

THE INFLUENCE OF COMPETENCE, ORGANIZATIONAL CULTURE, AND ORGANIZATIONAL COMMITMENT ON EMPLOYEE PERFORMANCE MEDIATED BY ORGANIZATIONAL CITIZENSHIP BEHAVIOUR AT PT PEMBANGUNAN ACEH (PEMA)

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ABSTRACT

This study aims to investigate the impact of competence, organizational culture, and organizational commitment on employee performance, which is mediated by organizational citizenship behavior (OCB), at PT Pembangunan Aceh (PEMA). This study includes all 102 employees of PEMA as the population, and the sample was taken using a census. The data were analyzed using the Structural Equation Modeling (SEM). The result reveals that competence, culture, and commitment directly affected OCB, and competence, culture, and OCB directly affected employee performance. However, commitment did not directly affect employee performance. In addition, the study found that OCB significantly mediated the competence, culture, and commitment impact on employee performance. In the model that investigates the competence and culture impact on employee performance, OCB played a partial role as a mediator, while in the model that investigates the commitment impact on employee performance, OCB played a full role as a mediator. These findings suggest that enhancing employee competence, aligning with company culture, and strengthening employee commitment are crucial for improving employee performance at PEMA.

Keywords: Competence, Organizational Culture, Organizational Commitment, Organizational Citizenship Behaviour, Employee Performance.

1. INTRODUCTION

Human resources (HR) is regarded as significant since it can have an impact on the organization's efficiency and effectiveness, and it is the organization's primary cost in carrying out its operations. Humans play an active role in all organizational action, specifically as planners, actors, and influencers in the realization of organizational goals, thus making humans an asset of the company that must be maintained, to increase efficiency and productivity. If individuals in the company, namely HR, can run effectively, the company will continue to run effectively. Employees develop something known as performance while working. Employees' performance is the outcome of their job or actual behavior concerning their role in the organization (Robbins & Judge, 2017). Companies certainly have the goal of making a profit. The organization can work because of the activities or exercises carried out by the representatives within the organization. By making strides in worker execution, the company's execution will naturally increase.

PT Pembangunan Aceh (PEMA) is an Aceh Regional Owned Enterprise (BUMD/BUMA) whose shares are 100% owned by the Government of Aceh, which aims to improve development,

economy, and Aceh Original Revenue. However, based on the results of the report from the Financial Audit Agency on the management of investment activities in the context of obtaining PIs/operators of oil and gas WKs and operational activities of BUMDs in the management of oil and gas WKs from 2017 to 2020 (Semester I), the Government of Aceh and PT PEMA have not complied with the provisions in several respects, namely: (1) Investment activities at PT PEMA related to readiness to become the operator of the Block B Oil and Gas Working Area are not supported by adequate financial capacity; (2) Joint management of WK Pase between PDPA and TPI since 2013 has not been carried out following the Joint Venture Agreement (JVA) as a whole; and (3) Withdrawal of funds by PDPA Management is not by the provisions and the return process is protracted. The problematic performance of PEMA is inseparable from poor employee performance. PT PEMA does not yet have qualified HR to manage the energy potential in Aceh. This was conveyed by the Head of the Energy and Mineral Resources Agency (ESDM) in July 2021 that PEMA does not have strong HR to manage 12 working areas that are still active in the Aceh region. The pre-survey shows that employee performance perceived is relatively low because the average value is 3.39 which is in the poor category ($3.39 < 3.41$). This proves it has not been maximized.

One of the factors that influence employee performance is organizational citizenship behavior (OCB). OCB speaks to the reality that this behavior includes a certain effect on organizational adequacy by including a social system in the work environment. OCB is free individual behavior, not specifically or unequivocally recognized within the remuneration framework, and in advancing the compelling working of the organization in other words, OCB is representative behavior that surpasses the desired part, which isn't specifically or unequivocally recognized by the formal remuneration framework (Organ, 2015). The organization will undoubtedly profit from such employee attitudes since it can accomplish its objectives with the full backing of its OCB personnel. Most studies contend that OCB is advantageous and provides numerous advantages for managers and organizations (Sadeghi, Ahmadi, & Yazdi, 2016). This is also shown by (Firdaus, Syafruddin, & Utami, 2019) who found that good OCB will influence improving Performance. Based on the pre-survey, it is known that OCB perceived is relatively low because the mean is 3.40, it is in the poor category ($3.40 < 3.41$). This proves OCB is not yet optimal.

The next factor that affects employee performance is competence. Competence shows the people's potential to do jobs. It is a manifestation of their knowledge and skills. This is because the organization provides opportunities for employees to use their abilities, abilities are very supportive of an organization's performance so that the organization can run well following the objectives of the organization. (Wahyuni, 2022) found that competence affects organizational performance. Research conducted by (Suhartini, 2015), states that competence affects performance. The results of the study are the same as (Layaman & Nidak, 2016), stating that the ability variable affects performance. (Molderez & Ceulemans, 2018) found that competence affects organizational performance where better employee competence will improve organizational performance. Based on the pre-survey, it is known that competence is perceived to be relatively low because the mean value is 3.37 where it is in the poor category ($3.37 < 3.41$). This proves employee competence is not as expected.

Organizational culture is a crucial factor that affects employee performance. The work

environment should cater to the needs of employees so that they can complete their tasks to the best of their abilities. According to (Liliweri, 2014), culture is a collection of knowledge, experience, beliefs, values, attitudes, meaning, hierarchy, religion, records of time, roles, certain relationships, concepts of the universe, material objects, and thoughts that are recognized by a human group and passed down from one generation to another. Organizations with a strong culture can significantly influence behavior and employee performance effectiveness.

However, based on the pre-survey, it seems that the culture within the organization is not running optimally. The mean value of the survey results is 3.39, which falls under the poor category ($3.39 < 3.41$). This indicates that the culture is perceived to be relatively low and may not be meeting the needs of the employees. In addition to cultural factors, commitment factors can also influence OCB and employee performance. Commitment is characterized by an employee's loyalty, emotional attachment, and adherence to the organization's vision, mission, values, and goals. (McShane & Glinow, 2010) stated commitment is the most important influence on the organization. Employees who have high commitment are more likely to voluntarily give maximum effort for achieving organizational goals, maintaining its values, and participating actively to advance the organization. This commitment is influenced by the level of satisfaction an employee experiences while being involved in the organization. If employees find their involvement in the organization satisfying, it can provide opportunities to do a better job, gain valuable competencies, and ultimately increase their commitment to the organization. Pre-survey reveals that respondents perceive commitment to be relatively low with a mean value of 3.35, which falls under the poor category ($3.35 < 3.41$). This proves that the level of commitment is not optimal.

2. LITERATURE

Employee Performance

Performance is a crucial aspect of any organization that relates directly to the production of goods or the provision of services. According to (Admin_prokomsetda, 2019), performance is often measured by the completion of tasks assigned to employees. The term task itself refers to the activities that employees are expected to perform as part of their job responsibilities. When discussing employee performance, it is essential to consider several factors, including effort, loyalty, potential, leadership, and morale (Gibson, Ivancevic, & Konopaske, 2012). As per (Yukl & Gardner, 2020), proficiency is a broader concept that encompasses these factors and includes the behavior of a person at work, the actual efficiency of employees, as well as the evaluation of factors such as motivation, commitment, initiative, leadership potential, and work ethics. Therefore, organizations must assess employee performance regularly and provide constructive feedback to help employees improve their proficiency levels. This can help identify areas of strength and weakness and develop strategies to enhance employee productivity, which can ultimately lead to the organization's success.

OCB

Organizational Citizenship Behavior (OCB) is an important concept in the workplace. It refers to the voluntary actions and behaviors that employees engage in, which go beyond their formal job requirements or role expectations. OCB includes a wide range of positive social behaviors, such as helping others, volunteering for extra tasks, following workplace rules and

procedures, and showing concern for the well-being of colleagues and the organization as a whole. According to (Organ, 2015), OCB is a free individual behavior and is not directly or indirectly related to the reward system. This means that employees engage in OCB out of their own volition, without any expectation of tangible rewards or incentives. OCB is considered to be a form of prosocial behavior, which is constructive, helpful, and beneficial for the organization as a whole. (Huang, Wang, & Xie, 2014) defined OCB as the behavior that benefits the organization and directly leads to role expectations. This means that OCB is a behavior that exceeds the formal job requirements of an employee and contributes to the effective functioning of the organization. OCB can be observed in any workplace, regardless of its size or organizational structure. In summary, OCB is an important aspect of employee behavior in the workplace. It shows their added value and contributes to the overall success and functioning of the organization. OCB is a free individual behavior that is not driven by tangible rewards or incentives, but rather by a sense of duty and responsibility towards the organization and its members.

Competence

Competence is a crucial factor that determines an individual's ability to perform a job or task. It is a combination of skills, knowledge, and work attitude that are necessary to achieve excellent performance in the workplace. According to (Wibowo, 2017), competence is a fundamental human characteristic that directly influences or describes outstanding performance. In simpler terms, competence refers to the ability of individuals to perform tasks more efficiently and effectively than average performers. This means that excellent performers consistently exhibit higher levels of competence across a range of situations, resulting in better outcomes than those achieved by their average counterparts (Zainal, Hadad, & Ramly, 2019). In summary, competence plays a vital role in determining an individual's ability to excel in their job or task, and it encompasses a wide range of skills, knowledge, and attitudes that are essential for achieving outstanding performance in the workplace.

Organizational Culture

In today's dynamic business environment, Organizational Culture has become an increasingly prevalent concept. The term culture has been developed in various ways, borrowing from disciplines like anthropology and sociology, and it has wide-ranging implications that can be observed from different fields and perspectives. However, most scholars argue that the core of culture is a shared value system that influences the behavior of individuals within the organization. According to (Wibowo, 2017), culture can be defined as a shared mental program that shapes individual responses to the environment. It implies that culture is not only reflected in everyday behavior but is also controlled by deeply embedded mental programs. These programs are developed through the process of socialization and shared experiences within the organization. Meanwhile, (Schein, 2017) suggests that culture is the philosophy that underlies policy, the game rules for getting along, and the feeling or climate created by the physical preparation of the organization. This means that culture is not only reflected in the behavior of individuals but also the overall atmosphere and values of the organization. In conclusion, Organizational Culture is a complex and multifaceted concept that has significant implications for the success of an organization. Understanding the core values and mental programs that shape culture is essential

for creating a positive and productive work environment.

Organizational Commitment

According to (Chairy, 2011), employees who have a high level of commitment to their organization tend to be more stable and productive. This ultimately benefits the organization since it leads to increased profitability. Commitment is characterized by three main aspects: (1) a strong belief and acceptance of the organization's goals and values, (2) a readiness to work hard, and (3) a strong desire to stay in the organization. (Mowday, Porter, & Steers, 2013) definition of commitment is based on the extent to which an individual identifies with and actively participates in their work arrangements. Furthermore, (Guay, Choi, Oh, & Mitchell, 2015) defined work commitment as a value-oriented concept. This means that people place a high value on their work, which provides them with life satisfaction and individual status. In essence, work engagement is a positive state of mind that is associated with high levels of motivation, energy, and enthusiasm toward work-related activities.

3. METHOD

In this study, the population was all employees at PEMA, totaling 102 employees. The sample was taken using the census technique. The data used was the primary data. Structural Equation Modelling (SEM) was used to test the direct hypothesis (Hair, Hult, Ringle, & Sarstedt, 2016), and the Sobel calculator to test the mediation effect models.

4. RESULTS

The data processing results are shown below.

Table 1

Regression

		Estimate	S.E.	C.R	P
Organizational C_Behaviour <---	Competence	0.285	0.103	2.575	0.009
Organizational C_Behaviour <---	Culture_Organization	0.407	0.107	4.323	0.000
Organizational C_Behaviour <---	Commitment_Organization	0.389	0.101	3.807	0.000
Performance_Emp <---	Competence	0.264	0.179	2.330	0.023
Performance_Emp <---	Culture_Organization	0.326	0.145	2.538	0.011
Performance_Emp <---	Commitment_Organization	0.112	0.187	0.645	0.519
Performance_Emp <---	Organizational Behaviour	0.385	0.073	3.025	0.000

Source: Primary Data Processed, (2024)

Competence on OCB

Competence impact testing on OCB provides p 0.009, meaning Competence affected OCB. The Competence impact size on OCB is 0.285 or 28.5%, explaining that the better Competence the higher the OCB.

Culture on OCB

Culture impact testing on OCB provides p 0.000, meaning Culture affected OCB. The impact size

of Culture on OCB is 0.407 or 40.7%, explaining the more suitable the Culture, the more OCB will increase.

Commitment on OCB

Commitment impact testing on OCB provides p 0.000, meaning Commitment affected the increase in OCB. The Commitment impact size on OCB is 0.389 or 38.9%, explaining the stronger the Commitment, the more OCB will increase.

Competence on Employee Performance

Competence impact testing on Employee Performance provides p 0.023, meaning Competence affects Employee Performance. The Competence impact size on Employee Performance is 0.264 or 26.4%, explaining a higher Competence will further improve Employee Performance.

Culture on Employee Performance

Culture's impact testing on Employee Performance provides p 0.011, meaning Culture influences Employee Performance. The Culture impact size on Employee Performance is 0.326 or 32.6%, explaining a suitable culture will further improve Employee Performance.

Commitment on Employee Performance

Commitment's impact testing on Employee Performance provides p 0.519, meaning Commitment does not influence Employee Performance because the significance is > 0.05 .

OCB on Employee Performance

OCB's impact testing on Employee Performance provides p 0.000, meaning OCB affects Employee Performance. The impact size of OCB on Employee Performance is 0.385 or 38.5%, explaining the higher the OCB the higher the Employee Performance.

Competence on Employee Performance through OCB

From the Sobel test, the result is 2.607 with p 0.009, explaining OCB mediates Competence impact on Employee Performance. So, because OCB acts as a mediator, Competence affects Employee Performance directly, the role of OCB in mediating the Competence impact on Employee Performance is partially mediating. Partial mediation means that the OCB can be in the model as a mediator or not, because Competence can also impact employee performance directly.

Table 2. Sobel Test of Competency Impact on Employee Performance through OCB

Input:		Test statistic:	Std. Error:	p-value:
a	0.310	Sobel test:	2.60725939	0.04530044
b	0.381	Aroian test:	2.57207035	0.04592021
s _a	0.103	Goodman test:	2.6439334	0.04467208
s _b	0.073	Reset all	Calculate	

Culture on Employee Performance through OCB

From the Sobel test, we can see the result is 3.335 with its p 0.000, explaining OCB mediates Culture impact on Employee Performance. So, because the OCB acts as a mediator, Culture affects Employee Performance, and the OCB's role in culture influence on the Employee Performance model is partial. Partial mediation means that the OCB can be in the model as a mediator or not, because Culture can also impact employee performance directly

Table 3. Sobel Test of Culture Impact on, Employee Performance through OCB

Input:		Test statistic:	Std. Error:	p-value:
a	0.464	Sobel test:	3.33539241	0.05300246
b	0.381	Aroian test:	3.29975275	0.05357492
s_a	0.107	Goodman test:	3.3722124	0.05242374
s_b	0.073	Reset all	Calculate	

Commitment on Employee Performance through OCB

From the Sobel test we can see the result is 3.271 with its p 0.001, explaining the OCB mediates Commitment impact on Employee Performance. So, because the OCB acts as a mediator, Commitment did not affect Employee Performance, the OCB's role in mediating the Commitment and Employee Performance is fully mediating. Full mediation means that OCB must be in the model as a mediator to keep the commitment impact on employee performance.

Table 4. Sobel Test of Commitment, Impact On Performance through OCB

Input:		Test statistic:	Std. Error:	p-value:
a	0.424	Sobel test:	3.27115801	0.04938435
b	0.381	Aroian test:	3.23529934	0.0499317
s_a	0.101	Goodman test:	3.30823606	0.04883086
s_b	0.073	Reset all	Calculate	

5. CONCLUSION

The results concluded that in PEMA, significantly Competence affected OCB, significantly Culture affected OCB, significantly Commitment affected OCB, significantly Competence affected Employee Performance, significantly Culture affected Employee Performance, significantly Commitment affected Employee Performance, significantly OCB affected Employee Performance, significantly OCB mediated the Competence effect on Employee Performance, significantly OCB mediated the Culture effect on Employee Performance, and significantly OCB mediated the Commitment effect on Employee Performance. These results explain that it proves that OCB functions as a partial mediator in the Competence and Culture effect on Employee Performance models, but functions as a full mediator in the commitment effect on Employee Performance. So these findings explain that the model for increasing PEMA's employee performance is a function of increasing employee competence, conforming to company culture,

and strengthening employee commitment. These all are evidence of verification of previous research results and their operationalization in the current research subject. Future researchers can use this tested model as a basis for developing further research in the future. Practically, this tested model can also be used as a basis for preparing company strategies regarding future variables. Based on the survey data results, the suggestion for research subject (PEMA) that can be given is regarding employee performance. The lowest average value is obtained on the work discipline indicator where employees are less able to arrive at the office on time and obey the obligations that apply in the company. This can be a concern for organizations to pay more attention to employee discipline by giving fines to employees who come late to the office.

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