Organizational culture development in improving employee performance at PT. Welling Tapioka Jaya

Desenvolvimento da cultura organizacional na melhoria do desempenho dos colaboradores da PT. Welling Tapioka Jaya

Desarrollo de la cultura organizacional para mejorar el desempeño de los empleados en PT. Welling Tapioka Jaya

Received: 12/08/2020 | Reviewed: 12/08/2020 | Accept: 12/17/2020 | Published: 12/21/2020

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Abstract

The background of this research is the desire of researchers to find out how the development of organizational culture in improving the performance of employees of PT. Welling Tapioka Jaya. The purpose of this study is to understand and analyze the development of organizational culture in improving employee performance at PT. Welling Tapioka Jaya. The method used in this research is qualitative method. The author uses semi-structured interviews as a data collection technique. The author interviewed 9 people. The research data were analyzed using the Miles and Huberman model consisting of data reduction, data presentation and conclusions. Test the credibility of the data that I use is triangulation of sources. The results showed that the organizational culture adopted at PT. Welling Tapioka Jaya is quite good, this can be seen from employees who work by harmonizing the cultural values of the organization that is in it regardless of whether they like it or not and the employees at PT. Welling Tapioka Jaya respects and values the culture of the organization by following and adapting to the culture within it.

Keywords: Organizational Culture; Employee Performance; Culture.
Resumo

O pano de fundo desta pesquisa é o desejo dos investigadores em averiguar como funciona o desenvolvimento da aprendizagem organizacional na melhoria do desempenho dos colaboradores da PT. Welling Tapioca Jaya. O objetivo deste estudo é compreender e analisar o desenvolvimento da aprendizagem organizacional na melhoria do desempenho dos colaboradores da PT. Welling Tapioca Jaya. O método utilizado nesta pesquisa é o método qualitativo. O autor usa entrevistas semiestruturadas como técnica de coleta de dados. O autor entrevistou 9 pessoas. Os dados da pesquisa foram analisados por meio do modelo de Miles e Huberman que consiste na redução dos dados, apresentação dos dados e conclusões. Teste a credibilidade dos dados que utilizei por meio da triangulação de fontes. Os resultados mostraram que a cultura organizacional adotada na PT. Welling Tapioka Jaya é muito boa, isso pode ser visto nos colaboradores que trabalham harmonizando os valores culturais da organização que está nela, gostem ou não, e dos colaboradores da PT. Welling Tapioka Jaya respeita e valoriza a cultura da organização, seguindo e se adaptando à cultura dentro dela.

Palavras-chave: Cultura organizacional; Desempenho do funcionário; Cultura.

Resumen

El trasfondo de esta investigación es el deseo de los investigadores de conocer cómo el desarrollo del aprendizaje organizacional mejora el desempeño de los empleados de PT. Welling Tapioca Jaya. El propósito de este estudio es comprender y analizar el desarrollo del aprendizaje organizacional para mejorar el desempeño de los empleados en PT. Welling Tapioca Jaya. El método utilizado en esta investigación es el método cualitativo. El autor utiliza entrevistas semiestructuradas como técnica de recolección de datos. El autor entrevistó a 9 personas. Los datos de la investigación se analizaron utilizando el modelo de Miles y Huberman que consta de reducción de datos, presentación de datos y conclusiones. Poner a prueba la credibilidad de los datos que utilizo es la triangulación de fuentes. Los resultados mostraron que la cultura organizacional adoptada en PT. Welling Tapioka Jaya es bastante buena, esto se puede ver en los empleados que trabajan armonizando los valores culturales de la organización que está en ella sin importar si les gusta o no y los empleados de PT. Welling Tapioka Jaya respeta y valora la cultura de la organización siguiendo y adaptándose a la cultura dentro de ella.

Palabras-clave: Cultura organizacional; Rendimiento de los empleados; Cultura.
1. Introduction

Today, technology is developing rapidly, the business world also changes along with technological developments. Unavoidable business competition is a factor that affects demands for the quality of human resources.

Every organization needs resources to achieve its specified efforts. Therefore, more efforts are needed to improve human development as a workforce.

In order to improve the performance of qualified and professional employees, one of the factors that is suitable for application in the work environment is organizational culture.

PT. Welling Tapioka Jaya is a company engaged in the production and distribution of tapioca flour. From the interview results with the leaders of PT. Welling Tapioka Jaya, Mr. Welling said that the employee's performance was not optimal which resulted in decreased production.

The decrease in production yields a slow loss. On the other hand, the author also conducted an interview process with several senior employees at PT. Welling Tapioka Jaya from several divisions and received information that can answer questions about the decline in performance and production in the company due to a lack of openness between employees, subordinates who do not understand the work being done and refrain from superiors. The discomfort between employees being notified to other employees will create a chain of negative feelings for the employee. Unclear rules, lack of kinship and a lack of mutual cooperation have resulted in employee inconvenience to work in the company.

Expectations of employees to work according to their abilities and a comfortable working atmosphere in order to increase production results. Employee performance will have an impact on the employee concerned and the company where he works. High performance will increase company productivity, strengthen company management, and help the company achieve its corporate vision and mission.

Interested in this phenomenon, the author decided to conduct further research for writing a thesis with the title: Organizational Culture Development in Improving Employee Performance at PT. Welling Tapioka Jaya

In order for the discussion not to expand and focus on research objectives, it is necessary to define the problem. The focus in this research is, if based on the location, the research will be conducted at PT. Welling Tapioka Jaya, Dolok Masihul, Serdang Berdagai Regency, North Sumatra with a qualitative approach. The main focus in this research is
employee performance and the development of organizational culture in this company. And the main subjects in this study are employees and managers at PT. Welling Tapioka Jaya.

From what has been written down in the background stated above, the problems identification of this study are as follows:

1. How is the organizational culture at PT. Welling Tapioka Jaya?
2. How to develop organizational culture in improving the performance of employees of PT. Welling Tapioka Jaya?

The purpose of this study is to understand and analyze the development of organizational culture in improving employee performance at PT. Welling Tapioka Jaya.

2. Theoretical Study

2.1 Conceptual Description of Research Focus and Sub focus

Definition of Performance

According to (Anwar Prabu Mangkunegara, 2014) performance is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities assigned to him.

(Heck, 2013) suggest that one way to improve company performance is to influence organizational culture through management activities that are directly aimed at influencing the determinants of organizational culture. Furthermore, (Pabundu Tika, 2010) reveals that, a strong organizational culture, which values both formal and informal are shared and has a positive effect on the behavior and performance of leaders and members of the organization so that it is strong in facing external and internal challenges of the organization.

Based on the opinions of the experts above, the researcher concludes that performance is the result of a work process that has been passed and becomes an illustration of how the work process is carried out, if the work process is in accordance with the standards or work rules that have been carried out then the performance or work results will be on target. And from the above definitions the researcher also concludes that in improving employee performance, organizational culture is a concept and one of the important indicators that need to be the focus in an organization.
2.2 Organizational Culture

An opinion stated that organizational culture consists of values and assumptions that are shared within an organization. In a company with a strong organizational culture, shared values are deeply understood, embraced and championed by most of the members of the organization (company employees) (McShane, Steven L. & Von Glinow, 2010). (Robbin, Stephen P., 2009) stated that Organizational culture is concerned with how employees perceive the characteristics of an organization's culture, not with whether they like them. That is, it's a descriptive term. This is important because it differentiates this concept from job satisfaction. (John P. Kotter, 2012) stated that, "Organizational culture has the potential to enhance organizational performance, employee job satisfaction, and the sense of certainty about problem solving".

As the reference and comparison for the research that the author is currently doing, the author has selected several relevant previous studies. Some of the studies referred to separately are the first research results from Efendy Pakpahan entitled The Influence of Organizational Culture, Self-Efficacy, and Work Motivation on the Performance of Vocational High School Principals in North Sumatra.

In this study, it was found that organizational culture has a positive direct effect on the performance of school principals. This means that a conducive organizational culture will improve the performance of school principals.

Self-efficacy has a positive direct effect on the performance of school principals. Work motivation has a positive direct effect on the performance of school principals. This means that a strong work motivation of the principal will improve the principal's performance.

Organizational culture has a positive direct effect on work motivation. This means that a conducive organizational culture will increase the principal's work motivation. Self-efficacy has a positive direct effect on work motivation. This means that high self-efficacy will increase the principal's work motivation.

Siti Sapariah's research with the title Effectiveness of Organizational Culture in Improving School Achievement Organizational culture in terms of norms, values, and work ethic in improving school achievement has been effective.

The obstacles faced in making organizational culture effective in terms of norms, values, and work ethic in improving school achievement, among others, can come from within the individual, each school member can also come from the environment.
Anwar Ikhsan in his research Analysis of the Influence of Organizational Culture and Job Satisfaction on the Performance of Non-Lecturer Employees at Mercu Buana University Jakarta concluded that there is a positive and significant influence between organizational culture on employee performance, where if the organizational culture variable increases, the performance variable will also increase.

There is also a positive and significant influence between job satisfaction on employee performance where if the job satisfaction variable increases, the performance variable will increase.

Dwi Hamidah in his research said that cooperation, discipline, honesty, and loyalty are the main things that must be done by all employees. Company leaders in the process of conveying these values by directly giving examples to employees.

Employee Perceptions of Stories and Characters The problem that occurs is competition between employees which is one of the factors of social jealousy. Solving problems that occur by means of deliberation between members of the organization.

### 2.3 Conceptual Framework

The relationship between organizational culture and the performance of employees or organizational members can be reflected in the behavior of the organization. When employees imitate organizational behavior in accordance with their organizational culture, there will be satisfaction and even direct or indirect rewards. Organizational culture becomes a code of conduct for its members which is unconsciously applied in carrying out their activities.

According to (Kennedy, 2000) A strong culture in the organization is very helpful for improving employee performance which leads to the achievement of goals and improves the overall performance of the organization.

The relationship between organizational culture and increased company performance is explained by the opinion of (Fahmi, 2016) If an organization does not consistently apply a strong organizational culture to its employees, the culture will gradually disappear and eventually the company becomes weak.

Based on this definition, it can be seen that employee performance is very important because a decrease in the performance of both individuals and groups within a company can have a significant impact in a company. Common values and behaviors make people feel comfortable working for the company. Organizational culture has become the values and
norms as well as a performance reference for the company for all its employees, the strong culture adopted in a company will make the company get a big profit.

3. Method of Research

This research was conducted at PT. Welling Tapioka Jaya which is located in Central City, Dolok Masihul, Serdang Bedagai Regency, North Sumatra. This research was started in early October 2019 where researchers made initial observations before starting this research.

In this study, the subject of this study was the manager of the company PT. Welling Tapioka with a total of 8 employees. In the production sector, there are 2 employees. In the financial sector, there are 2 employees. In the marketing sector, there are 2 employees. And in the packaging sector as many as 2 employees. Each resource person has worked for approximately 3 years. The location selection for this research is because the company PT. Welling Tapioka Jaya is a company that has been growing rapidly in recent years in Kota Tengah, Dolok Masihul, Serdang Bedagai Regency, North Sumatra.

In this study, the authors conducted research with a qualitative approach. Miles and Huberman (in Sugiyono, 2008) state that the activities in a qualitative data analysis are done interactively and continuously throughout completion, where the data are saturated.

Based on the source, data sources are classified into two, namely: primary data and secondary data.

a. Primary data

Is a source of data obtained directly from data collectors. The author collected this data by conducting interviews.

b. Secondary data

Is a source that does not directly provide data to data collectors, for example: through other people or documents. The author collects this data from books, journals, documents, and other articles related to his research topic.

Interviews range from the highly structured style, in which questions are determined before the interview, to the open-ended, conversational format.

In this study, the researcher collected the necessary data and information by conducting semi structured interviews, considering that the author must refer to the indicators
mentioned in the theory which the authors refer to in collecting data and information while on the same occasion the writer must be free but still structured and ask things that are not listed in the prepared list of questions where the answers to these free questions can provide more information about what the author is researching.

The activities in the analysis of data are:

1. **Data Reduction**
   
   Data reductions are the process of selecting, focusing attention, abstraction and transform raw data from the field. This process lasted until the research is done, from the beginning to the end of the study. At the beginning, for example: through the conceptual framework, issues, data collection approaches are obtained. During data collection, such as: making a summary of the code, looking for themes, writing memos, etc. reduction is part of the analysis, not separated. Data reduction is meant to sharpen, classify, direct, dispose of unnecessary and organize so that interpretation can be drawn. In the process of data reduction, the researchers are really looking for valid data. When the researchers doubt the truth of the data obtained, they need to double-check with other informants whom the researcher perceive know more and are better qualified.

2. **Data Presentation**
   
   Data display is a collection of structured information which gives the possibility to draw conclusions and taking action. Forms of presentation are narrative text, matrix, graphics, links and charts. The functions are to make it easier to read and draw conclusions. Therefore, the composition must be arranged neatly. Data display is also part of data analysis, which is to be done post data reduction.

3. **Conclusion Drawing**
   
   Conclusion is the last part of the activities of the whole configuration. Conclusion is also verified during the study. In this phase, the researchers develop the formulation of propositions related to the principles of logic; appoint it as the research findings, review the existing data repeatedly; group the data that have been collected, and the propositions that have been formulated; and finally, report the completed results, with the ‘new findings’ that are different from the existing findings.
The data need to be analyzed and checked for truth. According to (Sugiyono, 2008), there are three types of triangulation, which are source triangulation, technique triangulation, and time triangulation.

4. Source Triangulation

Source triangulation is a method of checking the data credibility from different sources by using one data collection technique.

5. Technique Triangulation

Technique triangulation is a method of checking the data credibility by using a number of different data collection techniques.

6. Time Triangulation

Time also affects the credibility of the collected data. The data gathered with interview techniques in the morning by the time the resource is still fresh, having not many problems, will give a more valid data and are, therefore, more credible.

In this research, the writer does source triangulation. The writer checks the data credibility by crosschecking the data collected from the staff with those from the company’s Sales Supervisor.

4. Analysis and Finding

4.1 Company Profile

PT. Welling Tapioka Jaya is a company that processes cassava into tapioca flour as a finished product. The company is located on Jalan Raya Dolok Masihul, Dolok Manampang, Dolok Masihul, Baru Titi Besi Serdang Bedagai, North Sumatra Province. PT. Welling Tapioka Jaya was established on August 8, 2001 by PT. Bangkit Cassava Mandiri. This factory is a development of existing factories. The many problems with the company's ups and downs and social and environmental challenges, the company was acquired by PT. Sumatera Telaga Tapioka in February 2005. PT. Sumatera Telaga Tapioka as a new ownership was unable to solve the company's problem so it was re-acquired by PT. Welling Tapioca Jaya. PT. Welling Tapioka Jaya acquired in October 2008 and has survived until today.
PT. Welling Tapioka Jaya continues to strive to develop the marketing area in distributing its products. Initially the product was marketed in the Medan and Serdang Bedagai areas. Currently, product marketing has reached Aceh, Padang, Jambi, Pekanbaru and Palembang. PT. Welling Tapioca Jaya uses cassava as the main raw material for making tapioca flour. The production process that is carried out always takes into account the quality that is checked in the Laboratory Department. PT. Welling Tapioca Jaya is a private company and based on the deed of the Ministry of Justice C-1336 HT. 0104. TH. 2008. The capacity of this company has changed several times. In the first year of acquisition, PT. Welling Tapioca Jaya has a production capacity of only 100 tons / day. In 2012 it has increased to 110 tons / day. In 2014, it has increased again to around 120 tons / day until now.

4.2 Data Analysis

The author collected data by conducting semi-structured interviews with employees who had worked for at least three years, in several divisions at PT. Welling Tapioca Jaya. After collecting the required data and information, the authors carry out a three-step process for the data and information. These steps are data reduction, data presentation, and drawing conclusions. Data reduction is a sensitive thought process that requires intelligence, breadth and high depth of insight. The results of data reduction can be seen in the appendix and below is the presentation of the data, and the conclusions that the authors draw from the answers to each question that has been tested for the credibility of the data and information.

4.3 Findings

The author conducted a descriptive evaluation, and concluded as follows:

From all employees who work at PT. Welling Tapioca Jaya, the author uses a purposive sampling technique in determining the sample, where the author directly makes field visits to the company and makes observations of all employees. From all existing employees, the writer finally got 9 speakers, 8 employees representing all divisions in the company and a manager.

The manager chosen as a resource person has also been well considered by the author and the selection of the following subjects is also so that the author can test the validity of the data obtained and conduct a cross check.
The main characteristics of PT. Welling Tapioka Jaya, what employees can confirm as a difference from other similar companies are the work atmosphere, rules and organizational culture that exist in it.

PT. Welling Tapioka Jaya has diverse organizational cultures, some of which include training on halal policies held by the company for all employees so that they can work according to predetermined work standards, the existence of gift exchange events every Christmas which according to the author this is quite unique and not every company has a culture like this. This company also conducts employee performance evaluations every month where the company owner will discuss conditions that occur in the field as well as provide direction for the employees. In addition, the company also has a picket schedule for each of its employees so that they can be more disciplined in checking every machine and workspace that has been used before leaving work.

Regardless of whether employees like it or not, employees at PT. Welling Tapioka Jaya works by aligning corporate culture values. Employees at PT. Welling Tapioka Jaya respect and appreciate organizational culture by following and adapting to the culture that is in it.

According to the sources, the company is quite flexible and flexible in completing work. Companies are also always looking for efficient ways to get work done.

Apart from being flexible in completing their work, employees also think that the company has a high level of tolerance for risky work. One example that exists is the existence of labels in many places scattered in the factory, especially those that say work safety is number one.

The business world is currently changing and developing very fast. This change also has an impact on several companies to be able to recruit candidates with the best criteria and demand qualified human resources according to their needs. According to the author's interviews with sources, the criteria that the company determines for employees at PT. Welling Tapioka Jaya is honest with the company, thorough in completing its duties, responsible for the assigned task, committed and loyal to the company, respecting time, and being able to socialize with all employees in the company.

Based on the employee's opinion, the way the leader leads the employee seems less assertive and too tolerant of everything. If this is related to the leadership style above, it can be seen that the leader is inclined towards a free leadership style.

Leaders of PT. Welling Tapioka Jaya are very careful and full of consideration in making decisions. Employees said that they did not understand their duties and roles in the
organization from their answers to question number 13 which said that they did not understand the tasks given by the leadership.

Employees' answers to question 14 are contrary to their answers to previous questions. In the previous question, employees said that they did not understand the duties assigned by the leadership, while from the following answers they said that the company owner had created and implemented rules in the company.

Every employee is responsible for creating an atmosphere that is safe, orderly, clean, beautiful and full of family, so that the interaction process between employees in the context of developing organizational culture in improving employee performance in the company can be carried out.

In the business sector, especially industrial business, the term Standard Operating Procedure is familiar. SOP is used as a benchmark or guideline for working in accordance with work procedures, procedures and work systems in a company. In addition, SOPs are also used as a reference for working in accordance with employee performance appraisal tools. The regulations made by the company apply to all company divisions.

Reward and punishment are two forms of methods in motivating someone to do good and increase their performance. Both of these methods have long been known in the world of work. Reward comes from English which means gift, reward, reward or reward. According to (Koencoro, 2013) Rewards are rewards, prizes, rewards or rewards that aim to make a person more active in his efforts to improve or enhance the performance that has been achieved. Meanwhile, (Purwanto, 2007) defines punishment as suffering that is intentionally given or inflicted by someone (parents, teachers, etc.) after an offense, crime or mistake has occurred. From the informant's statement, it can be seen that there are rewards / gifts for employees who excel and punishment for those who make mistakes.

Rewards received by employees in this organization are a bonus every 6 months and for punishment or punishment that employees get for making mistakes, namely in the form of direct reprimands, salary deductions and for more serious mistakes, a warning letter (SP) will be given.

Impact arising from the enactment of regulations at PT. Welling Tapioka Jaya can be felt by employees from all divisions, for example, the quality of work, motivation and work discipline of employees. Employees say that their superiors do not support and encourage their subordinates which causes a lack of motivation and that has an impact on company performance. Employees consider the leader to be less authoritative and assertive in communicating. Leaders rarely communicate directly with employees.
Employees say that if the level of commitment of employees to the company is not good, from the following statements it can be seen that employees still do not understand the meaning of commitment. The definition of organizational commitment according to (Umam, 2010) says that organizational commitment means a strong acceptance in the individual, there are organizational goals and values, so that the individual will work and have a strong desire to survive in the organization. If the theory is related to the source's statement, it is not clear that the resign level shows how the work commitment of the employees of PT. Welling Tapioca Jaya.

Based on the following results, we can see that for the advancement of organizational culture to produce good results according to the company's vision and mission, employees hope that the leadership can be more open in accepting employee ideas and input, as well as increasing communication with employees. Employees also expect leaders to be more consistent in carrying out their organization and in delivering their duties to employees so that employees can do it well and reduce employee errors in completing their duties.

5. Conclusions and Recommendations

Conclusions

The author has achieved the objectives of her study, namely to understand and analyze the development of organizational culture in improving employee performance at PT. Welling Tapioca Jaya. In this section, the authors conclude.

The first conclusion, the Organizational Culture that is applied at PT. Welling Tapioca Jaya is quite good, this can be seen from the employees who work in harmony with the organizational culture values that exist in it regardless of whether they like it or not and the employees at PT. Welling Tapioca Jaya respects and appreciates organizational culture by following and adapting to the culture that is in it. The following conclusion answers the first problem formulation, namely about how the organizational culture at PT. Welling Tapioca Jaya.

With respect for employees towards the organizational culture of PT. Welling Tapioca Jaya, the writer concluded that employee performance is depended on the organizational culture that is in it. Therefore, this company can continue to develop its organizational culture in to improve the performance of its employees.
The second conclusion is that organizational culture has could influence the organization's effectiveness and achievement. Thus, the success of an organization can be affected by the culture that occurs in the organization. Resources owned by the organization can develop in accordance with the organizational culture by involving developing systems and mechanisms. Organizational culture has a big influence on the level of leaders and employees, so that the effectiveness of the work processes that occur can run well if the organizational culture that occurs is in accordance with the systematic work performance of the organization concerned.

Organizational culture has a function as a meaning-making and control mechanism that guides and indirectly shapes the attitudes and behavior of employees or leaders in the organization. This conclusion answers the formulation of the second problem that is about how the development of organizational culture in improving employee performance at PT. Welling Tapioca Jaya.

**Recommendations**

Based on the conclusion of the research, there are several recommendations that the writer would like to give, such as:

First, because of the organizational culture in PT. Welling Tapioca Jaya is good enough, it would be better if the company can improve the culture of motivating employee work and coordination between units by giving awards to employees who excel at meals together which the company usually holds every 6 months. Because with employee motivation, performance will increase.

Second, because employee performance greatly impacts the company's success, it would be better if the leader at PT. Welling Tapioca Jaya builds a culture of more effective two-way communication with employees so that cooperation is established in an effort to achieve company goals. By familiarizing this culture, the leader can know the problems that are happening, and better know the strengths and weaknesses of employees, and themselves. Every leader must know the goals of the organization so that he can work to help achieve these goals. He needs the ability to understand his subordinates so that he can know their strengths, weaknesses, and ambitions. In addition, the leader must also be able to evaluate himself so that he also knows his strengths and weaknesses.
References


Percentage of contribution of each author in the manuscript

Cindy – 50%
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