

The Effect of Organizational Culture and Work Motivation on Employee Performance Through Job Satisfaction as an Intervening Variable

Vera Verdiyanti^{1*}, Zunaidah², Yos Karimudin³
Universitas Sriwijaya

Corresponding Author: veraverdiyantiharun@gmail.com

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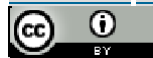
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ABSTRACT

This study aims to examine the effect of organizational culture and work motivation on employee performance with job satisfaction as an intervening variable at Perum Bulog Bengkulu Regional Office. The population in this study were all employees of Perum Bulog Bengkulu Regional Office, totaling 111 people and sampling using a saturated sampling technique. The analysis technique in this study uses Structural Equation Modeling (SEM) with SmartPLS software. The results showed that organizational culture has a positive and significant effect on job satisfaction with a large effect strength, motivation has a positive and significant effect on job satisfaction with a small effect, organizational culture has a positive and significant effect on employee performance with a moderate effect, motivation has a positive and significant effect on employee performance small effect, job satisfaction is able to partially mediate the indirect effect of organizational culture on employee performance with a structural level that is classified as high which is positively one-sided and significant. Job satisfaction is able to partially mediate the indirect effect of work motivation on employee performance which is positively one-sided and significant.

INTRODUCTION

Performance is the result of a person's work and work behavior in a period. Then performance can be measured from its ability to complete the tasks and responsibilities given. This means that performance contains an element of achievement standards that must be met so that those who achieve the predetermined standards are performing well or vice versa, those who are not achieved are categorized as performing less or not well.

Employee performance is influenced by various factors such as ability, expertise, work motivation, job satisfaction and leadership. This means that to improve performance, these factors must be managed properly. Employee job satisfaction is a factor that is considered important because it can affect the running of the organization as a whole. Job satisfaction felt by employees at work is an indication that employees have a good feeling in carrying out job duties.

Employee job satisfaction is a factor that is considered important because it can affect the running of the organization. Cultural factors are instrumental in creating smooth operations and business productivity of an organization. In order for a business to get the most out of its organizational culture, it must instill the same values in all its employees. When employees adhere to the same culture or set of values, they feel more secure and united. Organizational culture is the invisible force behind visible and observable organizational factors. Culture is the social energy that drives the organization to act. Organizational culture motivates organizational members to achieve organizational goals.

According to Mathis and Jackson (2017) that performance is basically the result of work done by employees. Common employee performance measurements for most jobs are as follows: 1. Quantity of output, 2. Quality of output, 3. Timeliness of output, 4. Effectiveness of work completed.

LITERATURE REVIEW

Correlation between Variables and Hypothesis Development Organizational Culture on Employee Job Satisfaction

Cultural change is a change that occurs continuously, which influences external and internal elements due to changes in geographical, cultural, and material conditions. A person's overall attitude toward their work is referred to as their job satisfaction; those who are unsatisfied with their jobs have negative attitudes toward them, and those who are highly satisfied with their jobs exhibit positive attitudes toward them (Robbins & Judge, 2018).

Rizki & Rijal (2021) claimed that employee performance is significantly impacted by organizational culture. This means that it affects the performance of employees of PT PLN (Persero) Transmission Service Unit and Bintan Substation by 82,9%. While the remaining of 17,1% is influenced by other factors. Based on this description, a hypothesis is formulated as follows:

H1: Organizational culture has a positive and significant influence on employee job satisfaction.

Work motivation to employee satisfaction

Increased motivation has the potential to increase job satisfaction. In this case there is a significant correlation between work motivation and job

satisfaction. Therefore, if you want to increase job satisfaction, one thing that needs to be considered is building high work motivation (Sinambela, 2016).

Rampi et al. (2024) established that, at the Sutranraja Amuran Hotel, employee motivation significantly affects employee job satisfaction. Employees at that place really need motivation as it has a role in increasing passion in performing tasks/work. With motivation, the employee has a high work enthusiasm. Based on this description, a hypothesis is formulated:

H2: Work Motivation has a positive and significant influence on employee job satisfaction.

Organizational culture on employee performance

Ghoni (2022) confirms the influence of the work culture of employees can bring organizational changes to improve quality and quality. Work culture includes various attitudes and behaviours that have effectiveness to improve the quality and quality of work carried out and to improve organizational performance.

Larasati et al. (2022) stated that based on the description of the indicators, each employee is expected to achieve performance targets according to the specified indicators. The percentage of employee performance appraisal has two value weights, namely AKHLAK-based performance appraisal of 20%) a hypothesis is formulated:

H3: Organizational culture has a positive and significant influence on employee performance

Work motivation on employee performance

Employees who are motivated at work will be able to generate work that meets company standards and aids in the achievement of the organization's objectives. With the motivation provided by the company, it will be beneficial for the company in achieving the desired goals. Sustainable motivation will be able to have a positive impact on the company in supporting employee performance.

Other words, if the motivation of teachers is good, it will make it easier for them to work. Teachers do not easily feel bored or stressed and the learning process that occurs will encourage students to be active and inspiring. Because in carrying out their duties, a teacher must have skills and always try to improve their abilities in the face of a changing educational climate. Based on this description, a hypothesis is formulated

H4: Work Motivation has a positive and significant effect on Employee Performance

Organizational culture has the influence on employee performance through employee job satisfaction

Kaswan (2021) makes the case that high performance is created, enhanced, and sustained by an environment that is supportive of it. Motivation among employees, a strong work ethic, and job satisfaction are all products of a supportive workplace culture.

According to Nofiantari et al. (2020), work satisfaction and performance are positively impacted by organizational culture, albeit marginally. This

suggests that organizational culture is considered to have a major impact on successful organizational performance. An organization's ability to successfully apply elements or ideals of its organizational culture can promote the organization's sustainable growth and development. Based on this description, the hypothesis is formulated:

H5: Organizational culture has a positive and significant influence on employee performance through job satisfaction.

Work motivation affects employee performance through employee job satisfaction

Job happiness and performance are tightly linked; a person who is happy in their position will be motivated, dedicated to the company, and have high levels of work involvement, all of which will help them to keep improving their performance. (Sinambela, 2021).

Boulagouas et al. (2021) stated that The likelihood that workers will be satisfied with their working conditions following the implementation of the change is 94,35% if they are always or nearly always enthusiastic about their work and strongly agree or tend to agree that the organization motivates them to deliver the best performance. This likelihood will increase if they feel that the company motivates them to deliver the best performance. Thus, it is clear that the influence of motivation is more important. Based on this description, the hypothesis is formulated:

H6: Work motivation has a positive and significant influence on employee performance through employee job satisfaction.

Job Satisfaction affects employee performance

Job happiness and performance are intimately linked; a person who is happy in their position will be motivated, devoted to the company, and have high levels of work involvement, all of which will help them to keep improving. (Sinambela, 2021).

Usman (2022) demonstrates the strong and positive relationship between job happiness and worker performance. The performance of the employee will rise in proportion to their level of job happiness. Employees who are satisfied with their jobs will work more effectively and efficiently. The company will be able to increase the job satisfaction of its employees will quickly achieve the company's goals. In light of this description, the following theory is put forth:

H7: Job satisfaction has a positive and significant influence on employee performance.

METHODOLOGY

According to Sugiyono (2010: 1), "Research methods are defined as scientific ways to obtain data with specific purposes and uses". This study uses descriptive quantitative research methods, where the data obtained comes from questionnaires or data and documentation to determine the effect or relationship of research variables.

This research was conducted on Perum Bulog Bengkulu employees with a sample size of 111 employees spread throughout the Regency and City of

Bengkulu consisting of 56 permanent employees and 56 PKWT employees (Specified Time Work Agreement).

The variables in this study consist of employee performance performance variables (Y), job satisfaction (Z), Organizational Culture (X1) and Work Motivation (X2). This study uses the Structural Equation model-Partial Least Square (SEM-PLS) version 4.0.2 with the type of data analysis technique using the Second order Embedded Two Stage Approach method with a repeated indicator approach. This technique is used to avoid bias from calculating composite reliability and AVE.

RESEARCH RESULT AND DISCUSSION

Several stages in analyzing the data in this study, namely the measurement stage (Outer Model) and testing the structural model (Inner Model). In the outer model measurement model, it is seen in several measurement angles, namely Loading Factor, Average Variance Extracted (AVE), Composite Reliability and also Cronbach Alpha. At this stage, a first order analysis will be carried out with repeated indicators.

Measurement Model (*Outer Model*)

First Order (Stage 1)

In the outer model measurement model, it is seen from several measurement angles, namely Loading Factor, Average Variance Extracted (AVE), Composite Reliability and also Cronbach Alpha. At this stage, a first order analysis will be carried out with repeated indicators

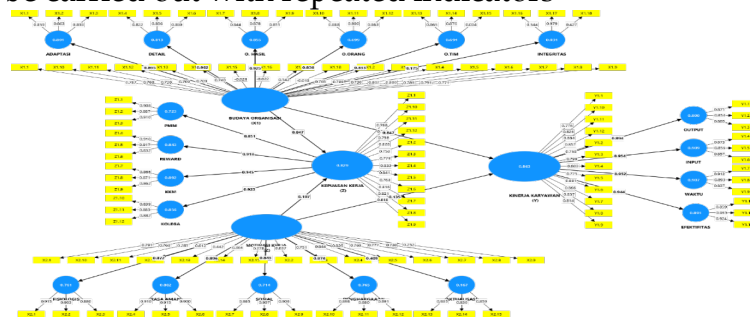


Figure 1. Outer Loading Stage 1 First Order with repeated Indicators
Stage 1 outer model validity test

Table 1. Stage 1 Validity Indicators

Variables	Dimensions	Indicator	First order		Ket	
			Outer loading (>0.7)	AVE (>0.5)		
Organizational Culture (X1)	Adaptation	X1.1	0,859	0,760	Convergent valid	
		X1.2	0,863		Convergent valid	
		X1.3	0,893		Convergent valid	
	Detail focus	X1.4	0,822		0,745	Convergent valid
		X1.5	0,886			Convergent valid
		X1.6	0,880			Convergent valid
		X1.7	0,844			0,714
	O. Result	X1.8	0,878		Convergent valid	
		X1.9	0,811		Convergent valid	
	O. People	X1.10	0,888		0,782	Convergent valid
		X1.11	0,900			Convergent valid

		X1.12	0,863		Convergent valid
	O. Tim	X1.13	0,865	0,758	Convergent valid
		X1.14	0,876		Convergent valid
	Physiological	X2.1	0,915	0,828	Convergent valid
		X2.2	0,933		Convergent valid
		X2.3	0,880		Convergent valid
Work Motivation (X2)	A sense of security	X2.4	0,910	0,825	Convergent valid
		X2.5	0,914		Convergent valid
		X2.6	0,900		Convergent valid
		X2.7	0,863	0,797	Convergent valid
	Social	X2.8	0,907		Convergent valid
		X2.9	0,907		Convergent valid
		X2.10	0,932	0,872	Convergent valid
	Award	X2.11	0,935		Convergent valid
		X2.13	0,935	0,825	Convergent valid
	Actualization	X2.14	0,931		Convergent valid
		X2.15	0,858		Convergent valid
		Z1	0,908	0,813	Convergent valid
	PMM	Z2	0,887		Convergent valid
		Z3	0,910		Convergent valid
		Z4	0,910	0,787	Convergent valid
Job Satisfaction (Z)	Reward	Z5	0,917		Convergent valid
		Z6	0,832	0,750	Convergent valid
	KKM	Z7	0,866		Convergent valid
		Z8	0,871		Convergent valid
		Z9	0,862	0,753	Convergent valid
	colleague	Z10	0,839		Convergent valid
		Z11	0,883		Convergent valid
		Z12	0,882		Convergent valid
		Y1	0,871	0,756	Convergent valid
	Output	Y2	0,853		Convergent valid
		Y3	0,885		Convergent valid
		Y4	0,873	0,744	Convergent valid
	Input	Y5	0,856		Convergent valid
Employee performance (Y)		Y6	0,857		Convergent valid
		Y7	0,912	0,777	Convergent valid
	Time	Y8	0,893		Convergent valid
		Y9	0,837		Convergent valid
		Y10	0,860	0,822	Convergent valid
	Effectiveness	Y11	0,935		Convergent valid
		Y12	0,924		Convergent valid

Referring to the table above, it is known for the validity test of each dimension of the variable to be studied that each indicator is valid and convergent as seen from the *loading factor* parameter > 0.70 . The largest *loading factor* value is 0.935 and the smallest is 0.811, while the *Average Variance Extracted* (AVE) value shows the amount of variance captured by the construct compared to the variation caused by measurement error.

Structural Model (Inner Model) Second Order (Stage 2)

Structural model evaluation is related to hypothesis testing of the influence between research variables. Structural model evaluation checks are

carried out in several stages, namely validity and reliability tests, and discriminant validation tests.

At this stage, dimensional level testing will be carried out, using the latent variable scores generated from stage 1. The following are the results of the second order stage 2 constructs.

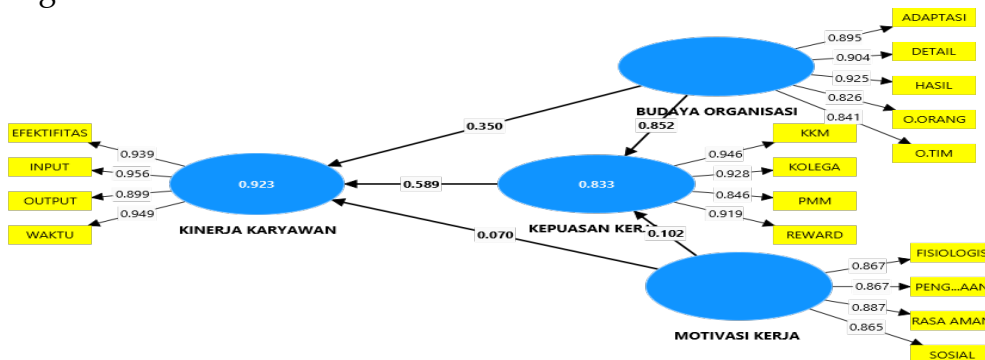


Figure 2. Outer Loading Stage 2 second Order

Table 2. Stage 2 Validity and Reliability Test

Variable	Dimensions	Outer loading (>0.7)	AVE (>0.5)	Composite Reliability (0.7)	Cronbach Alpha (0.7)
Organizational Culture (X1)	Adaptation	0,894	0,773	0,944	0,927
	Detail focus	0,903			
	O. Result	0,923			
	O. People	0,827			
	O.Tim	0,841			
Work Motivation (X2)	Physiological	0,868	0,760	0,927	0,895
	A sense of security	0,886			
	Social	0,862			
	Award	0,865			
Job Satisfaction (Z)	PMM	0,846	0,829	0,951	0,930
	Reward	0,919			
	colleague	0,928			
Employee performance (Y)	Effectiveness	0,899	0,877	0,966	0,953
	Output	0,956			
	Input	0,949			
	Time	0,939			

From the table above, it can be seen from the 4 parameters used in determining the validity and reliability of each variable, namely outer loading (>0.7), AVE (>0.5), composite reliability (0.7) and also Cronbach alpha (0.7). The organizational culture variable seen from the four dimensions of measurement when viewed from the outer loading parameter has the largest value of the result orientation dimension of 0.93 and the smallest of the people orientation dimension, which means that the four measurement items are valid to reflect the measurement of organizational culture. The level of reliability is acceptable as

indicated by Cronbach alpha and composite reliability above 0.70 (reliable). the level of convergent validity indicated by the AVE value of $0.773 > 0.50$ has met the requirements of good convergent validity. Overall, the variation in the measurement dimensions contained by the variables reaches 77.3%.

Fornell-Lacker Criterion Test

Table 3. Fornell_Larcker Criterion Test Results

	Organizational Culture	Job Satisfaction	Employee Performance	Work Motivation
Organizational Culture (X1)	0,879			
Job Satisfaction (Z)	0,909	0,910		
Employee Performance (Y)	0,924	0,946	0,936	
Work Motivation (X2)	0,552	0,573	0,601	0,793

Source: Processed data, 2024

Evaluation of discriminant validity needs to be done by looking at the *Fornell and Lacker* criteria. Discriminant validity is a form of evaluation to ensure that variables are theoretically different and empirically proven or statistical testing. *Fornell and lacker's* criterion is that the root AVE of the variable is greater than the correlation between the variables. The employee performance variable (0.924) has a greater correlation with job satisfaction (0.909) and a greater correlation with organizational culture (0.879) and greater with work motivation (0.552). These results indicate that the discriminant validity of employee performance variables as well as job satisfaction has been fulfilled where the AVE root is greater than the correlation between variables.

Cross loading

Table 4. Cross Loading Test Results

	Organizational Culture	Work Motivation	Job Satisfaction	Employee Performance
Adaptation	0.895	0.531	0.868	0.899
Details	0.904	0.539	0.912	0.908
O. Results	0.925	0.535	0.826	0.826
O. Person	0.826	0.339	0.653	0.658
O.Tim	0,841	0,390	0,686	0,705
Physiological	0,534	0.867	0.502	0.570
A sense of security	0,521	0.887	0.478	0.543
Social	0.409	0.865	0.479	0.466
Award	0.469	0.867	0.546	0.520
PMM	0.749	0.710	0.846	0.790
Reward	0.825	0.433	0.919	0.875
KKM	0.874	0.500	0.946	0.887
Colleagues	0.855	0.473	0.928	0.893
Output	0.834	0.406	0.888	0.899
Input	0.876	0.518	0.915	0.956

Time	0.876	0.676	0.880	0.949
Effectiveness	0.873	0.658	0.864	0.939

source: processed data, 2024

Referring to the table above, it can be seen that the evaluation of discriminant validity at the measurement dimension level is fulfilled where each measurement dimension correlates more strongly/highly with the variable it measures. The dimensions of adaptation, detail, result orientation and people orientation are higher with the organizational culture variables they measure, and correlate low with other variables as well as with other dimensions or items. It can be stated that discriminant validity with cross loading parameters is fulfilled.

R-Square Test

R-Square is the coefficient of determination on endogenous constructs, which means that the size of the proportion of the value of the affected variable (endogenous) can be explained by the variables that affect it (exogenous). The higher the *R-Square* value, the better the research prediction model. (Chin, 1998) states that the *R-Square* value is 0.67 (strong), 0.33 (moderate), and 0.19 (weak). The following are the results of the calculation of the *R-Square* value:

Table 5. R-Square Test Results

Endogenous/Depended Variable	<i>R-Square</i>	<i>R-Square adjusted</i>	interpretation
Job Satisfaction	0,833	0,829	Strong
Employee Performance	0,923	0,921	Strong

Source: primary data processed, 2024

From the table, it can be obtained that the *R-Square* value of the job satisfaction variable is 0.833 with a strong category and it can be stated that the organizational culture variable (X1) and Work Motivation (X2) simultaneously have a strong effect on the job satisfaction variable (Z) by 83% while the rest is influenced by other variables that are not in this study. Furthermore, on the employee performance variable, the *R-Square* value is 0.923 with a strong category and it can be stated that the organizational culture variable (X1) and work motivation (X2) simultaneously have a strong effect on the employee performance variable (Y) by 92.3% and the rest is influenced by other variables not examined.

Q-Square Test (Q²)

Predictive relevance is a test conducted in showing how well the observation value is generated by using the blindfolding procedure by looking at the Q-square value. If the Q-Square value > 0, it can be stated that the model has a predictive relevance value or has a good observation value, whereas if the Q-Square value < 0, it can be stated that the model lacks or does not have predictive relevance or poor observation value. (Chin, 1998). The following are the results of the calculation of the Q-Square value:

Table 6. Q-Square Test Results

Endogenous/Dependent Variable	R-Square	$1 - ((1 - R_1 \text{ square})(1 - R_2 \text{ square}))$	Q-Square))
Job Satisfaction	0,833		
Employee Performance	0,923	$1 - (1 - 0.850)(1 - 0.925)$	0,987
Average	0,878		

Source: Processed data 2024

In table 4.15 it can be seen that the Q-Square value in this study is 0.987 or 98.7%, thus it can be concluded that this research model has a relevant predictive value, where the model used can explain the information in the research data by 98.7% and it can be stated that this research has a fairly good model.

F-Square Test (F²)

The F-Square test is a parameter used to see the relative impact of an independent variable on the dependent variable. The parameters used are 0.35 (Large Effect), 0.15 (Medium Effect), and 0.02 (Small Effect). If the F-Square has a value of 0.02, there will be a small impact of the independent variable on the dependent variable. (Hair et al., 2014). The following will display the F-Square research data:

Table. 7 F-Square Test Results

	Organizational Culture	Job Satisfaction	Employee Performance	Work Motivation	Interpretation
Organizational Culture	2,99				Large effect
Job Satisfaction			0,275		Medium effect
Employee Performance			0,756		Large effect
Work Motivation		0,043	0,042		Small effect

Source: primary data processed, 2024

Referring to the table above, it can be stated that organizational culture has an influence that has a big impact on job satisfaction with a value of 2.99, while for the employee performance variable organizational culture has a medium or moderate impact. For the effect of job satisfaction with performance has a large effect with a value of 0.756. And for the work motivation variable has a small effect on job satisfaction as well as employee performance, the motivation variable has a small effect.

Model Fit Test Goodness of Fit (GoF)

The Gof test is used to test the overall fit of the model either the outer model or the inner model with the observed value with the expected value in the model. Values are 0.10 (GoF small), 0.25 (GoF medium), and 0.36 (GoF Large).

Table 8.AVE Test Results

	Average Variance Extracted
Organizational Culture	0.773
Work Motivation	0.629
Job Satisfaction	0.829
Employee Performance	0.877
Average	0.777

Source: Processed data, 2024

From the average AVE calculation data, the value of *GoF* is obtained as follows:

$$GoF = \sqrt{\frac{Rata - rata AVE \times Rata - rata R Square}{\sqrt{0,777 \times 0,878} \sqrt{0,682}}} = 0,825$$

Based on the results of the above calculations, the *GoF* value falls into the high category, meaning that the model fits the data.

Standardized Root Mean Square Residual (SRMR)

According to Yamin (2022), this value is a measure of *Fit* model (model fit), namely the difference between the data correlation matrix and the estimated model correlation matrix. Also supported by (Hair et al., 2021)(Hair et al., 2021), the SRMR value below 0.08 indicates a *fit* model, meaning that the model has an *acceptable fit*. Empirical data can explain the influence between variables in the model.

Estimated Model	
SRMR	0,080

Source: processed data, 2024

Referring to the table data above, it can be concluded that the model displayed is still acceptable and the model has a fit with the data.

Hypothesis Test

Direct Effect

Hypothesis testing using smart PLS 4.0.2 is carried out using the bootstrapping method. The path coefficients test is carried out by conducting a t-test. ρ -value and t-statistics which can be used to measure the effect of exogenous variables (X) on endogenous variables (Y). The following are the results of the hypothesis test analysis:

Table 10. Hypothesis testing of direct effect

Direct effect variable	Original Sample (O)	95 % confidence interval path coefficients		t Statistics (IO/STDEVI)	P Values
		Lower limit	Upper limit		
Organizational Culture -> Job Satisfaction	0.852	0,783	0,902	23,409	0.000
Work Motivation -> Job Satisfaction	0,102	0,023	0,188	2,005	0.000
Organizational Culture -> Employee Performance	0.852	0,783	0,902	23,152	0.000
Work Motivation -> Employee Performance	0.130	0,131	0,215	2,650	0.023
Job Satisfaction -> Employee Performance	0.589	0,462	0,692	8,441	0.004

Source: Primary data processed, 2024

Based on the test results above, it can be concluded that:

1. Hypothesis 1 testing, namely the direct effect between organizational culture on job satisfaction, obtained a positive original sample of 0.852, which means that the more intense the organizational culture, the more job satisfaction will increase, in a 95% confidence interval the influence of organizational culture in increasing job satisfaction lies between 0.783 to 0.902. The t-statistic value is $23.409 > 1.96$ and the t-value is $0.000 < 0.000$. ρ -This is also supported by the F-Square measurement of organizational culture with job satisfaction which has a large effect, namely 2.99 (F-square > 0.35), so it can be stated that organizational culture has a positive and significant effect on job satisfaction with a large effect strength.

Conclusion: H0 rejected Ha accepted.

2. Hypothesis 2 testing, namely the direct effect between work motivation on job satisfaction, obtained positive original sample data, namely 0.102, which means that there is an influence between work motivation on job satisfaction with a small effect (F-square $0.043 > 0.02$), which means that providing motivation through training conducted by Perum Bulog has little effect on job satisfaction. In the 95% confidence interval, the increase in motivation provided by the company through the training provided needs to be increased again until it reaches the upper limit of 0.188. When viewed from the hypothesis test, the t-statistic is $2.005 > 1.96$ and the t-value is $0.000 > 0.000$. ρ -value $0.000 > 0.05$, it can be stated that there is a positive and significant influence between work motivation on job satisfaction with a small effect.

Conclusion: H0 rejected Ha accepted

3. Hypothesis 3 testing, namely the direct influence between organizational culture and employee performance with the original sample of 0.852, which means that the more intense the organizational culture is carried out, it will affect employee performance. In the 95% confidence interval, it is expected that the more intense the organizational culture, namely the AKHLAK culture, will further improve employee performance. Judging from the t-statistic $23.152 > 1.96$ and ρ -value 0.000, it can be stated that there is a positive and significant influence between organizational culture and employee performance with a moderate effect (F-square $0.275 > 0.15$).

Conclusion: H0 is rejected Ha is accepted

4. Testing the 4th hypothesis, namely the direct effect between work motivation and employee performance with the original sample of 0.130, which means that the provision of motivation is still not maximally implemented in supporting employee performance, this is supported by the 95% confidence level interval that the provision of motivation in the form of training provided is still at the lower limit of 0.131 while the lower limit is 0.215. Judging from the t-statistic value of $2.650 > 1.96$ and ρ -value $0.023 > 0.05$, it is stated that there is a positive and significant influence between work motivation and employee performance with a small effect (F-square $0.042 > 0.02$).

Conclusion: H0 rejected Ha accepted.

5. Testing the 7th hypothesis, namely that there is a direct influence between job satisfaction and employee performance with an original sample of 0.589 is in the middle between the lower limit and the upper limit in the 95% confidence

level interval between 0.462 to 0.692, which means that there is still a need to increase things related to job satisfaction so that performance will increase. Judging from the statistical t value of $8.411 > 1.96$ and the ρ -value 0.004, it can be stated that there is a positive and significant influence between job satisfaction and employee performance with a large effect (F-square $0.756 > 0.35$).

Conclusion: H0 rejected Ha accepted

Indirect Effect

The direct effect can be seen how strong the effect produced between variables with F-square, in the indirect effect it can also be seen how much the mediating influence between variables using the effect size mediation ν . The effect size formula proposed by (Lachowicz et al., 2018) which is the development of the effect size R^2 med is the effect size mediation ν as follows:

Effect size of organizational culture on employee performance through job satisfaction

$$\begin{aligned} \nu &= B_{YM-X}^2 - (R_{Y-MX}^2 \cdot \rho_{YX}^2) \\ &= \beta_{MX}^2 \cdot B_{YM-X}^2 \\ &= 0,852^2 \cdot 0,767 \\ &= 0,923 \cdot 0,767 \\ &= 0,707 \end{aligned}$$

Effect size of work motivation on employee performance through job satisfaction

$$\begin{aligned} \nu &= B_{YM-X}^2 - (R_{Y-MX}^2 \cdot \rho_{YX}^2) \\ &= \beta_{MX}^2 \cdot B_{YM-X}^2 \\ &= 0,102^2 \cdot 0,264^2 \\ &= 0,319 \cdot 0,264 \\ &= 0,084 \end{aligned}$$

The interpretation of the static value of the ν mediation effect (ν) refers to that recommended by Ogbeibu & Gaskin (2023) namely 0.175 (high mediating effect), 0.075 (medium mediating effect), and 0.01 (low mediating effect).

Table 11. Effect Size Mediation Upsilon (ν)

	Upsilon (ν)	Interpretation
Organizational culture -> Job Satisfaction -> Employee Performance	0,707	Large effect
Work Motivation -> Job Satisfaction -> Employee Performance	0,084	Medium effect

Source: (Lachowicz et al., 2018) and (Ogbeibu & Gaskin, 2023)

The effect of the indirect effect on hypothesis testing is obtained from the bootstrapping method in the smart PLS application and the following results are obtained:

Table 12. Hypothesis Test of Indirect Influence

Indirect effect variable	Original Sample (O)	95 % confidence interval path coefficients	t Statistics (IO/STDEVI)	P Values

		Lower limit	Upper limit		
Organizational Culture -> Job Satisfaction-> Employee Performance	0.502	0,380	0,607	7,361	0.000
Work Motivation -> Job Satisfaction-> Employee Performance	0,060	0,014	0,106	2,141	0.016

Source: processed data, 2024

Based on the table above, the indirect hypothesis can be stated as follows:

1. Hypothesis 5 is that the effect of organizational culture on employee performance is mediated through job satisfaction. Referring to the table above, job satisfaction mediates organizational culture on employee performance with a *path coefficient* of 0.502 and a t-statistic of 7.361 > 1.96. ρ -value 0.000 > 0.05 and t-statistic 7.361 > 1.96.

This means that there is a positive and significant influence between organizational culture and employee performance through job satisfaction and the magnitude of this influence can be seen from the calculation of *upsilon* (v) 0.707 > 1.75 in other words job satisfaction in mediating the indirect effect of organizational culture on employee performance at the structural level is high.

To determine the type of mediation by reference (Nitzl et al., 2016) and reinforced by (Hair et al., 2017) by looking at the indirect relationship between organizational culture and employee performance through job satisfaction is significant ($\rho_1.\rho_2$) and the direct relationship between organizational culture and job satisfaction (ρ_3) is significant and the total effect between organizational culture, employee performance and job satisfaction ($\rho_1.\rho_2.\rho_3$) is positive

then it can be stated that between organizational culture on employee performance through job satisfaction is *complementary partial mediation*, which means that there is a partial mediation effect between organizational culture on employee performance through job satisfaction which is positive in one direction, that if the organizational culture is more intensely improved, job satisfaction will increase and employee performance will also increase with the magnitude of the effect.

Conclusion: H0 rejected Ha accepted.

2. Hypothesis 6 that the effect of work motivation on employee performance is mediated through job satisfaction. Referring to the *indirect effect* parameter table, job satisfaction mediates work motivation on employee performance with a *path coefficient* of 0.060 and a t-statistic of 2.141 > 1.96 > 1.05. ρ -value 0.016 > 0.05 and t-statistic 2.141 > 1.96

This means that there is a positive and significant influence between work motivation and employee performance through job satisfaction and the magnitude of this influence can be seen from the calculation of *upsilon* (v) 0.084 > 0.075 in other words job satisfaction in mediating the indirect effect of organizational culture on employee performance at the structural level is classified as having a medium effect.

The type of mediation can be seen from the indirect relationship between work motivation to employee performance through job satisfaction is significant (ρ_1 , ρ_2) and the direct relationship between work motivation and job satisfaction (ρ_3) is significant and the total effect between work motivation, employee performance and job satisfaction (ρ_1 , ρ_2 , ρ_3) is positive

then it can be stated that between work motivation on employee performance through job satisfaction is *complementary partial mediation*, which means that there is a partial mediation effect between work motivation on employee performance through job satisfaction is positive in one direction, that if work motivation increases, job satisfaction will increase and employee performance will also increase even though it has a medium effect or medium effect.

Conclusion: H0 rejected Ha accepted.

CONCLUSIONS AND RECOMMENDATIONS

That organizational culture has a positive and significant effect on job satisfaction and employee performance, work motivation has a positive and significant effect on job satisfaction and employee performance. The role of job satisfaction in mediating organizational culture on employee performance is complementary partial mediation with a structural level having a large effect, which means that there is a significant partial mediating effect between organizational culture on employee performance which is positive in the direction that the more intense organizational culture is implemented in an organization, satisfaction will increase and employee performance will increase with a large effect. Likewise, in the motivation variable that the role of job satisfaction in mediating work motivation on employee performance is complementary partial mediation with a structural level has a medium effect, which means that there is a significant partial mediating effect between work motivation on employee performance which is positive in the direction that the more intense organizational culture is implemented in an organization, the satisfaction will increase and employee performance will increase with a medium effect.

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