Enhancement of Organizational Culture and Employee Performance Through Employee Engagement and Organizational Citizenship Behavior

Dina Prasetyaningrum1*

1Human Resource Management, Universitas Widyatama Bandung, Bandung, Indonesia

ABSTRACT
This study aims to investigate the influence of employee engagement and organizational citizenship behavior on organizational culture and employee performance in the production division of PT. Wahana Kasih Mulia Kedungreja Cilacap. The problem behind this study is the importance of understanding the factors that influence organizational culture and employee performance in the context of the company's production division. The type of research used is quantitative research. The research sample consisted of 98 employees of the production division of PT. Wahana Kasih Mulia Kedungreja surveyed. The method of data collection used is the distribution of questionnaires to respondents, who are employees of the company's production division. Data analysis is carried out using statistical methods. The results showed that organizational citizenship behavior and employee engagement had a significant influence on organizational culture and employee performance in the production division of PT. Wahana Kasih Mulia Kedungreja. The conclusion of this study is that these factors play an important role in shaping a positive organizational culture and improving employee performance. The implication of this finding is the need for companies to manage employee engagement and organizational citizenship behavior effectively to improve organizational culture and employee performance in the production division.

1. INTRODUCTION
A group or organization inside a firm relies heavily on human resources development or human resources to determine success and maximize performance gains for the group or organization's survival (Prasetyo & Marlina, 2019; Rihardi, 2021). The most valuable resource and key component of every business or organization is its workforce. Because employees' performance determines whether an organization's or company's development advances or regresses. In order to attain the objectives anticipated by the organization or firm, you, as a manager of human resources, must be aware of and
comprehend the best method for fostering employee performance. HR must be of the highest caliber, and performance improvement must also be better and enhanced, in order for the organization to meet its goals. Performance is the outcome of a task that can be carried out by an individual or group within an association or organization in accordance with their expertise and responsibilities with the ultimate goal of achieving authority in a way that does not contravene the law and does not go against ethics and morals (Barrena-Martínez et al., 2019; Hendri, 2019; Vu, 2022). Every business or organization must consistently improve employee performance if it is to produce high-caliber workers in the expectation that its objectives will be met. The factors that affect the performance of both results and work behavior are as follows ability and expertise, knowledge, work plan, personality, work motivation, leadership, leadership style, organizational culture, job satisfaction, work environment, loyalty, commitment, and work discipline (Baluyos, G. R. et al., 2019; Belwalkar et al., 2018; Pawirosumarto et al., 2017). The heavy workload and lack of excitement for employees’ job are two elements that contribute to subpar employee performance in a corporation. Human employment involves both mental and physical labor, therefore each has a unique level of loading.

Employee engagement, also referred to as employees who truly care about the organization, is one technique to increase the quality of employee performance (Dubbelt et al., 2019; Haedar et al., 2021; Noercayho et al., 2021). Today, corporate executives all around the world are extremely concerned about employee engagement. Current employee engagement is important because it affects positive employee behavior, reduces unproductive employee performance like truancy, and can boost productivity, profitability, growth, and customer satisfaction. Employee engagement also plays a key role in promoting positive employee behavior and minimizing unproductive employee performance like truancy among employees with high levels of loyalty (Ancarani et al., 2021; Suhartini & Sayekti, 2022). According to studies on employee engagement, there is a significant correlation between employee engagement levels and several sorts of company income (Darmawan, 2022; Lee et al., 2014). Engaged workers carry out their responsibilities more effectively and creatively and don’t make their work a burden. Employees who are emotionally invested in their work and the firm are those who care the most. They work for organizational goals rather than just a paycheck or a promotion. Organizational citizenship behavior (OCB) is another human resources improvement strategy in addition to employee engagement. Employees that exhibit organizational citizenship conduct strive to always provide the organization with correct contributions. If the requirements placed on employees are quite onerous, it won’t be as effective. An individual contribution that goes above and beyond the requirements of a job role is organizational citizenship conduct. Helping others, performing voluntary work outside of one’s job description, and adhering to workplace policies and norms are all examples of OCB. The system that the company has created through this work culture can be used as a reference for behavior that is focused on helping members achieve company goals, so if the organizational culture is good, the members will also be good and qualified. In addition, organizational culture is also very influential on the behavior of members of the organization. The organizational culture of PT. WKM Kedungreja Cilacap is the HEBAT culture, just like in the company. The system that the company has created through this work culture can be used as a reference for behavior that is focused on helping members achieve company goals, so if the organizational culture is good, the members will also be good and qualified. In addition, organizational culture is also very influential on the behavior of members of the organization.

Corporate culture is a method of policing organizational members so that they act, think, and solve problems in accordance with organizational needs (Faturahman, 2018; Wahyudi, W. D. & Tupti, 2019). The word "culture" is derived from the Sanskrit word "buddhayah," which means "reason or mind," and the Latin word "colore," which means "to cultivate land or farm," or "to process existing resources so that they will be productive." Previous research describes culture as the fundamental presumptions developed by certain communities as a means of overcoming adaptation challenges both internally and externally (Munir & Arifin, 2021; Valmohammadi & Roshanzamir, 2015). The performance of specific employees is impacted by organizations' or businesses' effective human resource management.

In order to achieve company goals that can be carried out effectively, it is hoped that an organizational culture that is applied by every member of the company or organization will have an impact on members’ and employees’ behavior and mindset. In other words, the company succeeds in establishing a social control system for its employees through corporate culture. A person’s behavior and habits may alter as technology advances. Starting with alterations in social media, e-commerce tendencies, and other system adjustments. Not only that, but technical advancements should have also caused changes in the workplace environment. Employees unquestionably require new experiences that will increase their satisfaction with their work and increase their loyalty to the organization they work for. The Noble Compassion Vehicle’s organizational culture is a HEBAT culture. Employee engagement, according to similar research, is a person’s personal connection with the fulfillment and zeal of the task he is doing (Al-Sada et al., 2018; Meng & Berger, 2019). Employee engagement is described as a state in which it is anticipated to have organizational goals, dedication, enthusiasm, and concentration on business (Bedarkar & Pandita, 2014; Meng & Berger, 2019). Previous research stated that the employee engagement is a strong emotional and intellectual bond that an employee has with his employer, job, boss, or coworkers.
and that encourages him to continue working hard at his position (Al-Sada et al., 2018; Osborne & Hammoud, 2017). The authors draw the conclusion that employee engagement is defined as the actions or behavior of specific employees who feel proud and very loyal in their work and their organization, become a part of a company that is prepared to commit physically, cognitively, and emotionally in dealing with clients, users, consumers, and other team members, and always want to give more in completing each job. For employees with an OCB level, the stronger the OCB declared for each employee, the more committed they are to the company’s growth. Every employee has OCB conduct toward the company where they work, and the majority of employees frequently act selfishly and struggle to meet their own commitments and responsibilities at work. Organizational citizenship behavior, entails making less significant decisions that support appropriate and effective work but are outside the purview of a worker’s job (Rita et al., 2018; Said et al., 2021). Insofar as rewards are connected to money or job success, OCB is formless because it promotes social conduct at work instead. Even though the employer does not request or require employees to have adequate OCB, everyone actually needs it.

Organizational culture is a belief, norm, or guideline system that exists within an organization (Sirait et al., 2022; Supriyati & Wijono, 2021). The organizational culture that encourages or discourages behavior can show how effective an organization is. Organizational culture, as defined by previous research is the basis for solving problems both internally and externally, and its consistent implementation by an organization to its members as the best way to comprehend and solve problems that occur within a corporation (Ainanur & Tirtayasa, 2018; Valmohammadi & Roshanzamir, 2015). Organizational culture is the set of values and beliefs that people in an organization share (Chatman & O’Reilly, 2016; Hakim, 2016). According to, organizational culture refers to a shared meaning system that members of the organization hold and that sets them apart from other companies (Al-Sada et al., 2018; Chatman & O’Reilly, 2016). Organizational culture, is the set of principles and accepted norms of conduct that have been demonstrated before appearing in the presence of thoughts and actions to take on the identity of the company. Researchers believe organizational culture is a way of life and rules, which are owned by each organization, are used as a reference for acting or adhered to by every human being in achieving company goals as well as the basis for solving every problem that exists in the company, as demonstrated by some of the experts’ assessments above. Previous research stated that an employee’s performance is determined by how well they are able to complete a set of tasks (Hajiali et al., 2022; Vu, 2022). Employee performance is crucial since it reveals how well they are able to do the responsibilities that have been given to them. Individual performance is the capacity of an individual to accomplish a task with a particular level of expertise. According to this viewpoint.

Conforming to definition from similar research, performance is the outcome of comparing the job that each person has completed to the collectively established standards (Al-Sada et al., 2018; Kessi & Dewi, 2023). The two ideas mentioned above demonstrate how crucial performance is since it reveals a person’s level of proficiency in doing his or her obligations. Leaders perform their jobs with the aid of other leaders, their staff, and their employees in order to accomplish the organizational goals that have been defined. The assistance of other parties will have an impact on how successfully the leader performs his tasks. In other words, individual performance will have an impact on how well leaders perform, and if individual performance is strong, it will also have an impact on how well leaders and organizations succeed. It is necessary to measure the organization’s performance in order to learn more. Effectiveness and efficiency are among the organizational performance metrics. There are around 7 departments of PT. Wahana Wahana Kail Mulia, one of which is the production department. The company’s production division is a component that is involved in or directly involved in the manufacture of goods. starting with the raw materials’ processing and ending with products that are ready for sale. Within this department there are also various divisions or sectors such as offices, material/supply chain warehouses, packing, etc. The most significant link in the chain connecting the various internal components of the business is the production department. Consequently, researchers are drawn to carrying out research on the subject of the title, “Employee Engagement, Organizational Citizenship, and Organizational Culture Impact on Employees’ Performance of Production Department PT. Wahana Kasih Mulia Kedungreja Cilacap.”

2. METHODS

The research method used in this study is quantitative research method. Research using quantitative or statistical methods is known as quantitative research, and uses data collection tools to study specific populations or groups (Sugiyono, 2019). This type of research is Quantitative research, using a quantitative approach to collect data that can be measured and analyzed statistically. This study used a survey approach by collecting data from respondents using questionnaires. The subjects of this study were 130 employees who were sampled in the study. This sample is a subset of the members of the
population obtained through the sampling process. Data collection methods used in this study included interviews, questionnaires, and documentation. The questionnaire used is a series of questions with Likert scale measurements that are used as a tool to measure the extent to which these indicators affect the variables used. A rating scale from 1 to 5 is used to assess each assessment method.

The data analysis technique in this study is Structural Equation Modeling (SEM) with Partial Least Square (PLS) analysis. PLS is a structural equation model from Structural Equation Modeling (SEM) which is an analysis that combines factor analysis approaches, structural models, and path analysis. Therefore, in structural equation SEM analysis, three types of activities can be carried out simultaneously, namely checking the validity and reliability of instruments, testing relationship models between variables (related to path analysis), and activities to obtain models suitable for prediction (related to regression analysis or structural model analysis) (Sugiyono, 2019).

3. RESULTS AND DISCUSSIONS

Results

Measurement Model (Outer Model)

Evaluation of the measurement model is tested with several indicators including: Convergent Validity, Discriminant Validity, and Reliability. The measurement model is calculated using the PLS Algorithm.

Convergent Validity

An indicator is said to be valid if the loading factor of an indicator is positive and greater than > 0.7. The loading factor value shows the weight of each indicator/item as a measure of each variable. Indicators with large loading factors show that these indicators measure the strongest (dominant) variable. Based on the calculation, it is known that the loading factor value produced by each indicator is more than 0.7. Thus these indicators are declared valid as a measure of the latent variable.

Discriminant Validity

Discriminant validity is used to test the validity of a model. Discriminant validity is seen through the cross loading value which shows the magnitude of the correlation between constructs and their indicators and indicators from other constructs. The standard value used for cross loading must be greater than 7 or by comparing the square root of average variance extracted (AVE) value for each construct with the correlation between the construct and the other constructs in the model. If the AVE root value of each construct is greater than the correlation value between the construct and the other constructs in the model, then it is said to have good discriminant validity. Based on calculations, the cross loading value for each item has a value of > 0.70, and also for each item it has the greatest value when it is associated with its latent variable compared to when it is associated with other latent variables. This shows that each manifest variable in this study correctly explains the latent variable and proves that the discriminant validity of all items is valid.

Reliability

Reliability in PLS uses the value of Cronbach alpha and Composite reliability. It is declared reliable if the Composite reliability value is above 0.7 and Cronbach’s alpha value is suggested above 0.6. The following are the Cronbach alpha and Composite reliability values in Table 1.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach’s Alpha</th>
<th>Reliability Composite</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Culture</td>
<td>0.950</td>
<td>0.958</td>
<td>0.716</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>0.953</td>
<td>0.961</td>
<td>0.756</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>0.957</td>
<td>0.964</td>
<td>0.769</td>
</tr>
<tr>
<td>Organizational Citizenship Behavior</td>
<td>0.937</td>
<td>0.947</td>
<td>0.664</td>
</tr>
</tbody>
</table>

Based on Table 1, it can be seen that the composite reliability value of all research variables is more than 0.7 and Cronbach Alpha is more than 0.6. These results indicate that each variable has met the composite reliability and cronbach alpha so that it can be concluded that all variables have a high level of
reliability. So that further analysis can be carried out by examining the goodness of fit of the model by evaluating the inner model.

**Structural Model (Inner Model)**

After testing the outer model, the next step is to test the inner model. Testing of the inner model or structural model is carried out to see the relationship between constructs, significance value and R-square of the research model as presented in Figure 1.

![Figure 1. Structural Model](image)

**R Square**

Evaluation of the PLS structural model begins by looking at the R-square of each dependent latent variable. Table 2 is the result of R-square estimates using PLS.

<table>
<thead>
<tr>
<th>Variables</th>
<th>R-Square</th>
<th>R-Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Culture</td>
<td>0.659</td>
<td>0.652</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>0.765</td>
<td>0.758</td>
</tr>
</tbody>
</table>

Based on Table 2, it shows the adjusted R-Square value of the Organizational Culture variable of 0.652, this value means that the Organizational Culture variable can be explained by the Employee Engagement and Organizational Citizenship Behavior variable of 65.2% and the remaining 34.8% can be explained by the variable others that were not included in this study. The adjusted R-Square value of the Employee Performance variable is 0.758, this value means that the Employee Performance variable can be explained by the Employee Engagement, Organizational Citizenship Behavior, and Organizational Culture variables of 75.8% and the remaining 24.2% can be explained by other variables that not found in this study.

**F Square**

The f square test is carried out to analyze the level of influence of latent variables whether small, medium or large at the structural level. An f value of 0.02 indicates a small effect, an f value of 0.15 indicates a medium effect, and an f value of 0.35 indicates a large influence. Following are the results of the f square test as presented in Table 3.
Table 3. Test F square

<table>
<thead>
<tr>
<th>Variables</th>
<th>Organizational Culture</th>
<th>Employee Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Culture</td>
<td>0.130</td>
<td>0.152</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>0.130</td>
<td>0.085</td>
</tr>
<tr>
<td>Organizational Citizenship Behavior</td>
<td>0.215</td>
<td>0.141</td>
</tr>
</tbody>
</table>

Based on the Table 3, it can be seen that the Organizational Culture variable affects the Employee Performance variable with an f square value of 0.152, so it can be said that the effect of this value is medium or medium because it is more than 0.15 and less than 0.35. While the Employee Engagement variable affects the Organizational Culture variable with a f square value of 0.130, it can be said that the effect of this value is low or small because it is more than 0.02 and less than 0.15. The Organizational Citizenship Behavior variable affects the Organizational Culture variable with an f square value of 0.215, so it can be said that the effect of this value is medium or medium because it is more than 0.15 and less than 0.35. Testing the structural relationship model is to explain the relationship between the variables in the study. Structural model testing is carried out through tests using PLS software. The basis used in testing the hypothesis directly is the output image and the values contained in the output path coefficients. The basis used to test the hypothesis directly is if the p value <0.05 (significance level = 5%), then it is stated that there is a significant influence of exogenous variables on endogenous variables. The complete explanation of hypothesis testing as presented in Figure 2.

Figure 2. Hypothesis Testing

Table 4. Hypothesis Testing

| Variables                             | Original sample (O) | Mean sample (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|---------------------------------------|---------------------|-----------------|---------------------------|----------------|----------|
| Employee Engagement -> Organizational Culture | 0.371               | 0.366           | 0.129                     | 2.879          | 0.004    |
| Organizational Citizenship Behavior -> Organizational Culture | 0.478               | 0.486           | 0.117                     | 4.070          | 0.000    |
| Organizational Culture -> Employee Performance | 0.323               | 0.335           | 0.109                     | 2.953          | 0.003    |
In PLS statistical testing of each hypothesized relationship in Table 4 is carried out using a simulation. In this case, the bootstrapping method was carried out on the samples.

**Discussion**

The Effect of Employee Engagement on Organizational Culture. The results of testing the first hypothesis, namely the Effect of Employee Engagement on Organizational Culture, shows a coefficient value of 0.371, a p-value of 0.004 and a t-statistic of 2.879. The p-value of 0.004 is less than 0.05 and the t-statistic value of 2.879 is more than the t-table of 1.960. These results indicate that Employee Engagement Influences Organizational Culture. So that the hypothesis which states Employee Engagement Influences Organizational Culture is accepted. The Influence of Organizational Citizenship Behavior on Organizational Culture. The results of testing the second hypothesis, namely the influence of organizational citizenship behavior on organizational culture, shows a coefficient value of 0.478, a p-value of 0.000 and a t-statistic of 4.070. The p-value of 0.000 is less than 0.05 and the t-statistic value of 4.070 is more than the t-table of 1.960. These results indicate that Organizational Citizenship Behavior Affects Organizational Culture. So that the hypothesis which states that Organizational Citizenship Behavior Influences Organizational Culture is accepted. The Influence of Organizational Culture on Employee Performance. The results of testing the third hypothesis, namely the Effect of Organizational Culture on Employee Performance, shows a coefficient value of 0.323, a p-value of 0.003 and a t-statistic of 2.953. The p-value of 0.003 is less than 0.05 and the t-statistic value of 2.953 is more than the t-table of 1.960. These results indicate that Organizational Culture Influences Employee Performance. So, the hypothesis which says Organizational Culture Influences Employee Performance is accepted.

The Effect of Employee Engagement on Employee Performance. The results of testing the fourth hypothesis, namely the Effect of Employee Engagement on Employee Performance, shows a coefficient value of 0.265, a p-value of 0.011 and a t-statistic of 2.541. The p-value of 0.011 is less than 0.05 and the t-statistic value of 2.541 is more than the t-table of 1.960. These results indicate that Employee Engagement Influences Employee Performance. So that the hypothesis which states Employee Engagement Influences Employee Performance is accepted. The Influence of Organizational Citizenship Behavior on Employee Performance. The results of testing the fifth hypothesis, namely the Effect of Organizational Citizenship Behavior on Employee Performance, shows a coefficient value of 0.354, a p-value of 0.000 and a t-statistic of 4.092. The p-value of 0.000 is less than 0.05 and the t-statistic value of 4.092 is more than the t-table of 1.960. These results indicate that organizational citizenship behavior influences employee performance. So that the hypothesis which says Organizational Citizenship Behavior Influences Employee Performance is accepted.

The Effect of Employee Engagement on Employee Performance Mediated by Organizational Culture. The results of testing the sixth hypothesis, namely the Effect of Employee Engagement on Employee Performance Mediated by Organizational Culture, shows a coefficient value of 0.120, a p-value of 0.044 and a t-statistic of 2.016. The p-value of 0.044 is less than 0.05 and the t-statistic value of 2.016 is more than the t-table of 1.960. These results indicate that employee engagement has an effect on employee performance mediated by organizational culture. So that the hypothesis which states Employee Engagement Influences Employee Performance Mediated by Organizational Culture is accepted. The Influence of Organizational Citizenship Behavior on Employee Performance Mediated by Organizational Culture. The results of testing the seventh hypothesis, namely the influence of organizational citizenship behavior on employee performance mediated by organizational culture, shows a coefficient value of 0.154, a p-value of 0.033 and a t-statistic of 2.144. The p-value of 0.033 is less than 0.05 and the t-statistic value of 2.144 is more than the t-table of 1.960. These results indicate that organizational citizenship behavior
influences employee performance mediated by organizational culture. So, the hypothesis which states that Organizational Citizenship Behavior Influences Employee Performance Mediated by Organizational Culture is accepted. Organizational culture is the set of values and beliefs that people in an organization share (Chatman & O'Reilly, 2016; Hakim, 2016). According to, organizational culture refers to a shared meaning system that members of the organization hold and that sets them apart from other companies (Al-Sada et al., 2018; Chatman & O'Reilly, 2016). Organizational culture, is the set of principles and accepted norms of conduct that have been demonstrated before appearing in the presence of thoughts and actions to take on the identity of the company. Researchers believe organizational culture is a way of life and rules, which are owned by each organization, are used as a reference for acting or adhered to by every human being in achieving company goals as well as the basis for solving every problem that exists in the company, as demonstrated by some of the experts' assessments above. Previous research stated that an employee’s performance is determined by how well they are able to complete a set of tasks (Hajiali et al., 2022; Vu, 2022). Employee performance is crucial since it reveals how well they are able to do the responsibilities that have been given to them. Individual performance is the capacity of an individual to accomplish a task with a particular level of expertise. According to this viewpoint, Conforming to definition from similar research, performance is the outcome of comparing the job that each person has completed to the collectively established standards (Al-Sada et al., 2018; Kessi & Dewi, 2023). The two ideas mentioned above demonstrate how crucial performance is since it reveals a person’s level of proficiency in doing his or her obligations. Leaders perform their jobs with the aid of other leaders, their staff, and their employees in order to accomplish the organizational goals that have been defined. The assistance of other parties will have an impact on how successfully the leader performs his tasks. In other words, individual performance will have an impact on how well leaders perform, and if individual performance is strong, it will also have an impact on how well leaders and organizations succeed. It is necessary to measure the organization’s performance in order to learn more. Effectiveness and efficiency are among the organizational performance metrics.

4. CONCLUSION

From the results of research that has been conducted by researchers on employees at PT. Wahana Kasih Mulia Kedungreja Glacap to find out the influence on the title "Improvement of Organizational Culture and Performance Through Employee Engagement and Organizational Citizenship Behavior" the following conclusions can be drawn: (a) Employee engagement has an effect on organizational culture with a p-value of 0.004 is less than 0.05 and the t-statistic value of 2.879 is more than the t-table of 1.960; (b) Organizational citizenship behavior influences organizational culture with a p-value of 0.000 is less than 0.05 and the t-statistic value of 4.070 is more than the t-table of 1.960; (c) Organizational culture influences employee performance with a p-value of 0.003 is less than 0.05 and the t-statistic value of 2.953 is more than the t-table of 1.960; (d) Employee engagement affects employee performance with a p-value of 0.011 is less than 0.05 and the t-statistic value of 2.541 is more than the t-table of 1.960; (e) Organizational citizenship behavior affects employee performance with a p-value of 0.000 is less than 0.05 and the t-statistic value of 4.092 is more than the t-table of 1.960; (f) Employee engagement affects employee performance mediated by organizational culture with a p-value of 0.044 is less than 0.05 and the t-statistic value of 2.016 is more than the t-table of 1.960; (g) Organizational citizenship behavior influences employee performance mediated by organizational culture with a p-value of 0.033 is less than 0.05 and the t-statistic value of 2.144 is more than the t-table of 1.960.

5. REFERENCES


