
The Influence of Organizational Culture, Commitment, Compensation, and Work Ethic on Employee Performance at Djoglo Larisso Jember

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Abstract: This research aims to comprehensively analyze the impact of organizational culture, commitment, compensation, and work ethic on employee performance at Djoglo Larisso Jember. Employing a quantitative approach and correlational research design, the entire employee population (n=32) at Djoglo Larisso participated. The findings reveal that each independent variable, namely organizational culture, commitment, compensation, and work ethic, significantly influences employee performance both partially and simultaneously. The collective influence of these factors on employee performance at Djoglo Larisso underscores their interdependence. This study concludes that, when addressed collectively, these elements significantly contribute to the enhancement of employee performance. The practical implication emphasizes the imperative for culinary business owners to holistically incorporate and manage these factors to fortify the competitiveness and sustainability of their ventures in the highly competitive culinary industry. Further research may delve into more detailed strategies for the effective implementation of these variables in the culinary context, fostering a deeper understanding of their nuanced impact.

Keywords: Commitment; Compensation; Employee Performance; Organizational Culture; Work Ethic

INTRODUCTION

The culinary business is increasingly popular in Indonesia due to its perceived ease and substantial profitability (Rasti, [1]). This trend is supported by the diverse array of Indonesian culinary offerings, showcasing regional specialties that attract both local residents and tourists exploring various parts of the country (Tyas, [2]; Harsana & Triwidayati, [3]). The proliferation of culinary businesses in Indonesia is notably seen in Kabupaten Jember, with numerous restaurants adopting diverse concepts like Legian Restaurant, Resto Papuma, Resto Blambangan, Dira Resto, and Rumah Makan Djoglo Larisso, each with its unique focus, such as family-oriented or culturally themed (Rasti, [1]).

For restaurant entrepreneurs, effective management of human resources is crucial for competitiveness and sustainable growth. The enhancement of employee performance is influenced by factors such as organizational culture, commitment, compensation, and work ethic (Tyas, [2]; Harsana & Triwidayati, [3]; Santhi & Hartati, [4]; Tampubolon, [5]). A positive organizational culture contributes to improved employee performance, while commitment reflects the employee's dedication to the organization (Santhi & Hartati, [4]; Tampubolon, [5]). Compensation is a critical element for retaining human resources, and a high work ethic contributes to optimal employee performance (Santoso, [6]; Maharani & Efendi, [7]; Hasibuan, [8]; Maharani & Efendi, [7]). Understanding and integrating these elements – organizational culture, commitment, compensation, and work ethic – are essential for culinary business owners to strengthen their competitiveness and achieve sustainability in this highly competitive industry.

Djoglo Larisso is one of the restaurants located in Kabupaten Jember, standing out with its unique features compared to other restaurants in the surrounding area. Apart from using an old-fashioned spelling in its name, Djoglo Larisso adopts a theme that reflects Javanese traditions, showcasing various antique and aesthetic items as decorations. This distinctive approach attracts the public to visit the restaurant not only for Nusantara culinary delights but also to appreciate the collection of items displayed within the establishment. With its alluring charm, Djoglo Larisso initially drew considerable interest, especially during its early opening, where it emphasized Javanese culture. However, following this promising start, there has been a tendency for stagnation in customer interest, exacerbated by a decline in employee performance characterized by service delays, prolonged food serving times, and frequent tardiness.

Based on the initial findings, during September, 12 employees exhibited excellent performance, with none falling into the category of poor performance. However, subsequent evaluations in October and November revealed a decline in employee performance, with one employee categorized as having poor performance in October and two employees in November. This indicates the need for an evaluation to understand why employee performance at Djoglo Larisso tends to decrease each month. The management of Djoglo Larisso has the responsibility to assess the reasons behind the declining performance of their staff to prevent a continuous decrease in service quality, which could directly impact the restaurant's revenue.

According to previous research, such as Astuti [9], organizational culture greatly influences worker performance. Similarly, Koesmono [10], in a study that examined the medium-scale wood processing sector in East Java, found a positive link between organizational culture and worker performance. Asiedu et al. [11] found a positive relationship between organizational commitment and employee performance. In their research, Febrianti & Wati [12] However, some studies contain errors. For example, Syauta et al. [13] stated that organizational culture does not have a significant influence on outcomes, leaving us confused about this. [14] shows that there is no positive correlation between commitment to the organization and employee achievement. Similarly, Rianda & Winarno [15] which means that the level of compensation has no impact on worker performance. There are errors in research on internal variables such as work ethics. Wardani's study [16] shows that the research results show that, based on hypothesis testing, there is no significant influence between ethical work and employee performance.

The author was inspired to conduct a study that delves into examining how organizational culture, commitment, compensation, and work ethic can positively affect the performance of employees, both on an individual and collective level. The goal of this study is to provide valuable insights into the intricate dynamics of these factors and their impact on the overall performance of employees. The investigation will address the gaps in existing research, particularly in areas such as the significance of organizational culture, the relationship between commitment and performance, the effectiveness of compensation, and the role of work ethic in influencing employee performance. Through this study, a comprehensive understanding of how these elements interact and contribute to employee performance will be sought, providing practical implications for businesses aiming to optimize their workforce effectiveness.

METHOD

Research design

This study adopts a correlational research design utilizing a quantitative approach. The correlation approach is chosen as the research aims to explore the relationship between independent and dependent variables. Correlational research is employed to understand the association between different variables, expressed through correlation coefficients and significance levels.

Population, Sample, Sampling

Sugiyono [17] states that a population is a large area consisting of objects or subjects chosen by researchers to study and make conclusions [17]. According to this research, the population includes all 32 employees of Djoglo Larisso. The selection of this population location is based on practical considerations and ease of data acquisition, taking into account cost, time, and energy limitations. As per Sugiyono [17], a sample is a subset of the overall characteristics possessed by a population. Given the impracticality of studying an entire population, especially when it is large, due to constraints such as limited funds, manpower, and time, it becomes necessary to use a sample drawn from the population. In this research, a sample of 32 respondents is used, employing a saturated sampling method where the entire population is included as the sample, ensuring that the sample is truly representative.

Instrument

According to Arikunto [18], a research instrument/data instrument is a tool or facility used by researchers to collect data, making their work easier and achieving better, more precise, complete, and systematic results, thus facilitating data processing. Instrument testing in this study utilizes the SPSS for Windows software. The results of the validity and reliability instrument tests for the variables in this research can be observed in the table below.

Table 1. Results of Validity Test

Code	r Calculated	r Table (0.339)	Result
X1.1	0,612	0,339	Valid
X1.2	0,567	0,339	Valid
X1.3	0,492	0,339	Valid
X1.4	0,612	0,339	Valid
X1.5	0,592	0,339	Valid
X1.6	0,670	0,339	Valid
X1.7	0,602	0,339	Valid
X1.8	0,592	0,339	Valid
X2.1	0,989	0,339	Valid
X2.2	0,960	0,339	Valid
X2.3	0,989	0,339	Valid
X3.1	0,975	0,339	Valid
X3.2	0,966	0,339	Valid
X3.3	0,988	0,339	Valid
X3.4	0,988	0,339	Valid
X4.1	0,683	0,339	Valid
X4.2	0,925	0,339	Valid
X4.3	0,825	0,339	Valid
X4.4	0,817	0,339	Valid
X4.5	0,807	0,339	Valid
X4.6	0,727	0,339	Valid
Y1	0,937	0,339	Valid
Y2	0,972	0,339	Valid
Y3	0,959	0,339	Valid
Y4	0,989	0,339	Valid
Y5	0,989	0,339	Valid

Table 1 presents the results of the validity test for various variables. The calculated correlation coefficients (r) for each variable (X1 to X4 and Y) were compared with the critical value (r Table) of 0.339. The findings indicate that all variables, including organizational culture (X1), commitment (X2), compensation (X3), work ethic (X4), and performance (Y), have calculated correlation coefficients exceeding the critical value, confirming their validity. This implies that the chosen instruments effectively measure the intended constructs, ensuring the reliability of the data collected for the study.

Table 2. Reliability Test Result

Code	Cronbach's Alpha	N of Items
X1	.738	8
X2	.978	3
X3	.984	4
X4	.966	6
Y	.983	5

Table 2 displays the results of the reliability test using Cronbach's Alpha for each variable. The calculated Cronbach's Alpha coefficients for organizational culture (X1), commitment (X2), compensation (X3), work ethic (X4), and performance (Y) are .738, .978, .984, .966, and .983, respectively. These coefficients are indicative of the internal consistency and reliability of the measurement instruments. The high Cronbach's Alpha values suggest a strong internal reliability, demonstrating that the items within each variable consistently measure the intended constructs in a reliable manner.

RESULTS AND DISCUSSION

Result

Table 3. Results of Individual Parameter Significance Test (t-test)

Model		Unstandardized Coefficients		Standardized Coefficients	T	t Tabel	Sig.
		B	Std. Error	Beta			
1	(Constant)	1.673	4.881		.343		.734
	X1	.299	.084	.309	3.557		.001
	X2	.778	.165	.434	4.709	2.052	.000
	X3	.496	.105	.425	4.745		.000
	X4	-.364	.148	-.207	-2.467		.020

Table 3 presents the results of the Individual Parameter Significance Test (t-test) for the given model. The unstandardized coefficients (B) and standardized coefficients (Beta) for each variable (X1, X2, X3, X4) are provided along with their standard errors, t-values, critical t-values, and significance levels (Sig.). The interpretation of the results indicates that all variables under investigation (X1, X2, X3, X4) have a significant impact on employee performance. Specifically, the standardized coefficients (Beta) reflect the strength and direction of each variable's influence, while the t-values compare the estimated coefficients to their standard errors.

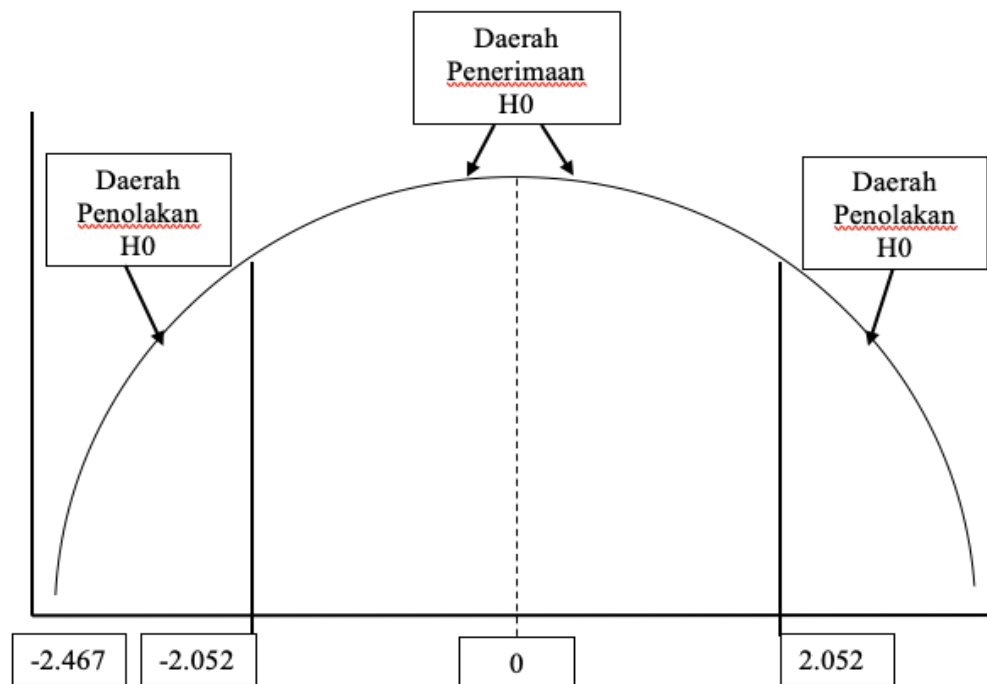


Figure 1. Two-tailed t-test Curve

Table 4. Results of Simultaneous Significance Test (F-test)

Model	Sum of Squares	Df	Mean Square	F	F Tabel	Sig.
1 Regression	671.321	4	167.830	31.381	2.728	.000 ^b
Residual	144.398	27	5.348			
Total	815.719	31				

A notable F-value of 31.381 and a corresponding significance level (Sig) of .000 demonstrate the statistical significance of the regression model. This shows that there is at least one independent variable that has a significant influence on the dependent variable. Thus, these results confirm the broad explanatory capacity of the model and increase the credibility of regression analysis as a tool for showing differences in dependent variables.

Discussion

Based on the results, it can be concluded that the first hypothesis is validated in accordance with the criteria for decision-making. This confirms previous research findings which found that organizational culture contributes positively and significantly to employee performance (Gorap et al., [19]). This study shows statistical evidence that supports the idea that a positive organizational culture significantly influences employee performance. Thus, the existence of a positive culture in an organization can have a positive impact on employee performance. These results are consistent with previous research by Astuti [9], which found that organizational culture significantly influences employee performance.

The findings suggest that commitment plays a significant role in the disclosure of employee performance, and it is plausible that employees at Djoglo Larisso Restaurant show a high degree of commitment. Djoglo Larisso Restaurant can see positive results from the performance of its workers if they work in a workplace with a high level of commitment. If they work in a workplace with a positive work culture and a high level of commitment, workers will be more motivated, dedicated, and perform better, which in turn will result in increased service quality and higher levels of customer satisfaction.

To increase and maintain employee commitment levels, Djoglo Larisso can apply various approaches. First, create a positive, inclusive, and supportive organizational culture to create a motivating, enjoyable, and strong connection to the company's values and goals. Second, ensure effective communication by keeping channels of communication open and consistent, helping employees understand organizational goals and feel valued for their work. Regularly providing information about progress, changes and achievements will strengthen the relationship between management and employees. Apart from that, providing proper recognition and appreciation is very important.

Previous research that emphasizes the influence of compensation on employee performance supports this finding (Muttaqin & Herminingsih, [20]). A current study shows that the compensation given to employees at Djoglo Larisso Restaurant can influence public perceptions of their performance. Employees can be motivated to deliver their best performance by receiving fair and sufficient compensation. Recognizing their efforts by offering appropriate compensation can inspire employees to improve their productivity, efficiency, and overall work quality.

In the statistical analysis of Hypothesis 4, it was found that the relationship between Work Ethics and employee performance had a significance value that was lower than the predetermined significance level (0.05). This indicates that the statistical analysis findings are valid, and the hypothesis that Work Ethics affects employee performance is supported. For Work Ethics, there is a negative regression coefficient value (-2.467). Although there is a negative relationship between "Work Ethics" and "Employee Performance", the results of the analysis show that this relationship significantly impacts. It is important to remember that a poor relationship does not necessarily mean a weak or irrelevant relationship. This can happen for a variety of reasons, such as company rules not fully supporting a particular work culture, a specific role played by an employee, or a short-lived impact. Both positive and negative relationships can occur for a variety of reasons, such as company rules that do not fully support a particular workplace culture, specific tasks played by each worker, or external factors that are temporary. Although there is a negative relationship, the significant relationship indicates that restaurants should consider Work Ethics as an important part of achieving optimal employee performance.

In Djoglo Larisso Restaurant, research results show that elements such as a positive organizational culture, a high level of employee commitment. This finding is in line with previous findings (Gorap et al., [19]; Hasing & Sulkarnain, [21]). Furthermore, Astuti [9] found that organizational culture and commitment both individually and simultaneously affect employee performance. Another study found that discipline and organizational commitment both contribute to or impact employee performance (Indah & Puspasari, [22]).

CONCLUSION

In conclusion, the comprehensive analysis of Organizational Culture, Commitment, Compensation, and Work Ethic in Djoglo Larisso Restaurant indicates a positive and significant impact on Employee Performance. These findings align with prior research, emphasizing the crucial role of a positive organizational culture, strong commitment, fair compensation, and a robust work ethic in fostering optimal employee performance. However, it is noteworthy that the negative relationship between Work Ethic and employee performance, though significant, requires further exploration and understanding. For future research, it is recommended to delve deeper into the factors contributing to the negative relationship between Work Ethic and employee performance. Understanding the nuanced dynamics and potential mitigating factors could provide valuable insights. Additionally, exploring the moderating effects of contextual variables or organizational characteristics may enhance the understanding of how these factors interact. Moreover, investigating the longitudinal effects

of interventions aimed at improving organizational culture, commitment, compensation, and work ethic could offer practical implications for enhancing employee performance over time. Lastly, considering the industry-specific context and conducting comparative studies across different sectors may contribute to a more nuanced understanding of the relationships observed in this study.

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