

Trust and Organizational Culture as a Driver of Relational Capital to Organizational Performance in BPJS Ketenagakerjaan Surabaya Region

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ABSTRACT

This study aims to determine trust and organizational culture as drivers of Relational Capital and organizational performance in the BPJS Ketenagakerjaan Surabaya region. This study was conducted at the company BPJS Ketenagakerjaan Surabaya region with a total population and a sample of 50 employees. The Data in this study is the primary data obtained through interviews, questionnaires, and observations. Data analysis and analysis tools used in this study are Structural Equation Modeling and Partial Least Squares analysis tools. The results of this study indicate that both Trust and organizational culture are able to influence Relational Capital so that it can drive organizational performance. Improved organizational performance is evidenced by the higher level of trust participants have in the organization, the good organizational culture, and the establishment of a good level of Relational Capital.

INTRODUCTION

Essentially, all companies have the same goal, which is to maximize the welfare of external parties. To achieve its goals, it is important for the company to have a competitive advantage and also focus on developing its assets, one of which is intangible assets that are known to provide significant added value, competitive advantage and long-term success for an organization.

One aspect of intangible assets is intellectual Capital which has 3 components in it, namely Human Capital, Structural Capital and Relational Capital. Simply put, human capital is the knowledge that individuals in an organization have that is presented through employees. Structural Capital includes procedures, strategies, routines, and everything that makes a company worth more than its material value. Relational Capital is the knowledge inherent in the organization when building external relationships, and the organization develops it through business lines.

Relational capital which is included in the intellectual capital aspect can be driven by several elements, including trust and culture. Trust is an important element in cooperation both inside and outside the organization. The existence of trust is also believed to help develop and maintain a good ingroup feeling which has an impact on increasing the effectiveness of organizational performance and the efficiency of completing tasks at work in BPJS Ketenagakerjaan organizations. Trust refers to the degree of confidence that a person is able to act in a fair, ethical, and predictable manner (Prayoga et al., 2019)

The second element that drives relational capital is organizational culture. Organizational culture is defined as the values formed by human resources when carrying out tasks and obligations and behavior in the organization. The linkage of organizational culture as a second driver of relational capital, it can be seen that when an organizational member recognizes a positive organizational culture, it can provide a positive work environment that will increase morale, it can also increase cooperation and effective communication patterns between organizational members that have an impact on opening up new ideas.

Social Security Agency for Employment or known as BPJS Ketenagakerjaan is a public legal entity that provides services to the community by implementing social security programs for all workers and their families. As described above, BPJS Ketenagakerjaan is an agency engaged in insurance and social security services for workers, organizational performance that can be measured by looking at the quality of participants assessments of related organizations. Organizational performance is defined as the result of individual work, which will later be collected collectively into team performance, so that it finally accumulates into organizational performance (Nasuha, 2023).

The BPJS Ketenagakerjaan experienced a condition of decline in organizational performance factors shown by the decline in performance achievement results in the period between 2021 to 2023 second quarter. Based on the relationship of variables that have been described BPJS Ketenagakerjaan organizational performance decline is also thought to be associated with low

conditions of relational capital shown by the data increase in complaints and complaints, low conditions of trust and organizational culture shown by the data results of preliminary research conducted by researchers.

Based on the background of existing problems, it can be suspected that there is a link between Trust, Organizational Culture as a driver of Relational Capital with Organizational Performance in the work dynamics that occur in BPJS Ketenagakerjaan Surabaya region.

LITERATURE REVIEW

Organizational Performance

According to Hessel Nogi in (Resmawan, 2017) organizational performance is a statement of the level of achievement of an organization in carrying out tasks and achieving goals, missions and visions. Furthermore (Aditama & Widowati, 2017) stated that organizational performance is the ability of the organization to perform its obligations to achieve the goals, objectives, vision and mission that have been set. The purpose of the organization's own performance is not only centered on the end result but also focuses on the processes and resources to achieve organizational goals that have been set before. According to Hasibuan in (Damanik, 2021) Organizational Performance indicators include: (1) Quantity of Work, (2) Quality of Work, (3) Efficiency in Performing Tasks, (4) Responsibility, (5) Independence.

Trust

As explained in the Great Indonesian dictionary (KBBI), Trust is a premise or belief that someone has that something is believed to be true or real. According To (J.J, Palandi., M. Mangantar., 2022), trust is all the knowledge that an individual has and all the conclusions that an individual makes about objects, property and interests. According to Johnson & Johnson in (Putri & Kusumaputri, 2018), Trust Indicators are: (1) Openness, (2) Sharing, (3) Acceptance, (4) Support, (5) Collaboration.

Organizational Culture

Organizational culture is an assumption of beliefs, values and norms developed by the organization over a long time that serves as a guideline for the behavior of organizational members in overcoming internal and external adaptation problems (Mangkunegara, 2019). Consistent with this, (Ariani, H.M & Harum, 2021) also argue that organizational culture can be defined as a long-term effective, members of the organization agree and follow the values, beliefs, assumptions or normative systems, behaviors and guidelines to solve organizational problems. According to Victor Tan in (Firdaus, 2019) Organizational Culture indicators are: (1) Individual initiative, (2) Risk tolerance, (3) Control, (4) Management support, (5) Communication pattern.

Relational Capital

Relational Capital is a component of Intellectual Capital designed to provide concrete value. Relational Capital is generally defined as capital, that is,

harmonious relationships or related networks that a company can establish with external parties (such as customers, suppliers, partners, etc.) that can add value to the company. Furthermore, Ordonez de Pablos in (Hidayat & Azzahra, 2019) also defines Relational Capital as the knowledge gained and accumulated by a company through the exchange of ideas with parties both inside and outside the organization, and the potential for future accumulation of knowledge resulting from this exchange. Considering that a company cannot be isolated from its external environment, it is crucial to know the relationship with external parties. According to Marr and CIMA in (Patmawati et al., 2021), Relational Capital indicators include: (1) Stakeholders Relation, (2) Corporate Reputation, (3) Distribution Channel, (4) Environmental Activities, (5) Social Networks.

Relationship between Trust and Relational Capital

Trust is an important element in cooperation both inside and outside the organization (Barney and Hansen in Husaini, 2019). Trust can be built because of organizational integrity, competence, consistency and openness. Lussier argues that integrity can be enhanced by telling the truth, keeping promises, and being fair (Irfana et al., 2023). Lack of trust leads to a person not willing to take risks, and all members of the organization will sacrifice organizational achievement cooperation for the sake of improving organizational effectiveness.

Bontis argues in (Hidayat, 2019) that to gain a competitive advantage, relationships with people outside the organization must be based on trust, mutual respect, and done in an appropriate way, because trust is an important factor, not only collaboration within the organization, but also collaboration outside the organization. Choosing a business partner should be done by establishing a partnership based on trust. This is in line with Gulati's (Husaini, 2019) view which suggests that trust-based partnerships usually start with less strategic cooperation, which is only felt after several periods of cooperation.

H1: It is suspected that Trust (X1) has a positive effect on Relational Capital (Y) in BPJS Ketenagakerjaan Surabaya region.

Relationship between Organizational Culture and Relational Capital

With the increasing changes in global business competition and the changing technological and social environment, organizations have an increasing need for knowledge of employees. Organizations need to focus on developing and enhancing knowledge that involves all employees at all levels and organizational structures.

If members of the organization are introduced to a good or positive organizational culture, the organizational work environment will be more conducive to fun so that it can improve work morale (Sadri and Lees in Husaini, 2019). This is also supported by the opinion of Goffe and Jones in (Suherman, 2017) collaboration and information sharing among organizational members can increase and can open up new ideas, support product development and new innovations. Organizational culture will help attract and retain Top performers because organizational culture is considered a major determinant of employee well-being.

H2: It is suspected that Organizational Culture (X2) has a positive effect on Relational Capital (Y) in BPJS Ketenagakerjaan Surabaya region.

Relationship between Relational Capital and Organizational Performance

Relational Capital consists of company representation, relationships with clients, satisfaction with products, and relationships with colleagues, the ability to negotiate, trade channels, access to suppliers, and licenses for the commercialization of products. (Kholik & Laeli, 2020). Relationships between employees are stored in attributes such as shared norms or shared paradigms, which facilitate agreement on common desires as well as appropriate actions.

If the organization is able to manage Relational Capital well, such as fostering good relations between superiors and subordinates or vice versa, between colleagues, building a pleasant working atmosphere, or by satisfying external parties or customers, making them loyal consumers of the organization so that organizational performance will increase. Likewise, if the relationship with the community can be well established and the company has a good image in the public mind, then the performance of the organization can be easily improved and become a company Advantage. This is supported by research conducted by Shara bati at al. (2018), and Husaini (2019) who stated that Relational Capital has a positive and direct effect on organizational performance.

H3: It is suspected that Relational Capital (Y) has a positive effect on Kinerja Organisasi (Z) in BPJS Ketenagakerjaan Surabaya region.

METHODOLOGY

The method applied in this study was carried out using quantitative methods, this study determined the population of all employees in the company BPJS Ketenagakerjaan Surabaya region amounting to 50 employees. Because the population does not exceed 100 respondents, the authors decided to take 100% of the population BPJS employment company Surabaya region that is as many as 50 respondents. Data collection method is a method in which researchers collect data needed for research, and the data collection is done in order to obtain the data needed to achieve the objectives of the study. According to (Sugiyono, 2018), data collection methods or techniques can be done through interviews, questionnaires, observations, and a combination of the three. The method of data analysis used in this study is using Structural Equation Modeling (SEM) and Partial Least Squares (PLS) analysis tools. PLS is a way of building predictive models when there are too many factors. Partial least squares (PLS) was chosen as a tool for this analysis because PLS is widely used to predict complex causal relationships and is a theoretically appropriate technique like this study.

RESULT AND DISCUSSION

Interpretation of Partial Least Square (PLS) Results

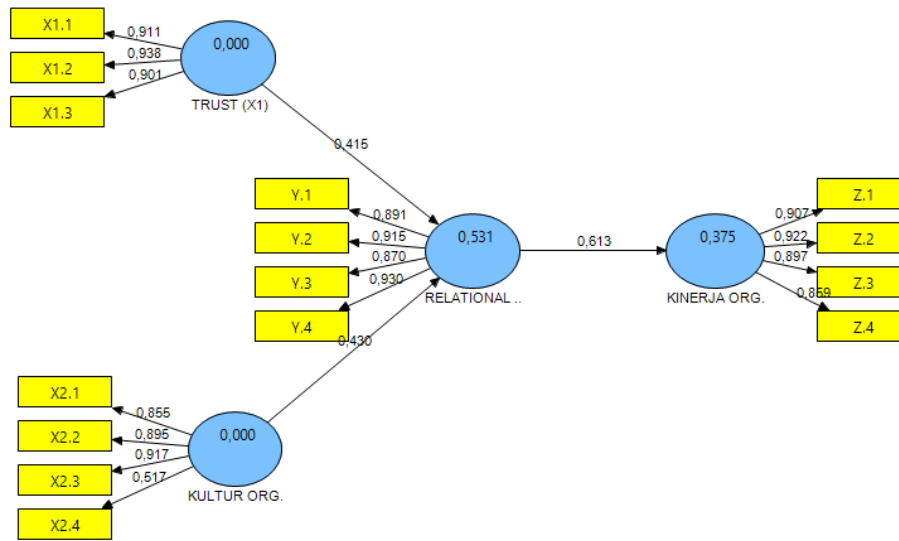


Figure 1. Outer Model with Factor Loading, Path Coefficient and R-Square
Source: Data Processing, SmartPLS Output

From the outer model picture above, there are several things that can be seen, the first is the magnitude of the loading factor value of each indicator located above the arrow between the variables (construct) and indicators, can also be seen the magnitude of the path coefficients (path coefficients) which are above the arrow line between exogenous variables to endogenous variables. In addition, it can also be seen the magnitude of the R-Square which is right inside the circle of endogenous variables.

To measure the validity of one part of the indicator is based on the outer loading output table, namely by looking at the value of the loading factor, because in this measurement all indicators use reflective, then the table used is the outer loading output.

Table 1. R-Square

	R Square
ORGANIZATIONAL PERFORMANCE (Z)	0,375287
ORGANIZATIONAL CULTURE (X2)	
RELATIONAL CAPITAL (X1)	0,530531
TRUST (X1)	

Source: Data Processing, SmartPLS

The value of R-square for Organizational Performance variable (Z) is 0.375287, meaning that the influence of organizational performance variability can be explained by The Relational Capital variable of 37.53%, while the remaining 58.77% can be explained by other variables.

While the value of R-square for the variable Relational Capital (Y) is 0.530531, meaning that the influence of Relational Capital variability can be

explained by independent variables such as Trust and organizational culture with a variant of 53.05%. While the remaining 46.95% explained by other variables outside this study.

Table 2. Path Coefficients (Mean, STDEV, T-Values)

	Path Coefficients (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STERR)	P Values
TRUST (X1) -> RELATIONAL CAPITAL (Y)	0,415383	0,395125	0,091122	4,558562	0,000
ORGANIZATIONAL CULTURE (X2) -> RELATIONAL CAPITAL (Y)	0,429983	0,459849	0,088577	4,854343	0,033
RELATIONAL CAPITAL (Y) -> ORGANIZATIONAL PERFORMANCE (Z)	0,612607	0,620330	0,053527	11,444897	0,000

Source: Data Processing, SmartPLS

Trust (X1) has a positive effect on Relational Capital (Y) in BPJS Ketenagakerjaan Surabaya region is acceptable, with path coefficients of 0.415383, and T-statistic value of 4.558562 > 1.96 (t-Table value of $Z_{\alpha} = 0.05$), or P-Value of 0.000 < 0.05, then significant (positive).

Organizational Culture (X2) has a positive effect on Relational Capital (Y) in BPJS Ketenagakerjaan Surabaya region is acceptable, with path coefficients of 0.429983, and T-statistic value of 4.854343 > 1.96 (t-Table value of $Z_{\alpha} = 0.05$), or P-Value of 0.000 < 0.05, then significant (positive).

Relational Capital (Y) positive effect on organizational performance (Z) in BPJS Ketenagakerjaan Surabaya region is acceptable, with path coefficients of 0.612607, and T-statistic value of 11.444897 > 1.96 (t-Table value of $Z_{\alpha} = 0.05$) or P-Value of 0.000 < 0.05, then significant (positive).

The Effect of Trust on Relational Capital

Based on the results of research that has been done, the results obtained that the Trust has a positive effect on employee Relational Capital BPJS Ketenagakerjaan Surabaya region. This shows that high Trust will also be accompanied by high Relational Capital. Based on the results of the Outer Loading analysis, it can be seen that the largest indicator for Trust is the sharing indicator, it shows that BPJS Ketenagakerjaan Surabaya employees have a low ability to share information with participants. This significantly affects the decline in Relational Capital which can also have an impact on organizational performance. The results of this study are in line with Husaini's (2019) Research titled Trust and organizational culture as a driver of intellectual Capital on organizational performance which shows that organizational performance is influenced by one factor, namely Relational Capital supported by Trust.

The Effect of Organizational Culture on Relational Capital

Based on the results of research that has been done, it was found that organizational culture has a positive effect on employee Relational Capital BPJS Ketenagakerjaan Surabaya region. This shows that a high organizational culture will also be accompanied by high Relational Capital. Based on the results of the analysis of Outer Loading, it can be seen that the most influential indicators of organizational culture is the indicator of Control (supervision) it shows employees have low control in terms of providing membership information to external parties. This significantly affects the decline in Relational Capital which can also have an impact on organizational performance. The results of this study are in line with the research of Acep Suherman, Suratno and Widarto Rachbini (2017) entitled Trust, organizational culture, Transformational Leadership and corporate values which shows that organizational performance is influenced by one factor, namely Relational Capital which is supported by organizational culture.

The Effect of Relational Capital on Organizational Performance

Based on the results of research that has been done, it was found that Relational Capital has a positive effect on the performance of BPJS Ketenagakerjaan organization in Surabaya. This shows that high Relational Capital will also be accompanied by high organizational performance. Based on the results of the Outer Loading analysis, it can be seen that the most influential Relational Capital indicator is the indicator of Social Networks which means low experience, connections or relationships to participants and the knowledge possessed by BPJS Ketenagakerjaan employees in handling external parties. This significantly affects the decline in Organizational Performance which later can also have an impact on not achieving quarterly targets every year. The results of this study are in line with Muhammad Teguh Fauzan (2021) who raised the title of research on the influence of Human Capital, Structural Capital and Relational Capital on employee performance at PT BPR Artha Pamenang Jombang branch stating that Relational Capital has a positive and significant influence on performance.

CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the analysis of testing and discussion of the influence of Trust, organizational culture, as a driver of Relational Capital on organizational performance that has been done on employees of BPJS Ketenagakerjaan Surabaya region, it can be concluded as follows: (1) Trust is able to contribute to The Relational Capital in BPJS Ketenagakerjaan Surabaya region, evidenced by that high low Trust impact on high low Relational Capital of employees in BPJS Ketenagakerjaan Surabaya region. (2) organizational culture is able to contribute to Relational Capital in BPJS Ketenagakerjaan Surabaya region. This result is evidenced by the high and low organizational culture has an impact on the high and low employee Relational Capital in BPJS Ketenagakerjaan Surabaya region. (3) Relational Capital contributes to organizational performance in BPJS Ketenagakerjaan Surabaya region. This

result explains that the higher The Relational Capital then it affects the high performance of the organization in BPJS Ketenagakerjaan Surabaya region.

From the results of this study and based on the entire description that has been presented some suggestions that the author can convey, among others; to increase Trust, BPJS Ketenagakerjaan should provide training on skill enrichment in the form of knowledge of BPJS Ketenagakerjaan employees in Surabaya so that employees are better able to absorb, apply, distribute information. Furthermore, to improve organizational culture, BPJS Ketenagakerjaan should conduct tighter supervision or provide briefings every morning from the head of the division to employees in carrying out their work in accordance with applicable standard operating procedures (SOP). Furthermore, to increase Relational Capital, BPJS Ketenagakerjaan should form strong connections with fellow employees and with various external parties by holding gathering programs related to improving strong relationships between workers and external parties. In addition, the assessment of organizational performance should BPJS employment is expected to improve and continue to maintain the quality of the work done by employees so as to realize better organizational performance.

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