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The Influence of Organizational Culture and Organizational Commitment Against Cooperative Performance In-Indonesian East Kalimantan Province

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Abstract: This study is intended to test and analyze the influence organization culture, to organizational commitmen and performance cooperative mangement.

The study found out that compensation has no significant influence to organizational commitmen, the organizational culture has significant influence to organizational commitment, organizatin culture has no significant influence to performance cooperative management.

The study used 120 persons of cooperative management on East Kalimantan as the respondens and used stratified random sampling method. The data was collected by using questionnaires and analyzed by Structure Equation Modeling (SEM) using SmatPLS program.

Key word: Organization Culture, Organizational Commitment and Performance Cooperative Management.

I. INTRODUCTION

The strategic role of the board in a cooperative institution, is expected to provide added value (added value) and is a measure of the success of the cooperative. The success of cooperatives in mencapi goal of becoming a cooperative management performance benchmarks. Sutrisno (2007: 170), there are two types of job duties that include important elements of performance, namely, functional tasks and task behavior. Seberap functional tasks associated with either an employee finishing work, including completing the technical aspects of the job. Behavioral tasks related to how well employees deal with inter-personal activities with other members of the organization, including resolving conflict, managing time, empowering others, working in a group and to work independently. To achieve cooperative management performance as expected, so many factors that influence it, among them: budaya organizations and organizational commitment.

Organizational culture is very influential in improving the consistency of one's behavior and culture is an important factor for improving the performance of a person in the organization. Culture is the result of interaction and the result of a dialogue on the various components of the organization are interlinked with each other, which ultimately led to a values become shared meaning between elements of the organization.

Organizational commitment to the cooperative is not only fidelity to the cooperative but is an ongoing process, namely the cooperative management expressed concern at the cooperatives in the form of success and high achievement. Commitment cooperative management can be seen as a form of commitment favorable mutual relations of each party (officers, members and cooperatives).

This study will build and test a conceptual model that simultaneously consists of variables, namely: the organizational culture as well as an exogenous variable organizational commitment and performance management as an endogenous variable.

2. LITERATURE

2.1. Cooperative

According to the Law of the Republic of Indonesia No. 17 In 2012, a cooperative is a legal entity established by individuals or legal entities Cooperative, with the separation of the wealth of its members as capital to run the business, which meet the aspirations and needs of economic, social and cultural rights in accordance with the values and principles of cooperatives.

Abrahamson in Ropke (2012: 13) defines a cooperative is a business entity owned by the members, which is the service users (users) > This fact distinguishes the cooperative of enterprises (companies) another form that its owner, is basically the growers of capital (investors)

ILO in Baswir (2000: 2), a cooperative is an association of people, usually have the economic capacity is limited, which through a form of business organization supervised democratically, each contributing an equivalent to the necessary capital, and are willing to bear the risks and receive remuneration in accordance with the business they do.

2.2. Performance

Bernardin and Russel in Viswesvaran and Ones (2000: 222), stated, "The performance is defined as the record of the outcomes produced on a specified job function or activity during a time period". It has been suggested that the performance is likely to be seen as the result of a process measurement job done within a certain time. Brumbrach in Armstrong (2006: 498), "performance means both Behaviours and results. Behaviours emanate from the performer and transform performance from abstraction to action. Not just the instruments for results, Behaviours are Also outcomes in their own right - the product of mental and physical effort applied to tasks - and can be judged apart from the results ". Understanding the performance of Brumbrach can be explained that the performance can be interpreted as the result and behavior as part of the work because the behavior is important because it will affect the work of an employee.

Performance means an act, a feat of skill or general appearance. Mangkunagara (2011: 97), says that the term performance is derived from the word "job performance" or "actual performance" ie performance

or achievements actually achieved by a person in performing its duties in accordance with the responsibilities given to him. Baron and Greenberg (1990) in Armanu (2005: 69) suggests that the performance of the individual is also referred to job performance, work outcomes, task performance.

2.3. Organizational commitment

Newstrom and Davis (2002: 211), is the involvement of a person's organizational commitment to the organization, can be seen as follows: organizational commitment is the degree to roomates an employee Identifies with the organization and wants to continue Actively participating in it. Further explained, organizational commitment is the desire of employees to remain working at the company until the future. It describes the employees' trust in the mission and objectives of the company, the desire to excel and keep working on something important for a company to create continuity of the company

Mowday *et al.*, (1982: 27), organizational commitment, as the relative strength of an identificationa individuals with and involvement in a particular organization. Organizational commitment is an individual identification that is relatively strong against the organization and involvement with the organization. Further explained that organizational commitment is an important behavioral dimensions that can be used to assess the tendency of employees to survive as a member of the organization.

Allen and Meyer (1997: 76) formulated a definition of the commitment in the organization as a psychological construct which is a characteristic member organization relationship with the organization and has implications for an individual's decision to continue its membership in the organization.

2.4. Organizational culture

Robbins (2003: 305) organizational culture is a system of shared meaning held by members that distinguishes the organization with other organizations. Robbins stated that a system of shared meaning is formed by citizens as well as a differentiator with other organizations. The system of meaning along a set of key characteristics of the values of the organization (a system of shared meaning held by members that distinguishes the organization from other organization. This system of shared meaning is, on closer examination, a set of key characteristics that the organization values).

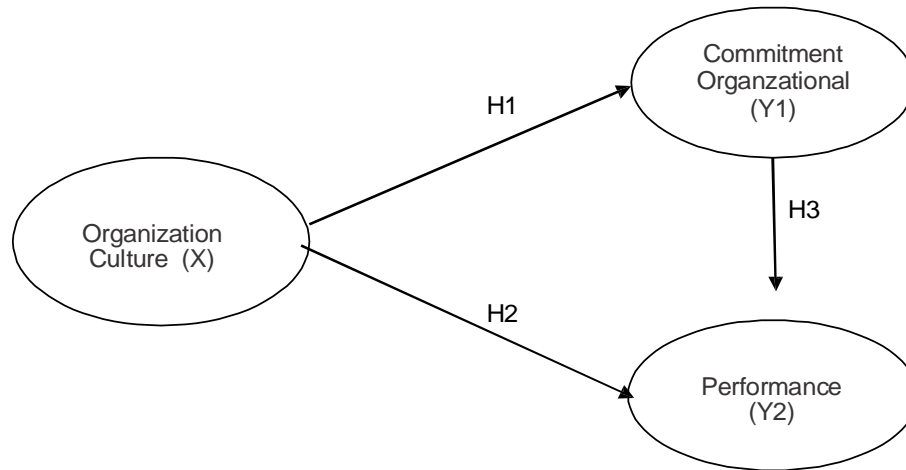
According to Gibson *et al.*, (2008: 21) is the process of organizational culture in which people understand the expectations of the organization is called socialization, ie prokultural, norms, beliefs and behaviors that are required to enable them to contribute effectively to the organization.

3. HYPOTHESES

Based on the background and literature study, it can be argued hiptesis as follows:

- 3.1. If the organizational culture is strong, it will affect the organizational commitment cooperative management in East Kalimantan
- 3.2. If the organizational culture is strong, then it will affect the increased performance of the cooperative management in East Kalimantan
- 3.3. If a strong organizational commitment, it will affect the increased performance of the cooperative management in East Kalimantan.

4. TERMS OF THE CONCEPT OF RESEARCH



5. RESEARCH METHOD

5.1. Population and Sample

The population in this study is the entire board of cooperatives in East Kalimantan scattered in 8 cities / districts and each cooperative is represented by 1 (one) person cooperative management. Selected Cooperative is a cooperative which has conducted the Annual Members Meeting (RAT), which amounted to 580 units. Samples, based on the opinions Hair *et al.*, (1995: 112) is the sample size is the number of indicators multiplied by 5 to 10 times. In this study, there were 24 indicators, the number of samples taken is $24 \times 5 = 120$ respondents, so that the number of samples that serve as the cooperative management of respondents was 120 people.

5.2. Research Variables

For this research study variables classified into three variables, namely: Exogenous variables, which consists of the organization's culture.

1. Organization Culture (X)

Cultural organizations in this study was measured based on the theory advanced by Robbins (2008: 256), there are seven key indicators as a whole is the essence of organizational culture variables:

- a) Innovation and courage to take risks.
- b) Attention to detail.
- c) Orientation results.
- d) Orientation people.
- e) Team orientation.
- f) aggressiveness
- g) Stabilitias.

2. Organizational Commitment (Y1)

Organizational commitment in this study was measured based on the theory advanced by Allen and Meyer (1997: 76), where there are three dimensions of organizational commitment, namely:

- a) Affective commitment.
- b) Normative commitment.
- c) Continuous commitment,

3. Performance board (Y2)

Indicators used to measure the performance of the cooperative board, drawn from the theory proposed by Mondy, Noe and Pemeaux (1999: 347), using six indicators as follows:

- a) Quantity of work.
- b) Quality of work.
- c) Dependability.
- d) Initiative.
- e) Adaptability.
- f) Cooperation.

6. ANALYSIS RESULTS AND DISCUSSION

6.1. SEM Statistical Analysis with *Partial Least Square*

6.2. Assessing Outer Model or the Measurement Model

6.2.1. *Convergent validity of the construct of organizational culture*

Output outer loading of models of organizational culture with SmartPLS program can be explained Table 5.1 below:

Table 5.1
Organizational Culture Measurement Model

<i>Item</i>	<i>Original Estimate (Outer Loadings)</i>	<i>Specificationn</i>
X2_1	0,793	Valid
X2_2	0,798	Valid
X2_3	0,703	Valid
X2_4	0,751	Valid
X2_5	0,778	Valid
X2_6	0,715	Valid
X2_7	0,655	Valid

Source: Data processing by PLS, 2016.

6.2.2. *Convergent validity of the construct of organizational commitment*

Table 5.2
Measurement Model of Organizational Commitment

<i>Item</i>	<i>Original Estimate (Outer Loadings)</i>	<i>Specification</i>
Y1_1	0,616	Valid
Y1_2	0,729	Valid
Y1_3	0,862	Valid

Source: Data processing by PLS, 2016

6.2.3. Convergent validity of the construct of performance management

Table 5.3
Performance Measurement Model Management

<i>Item</i>	<i>Original Estimate (Outer Loadings)</i>	<i>Specification</i>
Y2_1	0,740	Valid
Y2_2	0,732	Valid
Y2_3	0,785	Valid
Y2_4	0,805	Valid
Y2_5	0,853	Valid
Y2_6	0,848	Valid

Source: Data processing by PLS, 2016

6.2.4. Composite Reliability

Tabel 5.4
Composite Reliability

	<i>Composite Reliability</i>
Organization Culture	0,896
Organizational Commitment	0,897
Performance	0,911

Source: Data processing by PLS, 2016

6.2.5. Average Variance Extracted (AVE)

Tabel 5.5
Average Variance Extracted

<i>Variabel/ Konstruk</i>	<i>AVE</i>	<i>Keterangan</i>
Organization Culture	0,553	> 0,50
Organizational Commitment	0,594	>0,50
Performance	0,632	>0,50

Source: Data processing by PLS, 2016

According to the table above AVE value for compensation, organizational culture, konflik between work, organizational commitment and performance management has the AVE value above 0.50; meaning that all variables have a value composite high reliability.

6.2.6. Goodness of fit model PLS

Goodness of fit model PLS measured through Q-square value of predictive relevance, to gauge how well the observed values generated by the model and parameter estimation. Testing goodness of fit using a predictive value-relevance (Q2). The R2 each endogenous variable in this study are as follows:

Table 5.6
Rated R-Square

<i>Variabel Endogen</i>	R2
Organizational Commitment	0,596
Performance	0,578

Source: Data processing by PLS, 2016

Based on Table 5:15 can be created equations to calculate the Q-square predictive relevance, as follows:

$$\begin{aligned}
 Q^2 &= 1 - (1 - R12) (1 - R22) \\
 &= 1 - (1 - .596) (1 - .578) \\
 &= 0,829.
 \end{aligned}$$

The calculation result shows relevance predictive value of 0,829, or 82.9%, so the decent models are said to have predictive value relevant. Relevance predictive value of 82.9% indicates that the diversity of data that can be explained by the model are 82.9%, or in other words, the information contained in the data 82.9% can be explained by the model. While the remaining 17.1% is explained by other variables (which is not contained in the model) and error. These results say that the model SmartPLS formed very well, because it can explain 82.9% of the overall information, making it feasible to interpret.

6.2.7. Structural Model Testing (Inner Model)

Tabel 5.7
Result for Inner Weights

	<i>Original Sample (O)</i>	<i>Standard Deviation (STDEV)</i>	<i>T Statistics (O/STERR)</i>	<i>pvalue</i>
Organizational culture -> Organizational Commitment	0.504	0.084	5.987	0.000
Organizational culture -> Performance	0.026	0.100	0.261	0.795
Organizational commitment -> Performance	0.381	0.105	3.627	0.000

Source: Data processing by PLS, 2016

In a study conducted bootstrap method to a sample of 200 resampling. Testing with bootstrapping is also intended to minimize the problem of abnormalities of research data, the following is testing with bootstrapping of PLS analysis:

From Table 5.7 and the Figure 5.2, it can test the following hypotheses:

1. Testing hypotheses 1, indicates that the variable influence of organizational culture on organizational commitment cooperative management in East Kalimantan showed the path coefficient 0,504 with tstatistik value of 5.987 with p value = 0.000 ($p < 0.05$). This result means that there is a significant relationship between organizational culture on organizational commitment cooperative management in East Kalimantan, which means that the second hypothesis in this study received.

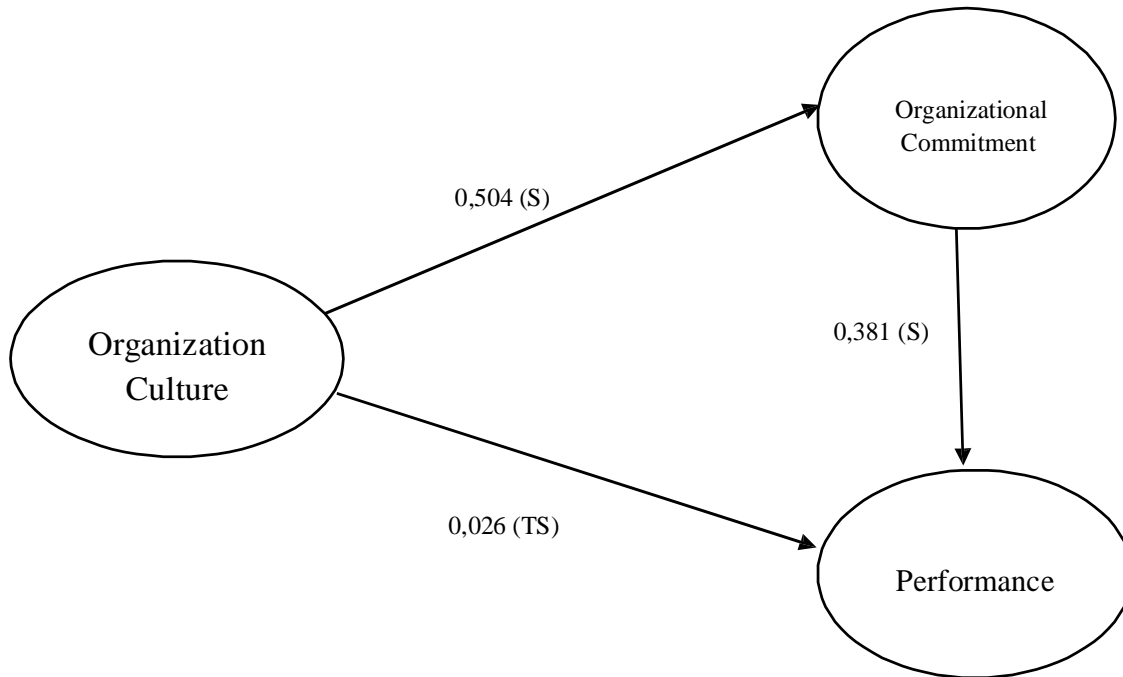


Figure 5.2: Direct Effect of Inter variable

2. Testing hypotheses 2, showed that the influence of organizational culture variables on the performance of the cooperative management in East Kalimantan shows the path coefficient value of 0.026 with tstatistik value of 0.261 with p value = 0.795 ($p > 0.05$). This result means that no significant influence of organizational culture on the performance of the cooperative management in East Kalimantan, which means the fifth hypothesis in this study was rejected.
3. Testing hypotheses 3, shows that variables influence organizational commitment to the performance of the cooperative management in East Kalimantan shows path coefficient value of 0.381 with tstatistik value of 3.627 with p value = 0.000 ($p < 0.05$). This result means that there is a significant relationship between organizational commitment to the performance of the cooperative management in East Kalimantan, which means the seventh hypothesis in this study received.

8. Assessment of the effect of mediation

Organizational culture on performance through the cooperative management of organizational commitment in East Kalimantan).

Results of testing the influence of organizational commitment to performance management shows path coefficient value of 0.381. Tstatistik value obtained was 3.627; The value is greater than t table (1.960). This result means that organizational commitment has a positive influence on performance management.

Tests on the influence of intervening variables mediating between the results obtained with the dependent variable outcomes P1 (the path coefficient organizational culture) = 0.540

SE1 (STDEV compensation) = 0.084. P2 (path coefficient organizational commitment) = 0.381 and SE2 (STDEV organizational commitment) = 0,105. The magnitude of the coefficient is not directly variable organizational culture (X2) on the performance board (Y2) the results obtained P1.2 (0.192)

The magnitude of the standard error of indirect organizational culture (X2) on the performance board (Y2) obtained results $Se_{1.2} = 0.062$ thus the value of the t test result 3.074

T value of 3.074 with p value = 0.003 ($p < 0.05$), which means that the significant parameters of the mediation, it is thus the model of indirect influence of organizational culture variables, the performance management through organizational commitment are acceptable.

7. CONCLUSION

Based on the analysis and discussion in the previous chapter, it can be concluded as follows:

1. Organizational culture positive and significant effect on organizational commitment cooperative management in East Kalimantan.
2. Organizational culture is not significant effect on the performance of the cooperative management in East Kalimantan.
3. Organizational Commitment positive and significant effect on the performance of the cooperative management in East Kalimantan.
4. Organizational Commitment is a pure mediation of organizational culture and performance management, as well as mediation anatar apparent conflict between the work of the board's performance.

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