# Impact of Organizational Culture on Employee Organizational Commitment

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**ABSTRACT :** Employee organizational commitment is one of the things that can show the successful achievement of an organization. This study aims to examine the effect of organizational culture on organizational commitment. The data collection method used questionnaire and was distributed to 193 employees of the Ministry of Religion in Aceh Province. Data was analyzed using the SEM PLS (Structural Equation Modeling Partial Least Squares) method with SmartPLS. The results there is significant positive effects between organizational culture to organizational commitment. The implication is that organization is expected to maintain efforts to strengthen the internalization of organizational culture that has been carried out to increase employee organizational commitment.

## I. INTRODUCTION

The success of an organization in achieving its objectives affects the organizational commitment of employees. Organizational commitment is an individual's willingness to maintain membership in the organization, promises to provide support and participate in efforts to achieve organizational goals in certain areas through work-related attitudes and behavior (Mowday, Steers, & Porter, 1979). Employee commitment to the organization is often a very important issue in the world of work, because with low-committed employees, these employees only work for personal gain and will not give the best results to the organization. Mustofa & Priyanto (2019) explain that low organizational commitment will have an impact on the lack of employee loyalty to the organization, high absenteeism, increased work tardiness and decreased employee desire to stay in one company organization, this impact will harm the organization.

At the Ministry of Religion in Aceh Province, there is an increase in absenteeism of 1% to 2% every month in 2022. Even though according to Mudiartha, Mujiati and Ardana (2001) the high absenteeism rate is above 3% to 10%, an increase in absenteeism can become a habit for employees and indications of low employee commitment (Widiyanti & Sariyathi, 2016). In addition, at the Ministry of Religion in Aceh Province there are also several employees who are not disciplined, such as coming late to work and some employees leaving working hours. Therefore, increasing employee commitment to the Ministry of Religion in Aceh Province is urgently needed because if it is not increased it will have a negative impact on the institution. One of the factors that can increase organizational commitment is the organizational culture or values that exist in the organization. Shim and Hoover (2015) stated that employees who uphold the organizational culture will be more committed to the organization. Aranki, Suifan and Sweis (2019) also saw a positive relationship between organizational culture and organizational commitment. The stronger the organizational culture, the higher the organizational commitment. Therefore, it is explained that an organization that is trying to increase the commitment of its employees needs to make extra efforts to build a strong organizational culture.

This study aims to find out more about the influence of organizational culture on organizational commitment. The results of the research can be conveyed to companies in order to understand the influence of organizational culture on organizational commitment. This research can also serve as a guide for the following researchers interested in organizational culture and organizational commitment.

## II. LITERATURE REVIEW

**Organizational Commitment :** Mowday, Steers, and Porter (1979) believe that terms include a willingness to maintain membership in the organization, a promise of support for an organization's goals and interests, and a willingness to expend effort in support of those goals through job-related behaviors. According to Mowday, Steers and Porter (1979) there are three aspects of organizational commitment, namely:

a. Identification, is an employee's belief and understanding of organizational goals as the basis of employee commitment to the organization.
b. Involvement, is the willingness of employees to be able to participate and try seriously in the organization.
c. Loyalty is a strong desire to stay in the organization and become part of the organization. Loyalty to the organization shows the existence of an emotional attachment between employees and the organization.

**Organizational Culture :** Miller (1987) explains that organizational culture is the values that become beliefs to be upheld and form the basis of the nature of the organization. These values underlie the organization in managing and operating the organization.

According to Miller (1987) there are several primary values that should exist in every company which, if managed properly, can become a positive organizational culture. These cultural values are:

a. The principle of purpose, is how far employees understand the goals to be achieved by the organization.
b. The principle of consensus, is how far the organization provides opportunities for employees to participate in the decision-making process.
c. The principle of superiority, is how far the organization can survive to be superior and still strive to improve performance to be the best.
d. The principle of unity refers to how fair the company is to its members, by not taking sides with a particular group.
e. The principle of achievement, is how the organization sees and appreciates the achievements that have been achieved by the employees.
f. The principle of empiricism is the extent to which an organization can use empirical evidence in making decisions.
g. The principle of solidarity, is the condition of the social environment in the organization, or the condition of the relationship between one employee and another employee
h. The principle of integrity is the extent to which members are serious about working to achieve organizational goals.

## III.    MATERIAL AND METHOD

In this study, the population characteristics used were 193 employees of the regional office of the Ministry of Religion of Aceh Province. Every member of the population will be the subject of this study. The method used is quantitative research using structural equation modeling-partial least squares (SEM-PLS) analysis techniques in the SmartPLS program. Hair, et al., (2021) stated that the SEM-PLS method can be used for research with a small number of samples and this method also ignores several assumptions (non-parametric). Researchers used two measuring tools, namely the scale of organizational commitment and organizational culture. The following is an explanation of each scale:

**Organizational Commitment :** In measuring organizational commitment, the researchers modified the measurement tool developed by Mowday, Porter and Steers (1982) with three aspects namely identification, involvement and loyalty. The higher the score obtained from this scale, the higher the organizational commitment to employees. Conversely, the lower the score obtained, the lower the employee's organizational commitment. All the items were measured on 5 points with a Likert Scale ranging from 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), to 5 (strongly agree).
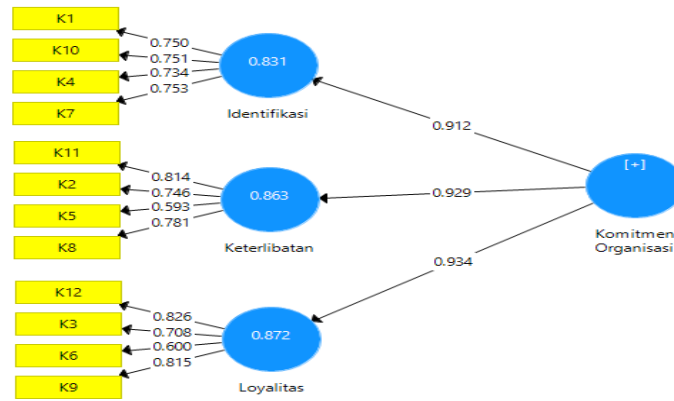
**Organizational Culture :** Organizational culture is measured using a modified scale based on 8 aspects compiled by Miller (1987). These aspects consist of the principle of purpose, the principle of consensus, the principle of excellence, the principle of unity, the principle of achievement, the principle of empiricism, the principle of familiarity and the principle of integrity. The higher the total score obtained, the stronger the internalized organizational culture in employees. Vice versa, the lower the score obtained, the weaker the organizational culture that is internalized in employees. All the items were measured on 5 points with a Likert Scale ranging from 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), to 5 (strongly agree).

## IV.    RESULT

**MEASUREMENT MODEL / OUTER MODEL ANALYSIS :** In this study, outer model analysis was used to assess the validity and reliability of the scale of organizational commitment and organizational culture using the SmartPLS application. The outer model aims to describe the relationship between the latent variable and its indicators (Hair, et al., 2021). This outer model uses the value of convergent validity, discriminant validity, and composite reliability test, which be explained in detail as follows:

**Convergent Validity :** Convergent validity aims to measure the similarity of dimensions or aspects of each item on a research scale. An indicator is considered valid if it has an AVE value (average variance extracted) > 0.5 (Abdullah, 2015), or shows an outer loading value > 0.7 (Muhson, 2022).

Figure 1 Measurement Model Organizational Commitment



The analysis results in Figure 1 show that there are 10 organizational commitment items with a loading factor > 0.7, which means the items are valid. However, there are 2 items on the involvement and loyalty aspect with a loading factor <0.7, meaning that these items are invalid and need to be removed from the model. Then a convergent validity test was performed based on the AVE after the items were eliminated and the aspects had an AVE > 0.5. This shows that organizational commitment fulfills convergent validation.

Table 1 Average Variance Extracted Organizational Commitment

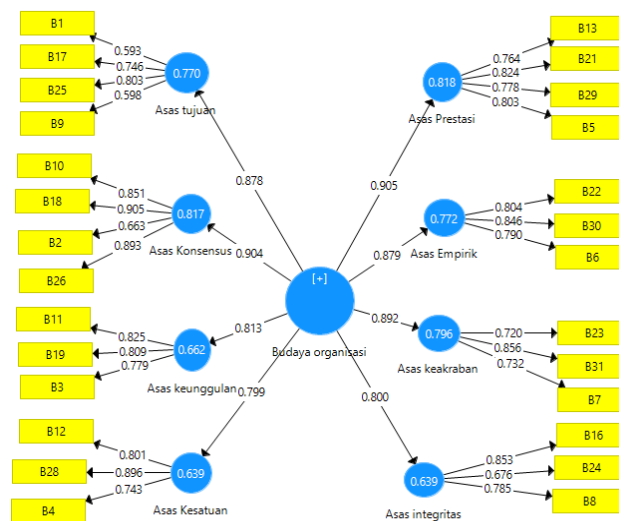| Aspect Organizational Commitment | AVE |
|---|---|
| I Identification | 0,558 |
| Involvement | 0,650 |
| Loyalty | 0,656 |



Figure 2 Measurement Model Organizational Culture

The analysis results in Figure 2 show that there are 23 organizational culture items with a loading factor > 0.7, which means the items are valid. There are 9 items in the aspect with a loading factor < 0.7, meaning that these items are invalid and need to be removed from the model. Then a convergent validity test was performed based

on AVE after the items were eliminated and the aspects had AVE > 0.5. This shows that organizational culture fulfills convergent validation.

Table 2 Average Variance Extracted Organizational Culture

| Aspect Organizational Culture | AVE |
|---|---|
| The Principle of Purpose | 0.629 |
| The Principle of Consensus | 0.695 |
| The Principle of Superiority | 0.647 |
| The Principle of Unity | 0.666 |
| The Principle of Achievement | 0.628 |
| The Principle of Empiricism | 0.662 |
| The Principle of Solidarity | 0.596 |
| The Principle of Integrity | 0.601 |

**Discriminant Validity**
The second step is to look at discriminant validity. Discriminant validity is met if the cross loading value of each statement item to the variable itself is greater than the correlation value of the statement item to other variables (Ghozali, 2011).

Table 3 Discriminant Validity Organizational Commitment

| Items | Cross Loading | |
|---|---|---|
| | Organizational Commitment | Organizational Culture |
| K1 | **0.675** | 0.510 |
| K2 | **0.730** | 0.435 |
| K3 | **0.737** | 0.605 |
| K4 | **0.686** | 0.483 |
| K7 | **0.689** | 0.393 |
| K8 | **0.720** | 0.393 |
| K9 | **0.751** | 0.490 |
| K10 | **0.739** | 0.492 |
| K11 | **0.699** | 0.391 |
| K12 | **0.755** | 0.525 |

From table 3 it can be seen that the cross loading value in the organizational commitment construct is greater than the other values. This shows that the organizational commitment items in this study correctly explain the latent variables and prove that all of these items are valid.

Table 4 Discriminant Validity Organizational Culture

| Items | Cross Loading | |
|---|---|---|
| | Organizational Commitment | Organizational Culture |
| B3 | **0.809** | 0.571 |
| B4 | **0.624** | 0.342 |
| B5 | **0.706** | 0.480 |
| B6 | **0.685** | 0.345 |
| B7 | **0.517** | 0.290 |
| B8 | **0.628** | 0.450 |
| B10 | **0.763** | 0.461 |
| B11 | **0.695** | 0.650 |
| B12 | **0.599** | 0.383 |
| B13 | **0.695** | 0.506 |
| B16 | **0.669** | 0.387 |
| B17 | **0.607** | 0.349 |
| B18 | **0.861** | 0.553 |
| B19 | **0.649** | 0.530 |

| | | |
|---|---|---|
| B21 | **0.772** | 0.450 |
| B22 | **0.703** | 0.448 |
| B23 | **0.693** | 0.469 |
| B25 | **0.770** | 0.420 |
| B26 | **0.782** | 0.472 |
| B28 | **0.681** | 0.355 |
| B29 | **0.714** | 0.483 |
| B30 | **0.772** | 0.608 |
| B31 | **0.805** | 0.479 |

From table 4 it can be seen, the cross loading value on the organizational culture construct is greater than the other values. This shows that the organizational culture items in this study have properly explained its latent variables and proved that all of these items are valid.

**Reliability :** The third step is looking at reliability, a variable can be said to be reliable when it has a Cronbach' alpha value ≥ 0.6 and a composite reliability value ≥ 0.7 (Muhson, 2022).

Table 5 Composite Reliability and Cronbach's Alpha

| Variabel | Composite Reliability | Cronbach's alpha (CA) | Description |
|---|---|---|---|
| Organizational Commitment | 0.913 | 0.819 | Reliabel |
| Organizational Culture | 0.948 | 0.943 | Reliabel |

### III.2 STRUCTURAL MODEL/ INNER MODEL ANALYSIS

Solling and Anwar (2019) define the measurement of the inner model as a structural model that connects latent variables based on the value of the path coefficient to see how much influence the two variables. In this study, Inner model analysis is used to see the effect of organizational culture on employee organizational commitment. There are several measurement models to see the effect and relationship between variables, including:

**R Square**
The R-Square value explains the variability of the dependent variable which can be explained by the independent variables.

Table 6 R Square

| Variabel | R Square | R Square adjusted |
|---|---|---|
| Organizational Commitment | 0.447 | 0.444 |

From table 6, the R Square value is 0.447, which means that organizational culture has an effect on organizational commitment of 44.7%, the rest is influenced by other variables outside this study.

**Direct effect**
Direct effects aim to see the direct effect of the independent variable on the dependent variable. Direct effects are accepted if t-statistic >1.96, and the probability value (p-value) < 0.01 (Jogiyanto & Abdillah, 2009).

Table 7 Direct effect

| | Original Sample | Sample Mean | Standard Deviation | T-Statistics | P Values |
|---|---|---|---|---|---|
| Organizational Culture → Organizational Commitment | 0.816 | 0.830 | 0.068 | 11.955 | 0.000 |

Based on table 7, the value of the original sample estimate is 0.816 which indicates that there is a positive influence of organizational culture on organizational commitment. The T-statistic value was 11,955 (> 1.96) and a significance value of 0.000 (P < 0.01), indicating that organizational culture has a positive and significant effect on organizational commitment in the Ministry of Religion in Aceh Province employee.

# V. DISCUSSION

The results of the study show that there is a positive and significant influence of organizational culture on organizational commitment, the stronger the internalized organizational culture of employees, the higher the organizational commitment of employees in the Ministry of Religion in Aceh Province. This is supported by previous research by Aranki, et al., (2019) stating that organizations that are trying to increase employee commitment need to make extra efforts to build a strong organizational culture. Kirimanop, et al., (2020) also stated that organizational culture has a positive effect on organizational commitment, meaning that when the organizational culture gets stronger, organizational commitment will increase. Khaerana and Disa (2022) also explains that the better the implementation of organizational culture, the better the commitment of employees.

Organizational culture is formed through values that become an identity for employees such as regulations, cultural values, vision and mission for which employees work. This is in line with Wahyudi (2021) which states that through instilling values that become the identity of the organization, organizational commitment will grow in the employees themselves. Schein (2004) also stated that organizational culture aims as an adhesive and increases the commitment of organizational members, because organizational culture provides organizational identity for members and forms the stability of social systems within the organization.

Apart from being an organizational identity, Hardjana (2010) states that organizational culture will shape employee behavior patterns in the form of positive interactions between fellow employees and superiors and subordinates, increasing the stability of the social system, so that organizational commitment increases. Organizational culture is also formed because of the forms of cooperation, cohesiveness and cohesiveness among fellow employees and superiors in the organization.

In addition, organizational commitment will also increase when employees feel valued in the organization, this is in line with aspects of organizational culture, namely the principles of fairness, the principle of consensus, the principle of achievement and the empirical principle. Where these aspects aim to respect, appreciate and trust employees in the organization. This statement is supported by research by Rumangkit (2016) which states that the form of attention and appreciation for employees will make employees feel that they are important assets of the organization so that employee commitment will increase.

# VI. CONCLUSION

Based on the results of the analysis, it can be concluded that there is a positive and significant influence between organizational culture and organizational commitment to employees. This means that the more internalized the organizational culture of employees, the more organizational commitment of employees will increase. The results of this research can be conveyed to the management team in a company to understand that organizational culture can influence employee commitment and companies can develop solutions or make some improvements. The following suggestions can be given:

1. Organizational culture affects employee organizational commitment, so organization should better maintain and strengthen organizational culture such as regulations that have been created as guidelines for employees in work.
2. Organization can provide opportunities for employees to show their potential, express employee opinions, establish good and trusting relationships between fellow employees or with their superiors. This situation will create an atmosphere of feeling valued within the employee which will make the organizational culture of the Ministry of Religion in Aceh Province stronger.
3. Organizations are also expected to continue implementing programs such as giving rewards or appreciation to outstanding employees. The program can strengthen the internalization of organizational culture, so that employees are involved and loyal to the organization.

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