



The Effect of Work Environment and Organizational Culture on Employee Performance

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ARTICLE INFO

Keywords: HRM, Work Environment, Work Culture, Employee Performance

Received : 20 March

Revised : 23 April

Accepted: 25 May

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ABSTRACT

HRM research that aims to improve employee performance at CV. Putra Borneo city of Palangka Raya, Central Kalimantan-Indonesia, is very important to establish a working relationship with the work environment and organizational culture. This research is based on the employee's ability, personality and work interest as well as the clarity of the acceptance of the assigned task. The importance of improving performance requires encouragement of the work environment and organizational culture. This type of research is quantitative and analyzed with SPSS 23.0, with questionnaires on 31 employees at CV. Bornean son. The results show that 53.9% work environment and organizational culture are significant in improving performance. The implications of the results state that the work environment and organizational culture that apply an attitude of respect, respect, obedience and obedience to the regulations that apply in the organization can improve employee performance. Future research can adopt this research variable as a reference for improving performance.

INTRODUCTION

Employees are the most important element in determining the progress of a government agency. To achieve agency goals, employees are needed in accordance with the requirements that exist within the agency and employees must also be able to carry out the tasks determined by the agency (Tania et al., 2021). Each agency will always try to improve the performance of its employees, with the hope that the goals of the agency can be achieved.

Agencies that want to improve performance must pay more attention to the role of HR and other resources in order to achieve organizational goals (Wong & Ngai, 2021). An organization must strive to improve the performance of human resources, because this is the main key factor for improving employee performance (Bruns, 2014). Performance is the assembly of what work will get employees in line with work criteria and standards to be able to achieve goals. Therefore employee performance is a factor that plays an important role in achieving organizational or agency goals as well as individual goals.

Organizational culture covers all patterns of behavior of members of the organization and becomes a guide for every individual in interacting both with the organizational environment and outside the organization (Badrianto & Permatasari, 2022). In outline this organizational culture is a general perception that is held firmly by every member of the organization that becomes a system that has togetherness. In addition to the organizational climate and organizational culture that affect the increase in morale, the work environment also greatly influences the morale of employee performance in carrying out their duties. By creating harmonious working conditions, employees will feel safe, calm and tireless in terms of work. one of the efforts to produce good employee performance or even improve employee performance is the work environment.

The phenomenon of the work environment on CV. Putra Borneo in Palangka Raya, Central Kalimantan Province, Indonesia, which operates in the property sector, has a work environment that is felt to be uncomfortable and inadequate, such as a layout that lacks lighting and is a bit cramped, making it difficult for employees to do their activities and is not flexible, the placement of office equipment that is not untidy so that employees feel uncomfortable at work and in one of the rooms the work support facilities are not functioning properly, and the archives are not well organized. This situation has an impact on the achievement of employee and organizational performance. The research implication is the important role of the work environment, organizational culture in improving employee performance.

LITERATURE REVIEW

Based on the theory of human resources (HR) states that the work environment is a place where employees carry out relationships between parties (Meijerink et al., 2016). In a company, the work environment will affect every individual who carries out work on a daily basis. The basic condition of a company that can have an impact on the company's operational activities is the understanding of the work environment (Ababneh, 2021). Organizational climate is a description of the internal atmosphere of the organizational environment that is felt by members of the organization during their activities

in order to achieve organizational goals. Organizational climate as something that needs to be measured in the work environment both directly and indirectly affects employees and their work where the atmosphere in the place they work is.

1. Work Environment

The work environment in a company is one of the most important things to note. Even though the work environment does not carry out the production process within a company, the work environment has a direct influence on the employees who carry out the production process. An inadequate work environment will reduce performance and ultimately reduce employee motivation (Li et al., 2023).

The work environment is the overall tools and materials encountered, the surrounding environment in which a person works, his work methods, and his work arrangements both as individuals and as a group (Nyathi & Kekwaletswe, 2023). The work environment as a whole of work infrastructure that is around employees who are carrying out work that can affect the work itself. Even though the work environment is an important factor and can affect employee performance, currently there are still many companies that pay little attention to the working environment conditions around their company.

There is another view that discusses the work environment, which is a comprehensive work facility and infrastructure, which exists in the individual's work environment and will certainly have an impact on work activities. Work environment indicators include, Physical work environment: a. Lighting, b. temperature, c. Air Circulation, d. Noise. Non-physical work environment: a. Work relationship between subordinates and superiors, b. Work relationship between colleagues. Based on previous theories and empirical studies, the following research hypothesis is proposed, H1. The work environment has a positive and significant effect on improving employee performance.

2. Organizational Culture

Organizational culture is an invisible social force that can move people in an organization to carry out work activities (Akpa et al., 2021). Unknowingly, everyone in an organization learns the culture that prevails in their organization. Especially if he is a new person so that he can be accepted by the work environment, he tries to learn what is prohibited and what is required, what is good and what is bad, what is right and what is wrong and what must be done and what is not allowed. carried out within the organization where they work. So, organizational culture socializes and internalizes the members of the organization (Strengers et al., 2022).

Organizational culture is a system of values, beliefs, assumptions, or norms that have long been in force, agreed upon and followed by members of an organization as a guideline for behavior and problem solving (Sarhan et al., 2020) in his organization. Organizational culture is defined as norms, values, assumptions, beliefs, philosophies, organizational habits, and so on that have been developed for a long time by leaders and members of the organization which are socialized and taught to new members and applied in organizational activities in achieving organizational goals (Dewi & Wibowo, 2020).

Organizational culture indicators include: 1. Implementation of norms, norms are rules of conduct that determine employee or employee responses

regarding what is considered appropriate and inappropriate in certain situations. Organizational norms are developed over a long time by the founders and members of the organization. Organizational norms are very important because they regulate the behavior of organizational members, so that the behavior of organizational members can be predicted and controlled. 2. Implementation of values, which are guidelines or beliefs that are used by people or organizations to behave when faced with a situation that must make a choice of values. integrity and openness assume they must act honestly and with high integrity. 3. Organizational beliefs relate to what the organization thinks is right and wrong. Trust describes the moral characteristics of the organization or the organization's code of ethics, for example, providing a minimum wage in accordance with decent needs will increase the motivation of employees or employees. 4. Implementation of the code of ethics, is a collection of good habits of a society that is passed down from generation to generation. The function of the code of ethics is a guideline of behavior for members of the organization. Based on previous theories and empirical studies, the following research hypothesis is proposed, H2. Organizational culture has a positive and significant effect on improving employee performance.

3. Performance

Performance in the organization is the answer to the success or failure of the organizational goals that have been set (Ariawaty, 2020). Performance (work achievement) is a work result that is achieved by someone in carrying out the tasks assigned to him based on skills, experience and sincerity as well as time (Maswani et al., 2019). The definition of performance is the comparison of the results achieved with the participation of labor per unit time (usually per hour). The definition of performance as an expression such as output, efficiency and effectiveness is often associated with productivity (Wulandari et al., 2021).

Employee performance (work achievement) is the result of work in quality and quantity achieved by an employee in carrying out their duties in accordance with the responsibilities given to them (Syahrudin, 2020). Performance is the result of work that can be achieved by a person or group of people in a company in accordance with the authority and responsibility of each in an effort to achieve organizational goals illegally, does not violate the law and does not conflict with morals and ethics.

Performance is an employee achievement that can help the organization achieve success. At the same time, Employee performance is the result of personal activity over a certain period of time (Wulandari et al., 2021). Performance is an activity in which a person can complete the tasks assigned to him and follow procedures or rules using available resources. Performance is the result of a person's work, an overall management process, where the work of a person must be shown concretely and can be measured.

Performance or performance is a description of the level of achievement of the implementation of a program of activities or policies in realizing the goals, objectives, vision and mission of the organization as outlined in an organization's strategic planning. Performance is very important because with this performance it will be known how far their ability is in carrying out the tasks assigned to them (Mira et al., 2019). For this reason, it is necessary to determine clear and measurable criteria, and to set them together to serve as a

reference. Individual performance is defined as an individual's ability to do something according to certain expertise. In line with this opinion, Stephen Robbins argued that performance is defined as the result of an evaluation of the work done by individuals compared to the criteria that have been set together.

Performance indicators are quantitative and qualitative measures that describe the level of achievement of a set target or objective (Yoopetch et al., 2021). Performance indicators must be something that will be calculated and measured and used as a basis for assessing or seeing the level of performance in the planning and implementation stages. From the opinions of the experts above, it can be concluded that performance indicators are very important in improving employee performance. The performance indicators are as follows: 1. Quantity of work, all kinds of measurement units related to the amount of work that can be expressed in numbers or other numerical equivalents. 2. Quality of work, all kinds of units of measurement related to the quality or quality of work that can be expressed in numbers or other numerical equivalents. 3. Efficiency in carrying out tasks, various resources wisely and in a cost-effective manner. 4. Work discipline, comply with applicable laws and regulations. 5. Initiative, the ability to decide and do the right thing without being told, being able to find what should be done with something around you, trying to keep moving to do things even though things are getting more difficult. 6. Accuracy, the level of suitability of the results of work measurements whether the work has reached its goals or not. 7. Leadership, the process of influencing or giving examples by leaders to their followers in an effort to achieve organizational goals. 8. Honesty, one of the human traits that is quite difficult to apply. 9. Creativity, a mental process that involves generating ideas or involving generating ideas. Based on previous theories and empirical studies, the following research hypothesis is proposed, H3. Work environment and organizational culture have a positive and significant effect on improving employee performance.

METHODOLOGY

A study must use research strategies and research methods so that the research it examines can be justified for the truth and can achieve the goals set (Kristinae et al., 2020a). This type of research is a scientific way to obtain data with specific purposes and uses and is carried out quantitatively (distribution of questionnaires) to 31 employees of CV. Putra Borneo in Palangka Raya, Central Kalimantan Province, Indonesia. The strategy in this study, the researcher used a descriptive study through hypothesis testing using a causal design and the research test tool was SPSS 23.0. The research instrument was tested for validity and reliability tests, so that the data was not biased (Maswani et al., 2019). A good regression model is a model that has a normal or close to normal data distribution so it is done with the classic assumption test before the data is analyzed thoroughly from the t test (partial) and the f test (simultaneous) (Kristinae et al., 2020b).

RESULT AND DISCUSSION

The research was conducted using a questionnaire on 31 respondents who were employees at CV. Putra Borneo in Palangka Raya, Central Kalimantan-

Indonesia. The variables used are independent (Work Environment and Organizational Culture) and the dependent variable (Employee Performance), the variable is said to be valid if it meets the minimum requirements $r \geq 0.5$. Criteria for the results of the validity test on the questionnaire show that all items are valid. The reliability test was carried out with the aim of testing the extent to which the measuring device is reliable. This reliability measurement is carried out using the Cronbach Alpha coefficient (α). Usually the reliability of an instrument is accepted if it has a Cronbach's Alpha greater than 0.5. Based on the statistical theory of the linear model, only the related variable has a normality test distribution, while the dependent variable is assumed not to be a function of the distribution. To test for normality in linear regression, sharts are used. The basis for decision making is that if the data spreads around the diagonal line and follows the direction of the histogram line towards a normal distribution pattern, then the regression model meets the assumption of normality. The classic assumption test in this research includes: linearity, multicollinearity and heteroscedasticity that fulfill the statistical requirements. So that a partial hypothesis test can be carried out with the t test, the results are as follows.

Table 1. Test-t

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.738	.184		2.117	.009		
Work environment (X1)	.435	.087	.193	3.613	.000	.813	2.309
Organizational Culture (X2)	.683	.081	.617	2.322	.000	.691	2.712

Dependent Variable: Employee Performance (Y)

The statistical test is also known as the individual significant test. This test shows how far the influence of the independent variables, namely the Work Environment and Organizational Culture partially on the dependent variable, namely Employee Performance. An independent variable can be said to have a significant effect on the dependent variable if the probability value is significantly less than 0.05.

Based on data analysis in table 1, it is proven that: 1. The coefficient of the Work Environment variable is significant at $\alpha = 0.05$, because $t \text{ count} > t \text{ table}$ ($3,613 > 1,664$) or $\text{sig. } 0.00 < 0.05$. This means that the influence of work environment variables on employee performance is significant. It means that the hypothesis which states that the work environment affects employee performance is acceptable. 2. The coefficient of the Organizational Culture variable is significant at $\alpha = 0.05$, because $t \text{ count} > t \text{ table}$ ($2,322 > 1,664$) or $\text{sig. } 0.00 < 0.05$. This means that the influence of Organizational Culture variables on employee performance is significant. It means that the hypothesis which states that Organizational Culture has an effect on employee performance is acceptable. Then test f (simultaneous) to test hypothesis 3, as follows.

In this test $F_{\text{count}} > F_{\text{table}}$ then the hypothesis is accepted, which means that the independent variables simultaneously have a real influence on the

dependent variable, and vice versa if $F_{count} < F_{table}$ then the hypothesis is rejected. The results of the F test can be seen in table 2 below:

Table 2. F Test (Simultaneous)

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	19.289	3	7.174	33.192	.000 ^b
Residual	11.354	31	.129		
Total	20.643	28			

a. Dependent Variable: Kinerja Pegawai(Y)

b. Predictors: (Constant), Work Environment (X1), Organizational Culture (X2)

Source: Primary data processed in 2023

This test is used with the aim of proving whether the independent variables jointly affect the dependent variable. From the results of calculations through SPSS, it shows that F_{count} is 33,192 and $F_{table} = 3.16$ (using a significance level of 0.05% and degrees of freedom (df); $n-(k+1)$; $31- (2+1) = 28$). This states that $f_{count} (33,892) > F_{table} (3.16)$ so that the hypothesis is accepted. This means that the independent variables consisting of Work Environment and Organizational Culture simultaneously affect the performance of CV employees. Putra Borneo in Palangka Raya City, Central Kalimantan Province. Hasil coefficient of determination (R^2).

Table 3. Coefficient of Determination

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
	.845 ^a	.654	.539	.35117	1.143

a. Predictors: (Constant), Work Environment (X1), Organizational Culture (X2)

b. Dependent Variable: Employee Performance (Y)

The coefficient of determination Adjusted R Square (R^2) of 0.539 indicates that variations in employee performance are explained by the variables Work Environment and Organizational Culture by 53.9% while 46.1% are explained by other variables not analyzed in the model. The discussion of the research results is as follows: 1. The influence of the work environment variable on employee performance. The definition of the work environment as: The work environment is the whole of the tools and materials encountered, the surrounding environment in which a person works, his work methods, and work arrangements both as individuals and as a group. Based on the results of partial analysis, it is found that the β coefficient of the work environment is positive, a positive sign indicates that the relationship between work environment variables and employee performance variables is unidirectional, meaning that the better the employee's work environment, the higher the performance he will have. After testing, it turns out that the sig value is significant, thus meaning that there is a significant influence between the work

environment on employee performance. 2. The influence of organizational culture variables on employee performance. Organizational culture is defined as norms, values, assumptions, beliefs, philosophies, organizational habits, and so on that are developed over a long time by leaders and members of the organization which are socialized and taught to new members and applied in organizational activities in achieving organizational goals.

Based on the results of partial analysis, it is found that the β coefficient of organizational culture is positive, a positive sign indicates that the relationship between organizational culture variables and employee performance variables is unidirectional, meaning that the better the employee's organizational culture, the higher the performance he will have. After testing, it turns out that the sig value is significant, thus meaning that there is a significant influence between organizational culture on employee performance. 3. The influence of the variables of the Work Environment and Organizational Culture simultaneously on employee performance. Based on the results of simultaneous analysis, it is found that the β coefficient of the Work Environment and Organizational Culture is positive, a positive sign indicates that the relationship between the Work Environment and Organizational Culture variables and the performance variable is unidirectional, meaning that the higher the work environment, the higher the performance and the both the organizational culture and the employee's work environment, the higher the performance it will have.

CONCLUSIONS

The results of the theoretical and practical research show that human resources such as employees need a good work environment and organizational culture that are suitable for the office, from the results of the hypothesis test it has a significant effect on the performance of CV employees . Putra Borneo in Palangka Raya City, Central Kalimantan. This shows empirical support and strengthens statements regarding the results of previous studies and statements in the literature that the work environment and organizational culture are indeed influencing factors for improving performance. The implications of the results of testing the three hypotheses show that among the independent variables, organizational culture variables have the highest influence on performance compared to work environment variables, meaning that the role of work environment and organizational culture is very important in improving employee performance. The research results can be used as a reference for further research to improve employee performance.

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