

EFFECT OF WORK CULTURE AND HUMAN RESOURCES QUALITY ON EMPLOYEE'S PRODUCTIVITY THROUGH ORGANIZATIONAL COMMITMENT AS A MODERATOR: A STUDY IN AGENCY FOR RURAL COMMUNITY EMPOWERMENT, POPULATION ARRANGEMENT, AND WOMEN EMPOWERMENT OF NAGAN RAYA DISTRICT

Said Mudhar¹, Asmawati² and Isthafan Najmi³

¹Master degree student at the program of magister management, Universitas Abulyatama, Aceh Besar, Indonesia

^{2,3}Lecturer at the program of magister management, Universitas Abulyatama, Aceh Besar, Indonesia

DOI: 10.46609/IJSSER.2023.v08i05.009 URL: <https://doi.org/10.46609/IJSSER.2023.v08i05.009>

Received: 2 April 2023 / Accepted: 10 May 2023 / Published: 22 May 2023

ABSTRACT

The aim of this research is to analyze the influence of work culture and the quality of human resources on employee work productivity through organizational commitment as a mediating variable. The research was conducted at the agency for rural community empowerment, population arrangement, and women empowerment of Nagan Raya District, with a total of 55 employees. Data collection used a questionnaire and then the data were analyzed using statistical models for structural equation modeling (SEM) which were then operated through the Smart-PLS software. The study found that work culture and human resource quality had a positive and significant effect on organizational commitment and work productivity of the agency's employees. In addition, organizational commitment also has a significant impact on employee productivity. The existence of organizational commitment is not only an important determinant of employee productivity but also mediates the influence of work culture and the quality of human resources on employee work productivity.

Keywords: Employee productivity, organizational commitment, work culture, human resources quality, and Structural Equation Modeling.

1. Introduction

The agency for rural community empowerment, population arrangement, and women empowerment of Nagan Raya District is a regional government apparatus that in its duties and

authorities is directly responsible to the regional secretary. Its existence is very important in encouraging the empowerment of the rural community, including the empowerment of women in the district. In order to improve the performance of the service, the head of the service has made efforts to increase the work productivity of his employees. Efforts to increase employee work productivity include the provision of work facilities and the provision of education and training for employees according to the field of work assigned to them. However, employee work productivity is actually not only influenced by work facilities and education but also related to organizational commitment. Commitment is defined as the force that binds individuals to actions that are relevant to one or more targets (Van Rossenberg et al., 2018). Empirically, the influence of organizational commitment on employee work productivity has been proven by a number of researchers (Locke & Latham, 2002; Klein et al., 2013).

Apart from organizational commitment, other factors that influence employee work productivity are work culture and the quality of human resources. These two variables not only have an impact on work productivity but can also affect employee commitment or attachment to the organization where they work. The existence of a relationship between workplace culture and employee commitment and work productivity can be explained in the organizational culture diagnosis model advised by Tiernay that the better the quality of the factors contained in the organizational culture, the higher the commitment and work motivation of employees, which in turn can have a positive impact on work productivity (Iljins et al., 2015). The quality of human resources refers to the expertise possessed by employees, namely the individual capacity to perform various tasks in a job (Robbins & Judge, 2012). The quality of an employee can affect the smooth completion of the tasks assigned to him. The better a person's expertise, the greater his ability to complete the workload given. Therefore, expertise is one of the determining factors of employee work productivity. Wade & Parent (2012) stated that there is a positive relationship between skills and work productivity between job skills and work performance that can be produced by employees.

The results of an initial survey that researchers conducted on a small number of employees of the agency for rural community empowerment, population arrangement, and women empowerment of Nagan Raya District obtained information that they had work productivity that differed from one another. This can be seen from a number of indicators such as a sense of responsibility at work, love for work, the ability to complete work on time, and the ability to understand the work being charged. The results of the initial survey indicated that there were still a small number of employees who were unable to complete their tasks according to a predetermined time target. In addition, some employees also have a low sense of responsibility towards their work.

As previously explained, work productivity can be influenced by employee commitment or attachment to the organization. Furthermore, organizational commitment is also related to work

culture factors and human resource quality. Besides influencing organizational commitment, work culture and quality of human resources can also have an impact on work productivity. There are problems related to organizational commitment and employee work productivity and employee performance at the local government agency explained above, which could certainly be linked to the work culture and quality of human resources in these agencies. Therefore, this study focuses on the influence of work culture and the quality of human resources on organizational commitment and employee performance in these institutions. Unlike a number of researchers, this study places organizational commitment as a moderating variable between employee productivity on the one hand and work culture and organizational commitment on the other. So that the results of the study not only provide practical benefits for human resource practitioners in government agencies but also contribute to the development of literature related to the role of organizational commitment in mediating the relationship between variables.

Systematically, in addition to the background previously described, this paper will contain the theoretical basis in the second section, then data, methodology, and analytical models in the third section. The fourth part is the result of research and discussion. Finally, the fifth section presents conclusions and recommendations as well as research implications for forthcoming researchers.

2. Literature review

2.1 The links between work culture and organizational commitment

Organizational commitment can be defined as a sense of attachment of employees to the organization where they work. The commitment or sense of attachment of employees to the organization is related to their assessment of the work culture that applies to the organization. At the empirical level, the existence of a link between workplace culture and organizational commitment has been proven by a number of researchers. The study conducted by Lee et al. (2016) proves that employees' assessment of the work culture that applies to the organization where they work has a positive and significant relationship with their sense of attachment to the organization. The better the assessment of work culture, the higher the commitment to the organization. Previously, research by Su et al. (2013) on public sector organizations in Australia also proves that organizational culture which is then reflected in the form of work culture has a positive and significant impact on employee commitment to the organization where they work. The results of other studies such as Shahriari et al. (2022) also prove that an assessment of organizational culture is positively and significantly related to employee commitment to the organization where they work.

2.2 The links between human resources quality and organizational commitment

Organizational commitment relates to an employee's sense of attachment to the organization where they work. This sense of attachment can be influenced by a number of factors including the quality of the employee's own human resources, which is reflected in the work skills they have. When an employee has work skills that are in accordance with the demands of the work assigned to him, there will be a sense of comfort at work, and this condition has an impact on their commitment to their work and work environment. Thus, the skills and workability of an employee as a reflection of the quality of the employee's human resources can have an impact on his commitment to the organization. Empirically, the influence of human resources quality on organizational commitment has been proven by Martini et al. (2020) who revealed that the competence and quality of HR can not only significantly increase employee commitment, but also have an impact on the achievement of their work results.

2.3 The links between work culture and employee productivity

Work culture can affect employee productivity and performance. The relationship between workplace culture and work productivity can be explained in Tiernay's organizational culture diagnosis model that the better the quality of the factors contained in the organizational culture, the better the organizational performance (Iljins et al., 2015). Employees who already understand the overall values and or work in an organization will make these values as a personality at work. These values and beliefs will be manifested into their daily behavior at work, so that it will become an individual performance. Supported by existing human resources, systems, technology, corporate strategy, and logistics, each individual's good performance will lead to good organizational performance as well. Kotter & Heskett (2012) stated that the prevailing culture in an organization has a strong impact on organizational performance. The work culture adopted by organizational members has a significant impact on organizational performance in the long term. Work culture is significantly and positively related to employee performance which in turn can improve organizational performance (Fey & Denison, 2010). This is in accordance with the findings of Amri (2015) pointed out that there is a positive relationship between workplace culture and organizational performance. Likewise, the study of Kuo & Tsai (2017) also reveals that employees' assessments of work culture and the values and norms that apply in the organization have a significant impact on their work productivity. A recent study by Al-Shehhi et al. (2021) also strengthens empirical evidence that work culture has a positive and significant effect on employee productivity and organizational performance.

2.4 The links between human resources quality and work productivity

Expertise is the power to do an action (Robbins, 2016: 46). The expertise possessed by an employee can affect the smooth completion of the tasks assigned to him. The better a person's skills, the greater his ability to complete the workload given. Hence, expertise is one of the

determining factors for employee performance. Wade & Parent (2012) stated that there is a positive relationship between work skills and employee performance. Previously, Zmud (2014) also found that the expertise possessed by an employee, both technical skills and organizational skills had a positive effect on employee work outcomes. This is in line with the research findings of Lee et al. (2016) which concludes that the technical expertise possessed by an employee in relation to the assigned tasks greatly determines the work productivity of the employee concerned. The existence of a link between employee work productivity and work skills is also reinforced by the research findings of Sasso & Ritzen (2018) which reveal that most of the variation in labor productivity is explained by the expertise and work skills they have. Previously, a study conducted by Mandes & Machado (2014) also proved that the quality of the workforce not only affects work productivity but also has a significant impact on the performance of the organizations where they work.

3. Data and methodology

This research was conducted at the Agency for rural community empowerment, population arrangement, and women empowerment of Nagan Raya District. The object of research relates to employee work productivity and their commitment or sense of attachment to the agency, which is then linked to perceptions of work culture and quality of human resources. All employees of the agency were used as research subjects so this research was a population study. Data collection uses a questionnaire in the form of closed questions/statements filled out by employees. Data measurement uses a Likert scale of 1-5 (Amri, 2013; Ratnawati & Amri, 2013; Amri & Nurmala, 2021), and then the data analysis model that is applied is Structural Equation Modeling (SEM)-Smart PLS.

4. Result and discussion

As explained in the previous chapter, this study places organizational commitment as a moderating variable between employee productivity and work culture, and the quality of human resources. So that the influence between variables can occur directly or indirectly. Through the use of Smart-PLS as a data processing tool, the estimation coefficient, which in structural equation modeling (SEM) terminology is often also called the path coefficient, is obtained through the bootstrapping process, the results are as shown in Figure 1, and the estimated coefficient values between variables such as in Table 1.

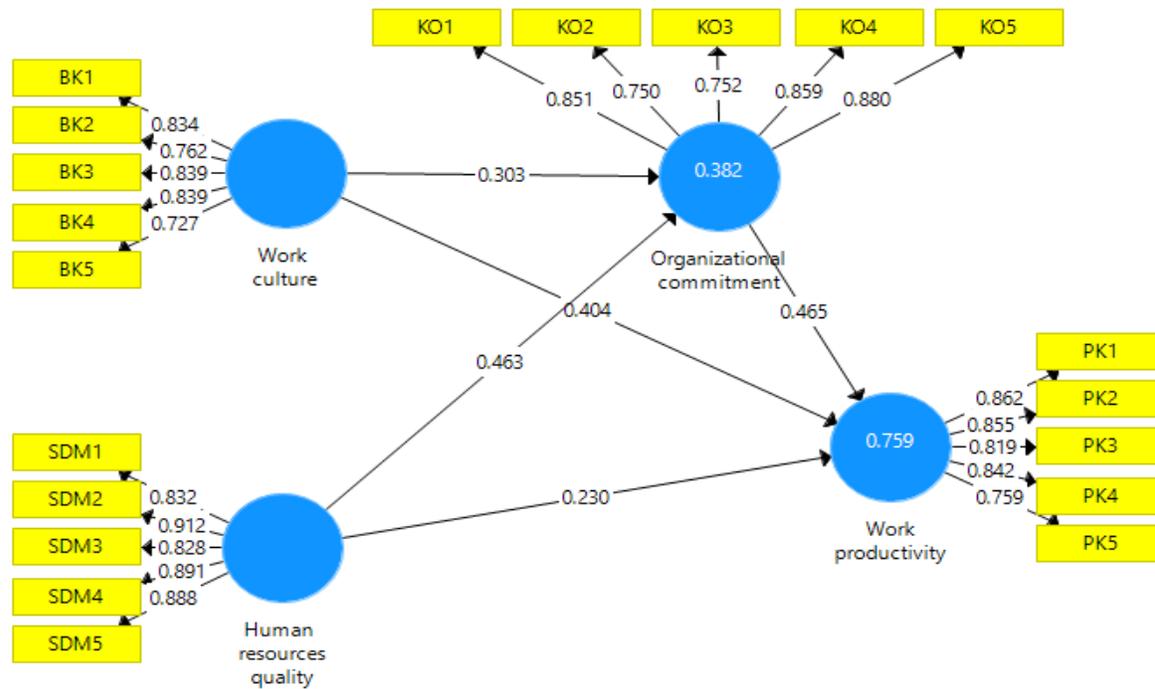


Figure 1. The result of PLS-estimation

Table 1. Path coefficient of research variables

			Estimate coefficient	t-test	p-value
Work culture	--- >	Organizational commitment	0.303	2.242	0.025
Work culture	--- >	Work productivity	0.404	3.364	0.001
Organizational commitment	--- >	Work productivity	0.465	3.441	0.001
Quality of human resources	--- >	Organizational commitment	0.463	2.549	0.011
Quality of human resources	--- >	Work productivity	0.230	2.386	0.017

Sources: Primary data (Processed), 2022.

Table 1 shows the path coefficient of work culture on organizational commitment of 0.303 (p-value < 0.05). This means that work culture has a positive and significant effect on organizational commitment. The better the employee's perception of the work culture that applies to the Agency for rural community empowerment, population arrangement, and women empowerment of Nagan Raya District, the higher their commitment or sense of attachment to the agency. On the other hand, when the assessment of work culture is not good, then this condition

has an impact on decreasing employee commitment. This finding is consistent with the research results of Gutierrez et al. (2012) which also proves that work culture which is reflected through work values and organizational support is positively related to the commitment or sense of attachment of employees to the organization where they work. The better the assessment of work culture, the higher the organizational commitment. Conversely, when employees have a poor assessment of work culture, this condition can have a negative impact on commitment.

The quality of human resources also has a positive and significant effect on organizational commitment. Statistically, this indication is indicated by the path coefficient of 0.463 (p -value < 0.05). The better the quality of human resources, the higher the organizational commitment. On the other hand, when the quality of human resources decreases, this condition has a negative impact on the decrease in commitment. In other words, employees with better quality have a higher commitment. On the other hand, employees with poor quality have a relatively low commitment to the agency. The results of the study strengthen the findings of Martini et al. (2020) who also found that the competency of human resources significantly affects organizational commitment. Employees with relatively good competencies indicated by relatively good work skills and knowledge have better commitment than employees with poor work skills. This finding also confirms the results of the Huynh & Hua (2020) study which also provides empirical evidence that the successful implementation of tasks by employees based on the quality and workability they have has a significant impact on their sense of attachment to the organization where they work.

By placing work productivity as an endogenous variable, statistical results such as the table above show that culture has a positive effect on employee productivity with an estimated coefficient of 0.404 (p -value < 0.05). The better the employee's assessment of work culture, the higher their work productivity. Conversely, when the assessment of work culture decreases, this has an impact on decreasing work productivity. This finding is in line with the opinion of Westove et al. (2010) which states that work culture and values that apply in the workplace have a significant impact on employee work productivity. The better the employee's assessment of the values and norms that apply in the work environment, the better the work productivity. The quality of human resources also has a positive and significant effect on work productivity. This is indicated by the estimated coefficient of 0.230 (p -value < 0.05). The better the quality of human resources, the higher the work productivity. On the other hand, a decrease in the quality of human resources significantly reduces work productivity. The results of this study are in line with the research findings of Martini et al. (2020) which also pointed out that the workability of an employee has a significant impact on their work productivity

Organizational commitment has a positive and significant effect on the work productivity of employees of the agency for rural community empowerment, population arrangement, and

women empowerment of Nagan Raya District, with a path coefficient of 0.465 (p-value < 0.01). At the 99% confidence level, the increase in organizational commitment significantly affects employee productivity. In other words, the higher the organizational commitment, the higher the work productivity. Conversely, a decrease in commitment has an impact on a decrease in work productivity. Thus, there is a unidirectional relationship between employee work productivity and employee commitment or sense of attachment to the local government agency.

As explained earlier, this study places organizational commitment as a mediating variable between employee productivity on the one hand, and work culture and human resource quality on the other. In other words, organizational commitment is positioned as an intermediate variable in the relationship between variables. Through the use of Smart-PLS as a data processing tool, the structural equation model (SEM)-PLS model can directly provide information about the direction and significance of the indirect effect between variables. The direction and significance of the indirect influence of work culture and quality of human resources on employee work productivity through organizational commitment are shown in Table 2.

Tabel 2. Indirect effect

			Estimate coefficient	t-test	p-value
Work culture	--- >	Work productivity	0.141	1.755	0.080
Quality of human resources	--- >	Work productivity	0.215	1.955	0.051

Source: Primary data (Processed), 2022.

The estimation results regarding the indirect effect of work culture on employee work productivity through organizational commitment resulted in an estimated coefficient of 0.141 with a p-value of 0.080 (< 0.10). Thus, it can be interpreted that the influence of work culture on employee work productivity is only significant at 90% confidence. On the other hand, using 95% confidence, the effect is not significant. The estimation results regarding the indirect effect of HR quality on employee work productivity resulted in an estimated coefficient of 0.215 with a p-value of 0.051 (< 0.10), it can also be interpreted that the indirect effect of the quality of human resources on work productivity also occurs in 90% confidence. On the other hand, at the 95% confidence level, the effect is also not significant.

5. Conclusion and suggestion

Work culture and positive and significant impact on organizational commitment among the employee of the Agency for rural community empowerment, population arrangement, and women empowerment of Nagan Raya District. The better the perceived work culture, the higher

the employee's commitment or sense of attachment to the service. On the other hand, employees with a poor evaluation of work culture and relatively low-quality human resources tend to have relatively low commitment. So that there is a unidirectional relationship between the assessment of work culture and employee commitment. Work culture and quality of human resources also have a positive and significant impact on the work productivity of employees of the local government agency. The better the assessment of work culture, the higher work productivity. Conversely, employees with a poor assessment of work culture will tend to have relatively low work productivity. Thus there is a unidirectional relationship between workplace culture and employee work productivity. Furthermore, organizational commitment does not only affect the work productivity of employees but also mediates the influence of work culture and the quality of human resources on employee work productivity. The mediating effect played by organizational commitment in mediating the influence of work culture and human resources quality is partial mediation.

Referring to the conclusions described above, the Head of the Agency for rural community empowerment, population arrangement, and women empowerment of Nagan Raya District should increase the work productivity of the agency's employees. This is because employee work productivity is very important to improve the quality of public services, especially those related to village community empowerment. Operationally efforts to increase employee work productivity can be carried out through policy interventions on matters that theoretically and empirically can affect work productivity such as organizational commitment, quality of human resources, and work culture.

References

- Al-Shehhi, N., Al Zaabi, F., Al Nahhal, M., Skahrieh, A., & Tabash, M. I. (2021). The effect of organizational culture on the performance of UAE organizations. *Cogent Business & Management*, 8(1), 1-21. <https://doi.org/10.1080/23311975.2021.1980934>
- Amri, K., & Nurmala. (2021). Is there a relationship between social capital and organizational citizenship behavior? An empirical evidence study from legislature members. *SAINS: Jurnal Manajemen dan Bisnis*, 14(1), 56-69.
- Amri, K. (2015). Pengaruh kepemimpinan dan motivasi dalam meningkatkan produktivitas kerja karyawan PT Bank Sinarmas Tbk cabang Banda Aceh. *Jurnal Ekonomi Manajemen dan Bisnis*, 3 (1), 522-536.
- Amri, K. (2013). Faktor-faktor yang mempengaruhi loyalitas konsumen surat kabar Harian Serambi Indonesia di kota Banda Aceh. *Jurnal Ekonomi Manajemen dan Bisnis*, 1(1), 229-242.

- Fey, C. F. & Denison, D. N. (2010). Organizational Culture and Effectiveness: The Case of Foreign Firms in Russia and Sweden. *Working Paper Services in Business Administration*, 12(4), 123-165.
- Gutierrez, A. P., Candela, L. L., & Carver, L. (2012). The structural relationships between organizational commitment, global job satisfaction, developmental experiences, work values, organizational support, and person-organization fit among nursing faculty. *Journal of Advanced Nursing*, 68(7), 1601–1614. doi:10.1111/j.1365-2648.2012.05990.
- Huynh, T. N., & Hua, N. T. A. (2020). The relationship between task-oriented leadership style, psychological capital, job satisfaction and organizational commitment: evidence from Vietnamese small and medium-sized enterprises. *Journal of Advances in Management Research, ahead-of-print(ahead-of-print)*. doi:10.1108/jamr-03-2020-0036
- Iljins, J., Skvarciav, V., & Sarkane, E. G. (2015) Impact of Organizational Culture on Organizational Climate during the Process of Change, *Social and Behavioral Sciences*, 21(3): 944 – 950.
- Klein, H. J., Cooper, J. T., Molloy, J. C., & Swanson, J. A. (2013). The assessment of commitment: Advantages of a unidimensional, target-free approach. *Journal of Applied Psychology*, 99, 222–238.
- Kotter & Heskett, (2012). *Corporate Culture and Performance*. The Free Press, New York.
- Kuo, T., & Tsai, G. Y. (2017). The effects of employee perceived organisational culture on performance: the moderating effects of management maturity. *Total Quality Management & Business Excellence*, 1–17. doi:10.1080/14783363.2017.1302327
- Lee, J., Chiang, F. F. T., van Esch, E., & Cai, Z. (2016). Why and when organizational culture fosters affective commitment among knowledge workers: the mediating role of perceived psychological contract fulfilment and moderating role of organizational tenure. *The International Journal of Human Resource Management*, 29(6), 1178–1207. doi:10.1080/09585192.2016.1194870
- Locke, E. A., & Latham, G. P. (2002). Building a practically useful theory of goal setting and task motivation, a 35-year odyssey. *American Psychologist*, 57, 705–717.
- Martini, I. A. O., Supriyadinata, A. A. N. E., Sutrisni, K. E., & Sarmawa, I. W. G. (2020). The dimensions of competency on worker performance mediated by work commitment. *Cogent Business & Management*, 7(1), 1794677. doi:10.1080/23311975.2020.1794677

- Mendes, L., & Machado, J. (2014). Employees' skills, manufacturing flexibility and performance: a structural equation modeling applied to the automotive industry. *International Journal of Production Research*, 53(13), 4087–4101. doi:10.1080/00207543.2014.993772
- Ratnawati & Amri, K. (2013). Pengaruh keadilan organisasional, kepercayaan pada atasan terhadap perilaku kewargaan organisasi (organizational citizenship behaviour). *Jurnal Ekonomi Manajemen dan Bisnis*, 1 (1), 56-73
- Robbins, S. P. (2016). *Organizational Behavior: Concepts, Controversies, Application*. Eight Edition. New Jersey. Prentice Hall International, Inc.
- Robbins, S. P., & Judge. (2012). *Perilaku Organisasi*, Buku 1, Cet. 12. Jakarta: Salemba Empat
- Sasso, S., & Ritzen, J. (2018). Sectoral cognitive skills, R&D, and productivity: a cross-country cross-sector analysis. *Education Economics*, 27(1), 35–51. doi:10.1080/09645292.2018.1515309
- Shahriari, M., Riahi, M. T., Azizan, O., & Rasti-Barzoki, M. (2022). The effect of green organizational culture on organizational commitment: The mediating role of job satisfaction, *Journal of Human Behavior in the Social Environment*, DOI: [10.1080/10911359.2022.2029789](https://doi.org/10.1080/10911359.2022.2029789)
- Su, S., Baird, K., & Blair, B. (2013). Employee organizational commitment in the Australian public sector. *The International Journal of Human Resource Management*, 24(2), 243–264. doi:10.1080/09585192.2012.731775
- Van Rossenberg, Y. G. T., Klein, H. J., Asplund, K., Bentein, K., Breitsohl, H., Cohen, A., ... Yalabik, Z. Y. (2018). The future of workplace commitment: key questions and directions. *European Journal of Work and Organizational Psychology*, 27(2), 153–167. doi:10.1080/1359432x.2018.1443914.
- Wade & Parent (2012). Relationships Between Job Skills and Performance: A Study of Webmasters. *Journal of Management Information Systems*, 18(3), 71-96.
- Westover, J. H., Westover, A. R., & Westover, L. A. (2010). Enhancing long-term worker productivity and performance. *International Journal of Productivity and Performance Management*, 59(4), 372–387. doi:10.1108/17410401011038919
- Zmud, R.W. (2014). *No Excuses: Realising Promised Benefits from Digitisation*, Legerity Digital Press, USA.