture as a pattern of basic assumptions that are found, created or developed by a certain group with the intention that the organization learns to overcome or cope with his problems arising from external adaptation and internal integration that has been going pretty well, so it needs to be taught to new members as the correct way to perceive, think and feel pleased with these issues should be considered properly. To improve the implementation of the organizational culture is necessary to increase the member's identity, attention to group emphasis, unit integration and control or supervision.

Satisfaction also needs to be improved. Job satisfaction is an assessment, a feeling or attitude of a person or employee to work and relate to the working environment and so on. The elements to improve job satisfaction need to be considered. Elements are salary, job, job promotion, supervision and co-workers.

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