

Cultivating Excellence: The Impact of Organizational Culture of BerAKHLAK and Civil Servants' Competence on Performance

Yuni Fitriana, Florentina Anif Farida*

Universitas Katolik Widya Mandala, Surabaya, Indonesia

Submitted 25th May 2024; Revised 16th June 2024; Accepted 22nd June 2024;
Published 30th June 2024

Abstract

Organizational culture is a collection of systems, values, beliefs, assumptions, or norms that have long been in effect and are followed by all organization members. The organizational culture of respect is the key to direct management and employees in deciding and establishing policies in government agencies. This research aims to analyze the influence of the organizational culture of respect and competence on the performance of civil servants in Dinas Pekerjaan Umum dan Penataan Ruang (DPUPR). The method used in this research is a quantitative method with a total sample of 42 civil servants. This research used a saturated sampling technique and used multiple linear regression analysis. The study results show that the organizational culture oafectsect and civil servants' competence significantly positively affect employee performance. These results contribute to ensuring that employee performance commensurately improves as the culture becomes more deeply embedded. It also serves as a benchmark for gauging employees' perceptions in fulfilling their civil service responsibilities, thereby influencing their task performance and competency levels toward achieving excellence in their roles.

Keywords: Civil Servants' Competence; Employee Performance; Organizational Culture of BerAKHLAK.

Copyright © 2024 Authors. Published by Universitas Bumigora
Under the Creative Commons Attribution 4.0 International License

*Corresponding author. Tel: -, E-mail: anif.farida@ukwms.ac.id
DOI: [10.30812/target.v6i1.4084](https://doi.org/10.30812/target.v6i1.4084)

How to cite:

Fitriana, Y., & Farida, F. A. (2024). Cultivating Excellence: The Impact of Organizational Culture of BerAKHLAK and Civil Servants' Competence on Performance. *Target: Jurnal Manajemen Bisnis*, 6(1), 19-28.

I. Introduction

Human resources are an important factor companies need, as a necessity, and must be maintained. Human resources have an important role in facilitating development within a company. The potential of human resources who perform well will determine the success of an organization (Pramularso, 2018). Achieving goals in an organization is closely related to the performance of the members within it. An organization's culture is fundamental, consisting of all workers' beliefs, core values, and core actions Indiyati et al. (2021).

Organizational culture is a system of values acquired and developed by an organization, and habitual patterns are formed into rules used as guidelines for thinking and achieving goals within an organization (Wahyudi and Tupti, 2019). The organizational culture in this research is the organizational culture of BerAKHLAK (Oriented, Service, Accountable, Competent, Harmonious, Loyal, Adaptive, and Collaborative), which is the core value of Indonesian civil servants Karima (2022). Civil servants work as implementers of public policy, public servants and glue and unify the nation. Applying these core values builds awareness and understanding that implements a work culture based on the core values, which are the mindset of civil servants in carrying out their duties. Study results stated that organizational culture influences employee performance (Adam et al., 2020; AlShehhi et al., 2021; Syafii et al., 2015). This statement is supported by previous research conducted that shows that the core values of BerAKHLAK as an organizational culture have a positive and significant influence on civil servants' performance (Ghoni, 2022). However, other studies show that the culture of BerAKHLAK has not significantly improved employee performance because it has not been maximized. Hence, the impact is insignificant in improving employee performance (Srimulyani et al., 2023; Wahyudi and Tupti, 2019).

Apart from organizational culture, competence is also an important element in shaping performance in a company. Competence becomes the provision and capital for employees to work professionally. Competence is the basis for someone to complete their demands at work. Facing an era of technological development and increasingly fierce business competition, organizations or companies must have human resources with competencies appropriate to the times. In a professional context, competency is often the basis for performance assessment. Employees must have the right competencies to carry out their work to achieve long-term work performance and success. If employee performance increases, overall employee productivity increases. Individually, human resource competence improves employee performance (Pramularso, 2018; Wahyudi and Tupti, 2019). Competence consists of behavior that differentiates between employees who have high performance to achieve goals (Chaeriah, 2019), supported by previous research conducted by Nur et al. (2020), which stated that competence has a significant positive effect on employee performance. In contrast to those studies, another study stated that competency does not significantly improve employee performance (Rosmaini and Tanjung, 2019).

Based on the results of previous research regarding the influence of organizational culture and civil servant competency on performance, there is a research gap where the current results are still inconsistent, which results in the need for a review of this matter. In particular, in the organizational culture of BerAKHLAK and the competency of civil servants in DPUPR Madiun, Indonesia. The phenomenon under observation underscores the critical importance of organizational culture characterized by moral integrity, competence, and employee performance within the department. The limited research on moral-centric organizational cultures highlights the necessity of cultivating the culture of BerAKHLAK, particularly in the context of daily community service provision. However, DPUPR's current operational focus remains primarily internal, with less emphasis on community service.

Furthermore, there appears to be a gap in the knowledge-based competencies of DPUPR employees in Madiun, indicating a discrepancy between their educational backgrounds and practical work performance on a global scale. Therefore, this study aims to examine the impact of BerAKHLAK's organizational culture and competence on the performance of civil servants in DPUPR. This research aims to provide valuable insights for DPUPR Madiun regarding its current organizational culture and to serve as a reference for employees' perceptions of their roles as public officials, thereby influencing their performance in fulfilling assigned tasks and enhancing their competency levels to achieve high-performance standards.

II. Literature Review

The general view regarding organizational culture has different characteristics (Azizollah et al., 2015). Culture is the daily activities employees carry out to achieve goals (Amah and Daminabo-Weje, 2013). The organizational culture of BerAKHLAK is the core value of an organization, which is used as the key to direct management directly and employees in decision-making and policy determination (Elyasa, 2022). An organizational culture of BerAKHLAK is needed to face the challenges of increasing the capacity and competence of the state civil apparatus. Civil servants must have the same organizational culture as BerAKHLAK (core values). The civil servants' core values have seven dimensions: service-oriented, accountable, competent, harmonious, loyal, adaptive, and collaborative.

Employee performance is greatly influenced by organizational culture. Organizational culture is social norms, ways of doing work, and unique ways of influencing employee performance (Adam et al., 2020). Individual factors, namely ability and effort, are important in the relationship between organizational culture and employee performance (AlShehhi et al., 2021; Syafii et al., 2015). Several studies have proven that organizational culture significantly positively affects employee performance (Farida and Paulus, 2022; Ghoni, 2022). This explains that the work culture can bring organizational change by increasing quality and quantity. This statement is supported by research conducted by other researchers, which shows that organizational culture and competence have a significant positive effect on employee performance (Ghoni, 2022; Nur et al., 2020; Pramularso, 2018).

Conversely, competence refers to knowledge, skills, and abilities directly influencing a person's performance. Competence is a characteristic of a person's underlying relationship to performance effectiveness (Chaeriah, 2019). Competency is the ability and characteristics a civil servant possesses in the form of knowledge, attitudes, and behavior required in their job duties. Human resources can survive because they have management capabilities in formulating the company's vision and strategy and directing human resources to achieve its vision and mission. If employees have good competence, their performance will also be good so that organizational performance can be achieved. This statement is supported by research that states that competence has a positive and significant effect on employee performance (Chaeriah, 2019; Nur et al., 2020; Pramularso, 2018).

Conceptual Framework

Figure 1 shows the framework of this research. The independent variables are BerAKHLAK's organizational culture and competence. Meanwhile, the dependent variable used is employee performance. The first hypothesis is that BerAKHLAK's organizational culture has a significant and positive influence on employee performance, while the second hypothesis is that the competency variable has a positive and significant influence on employee performance.

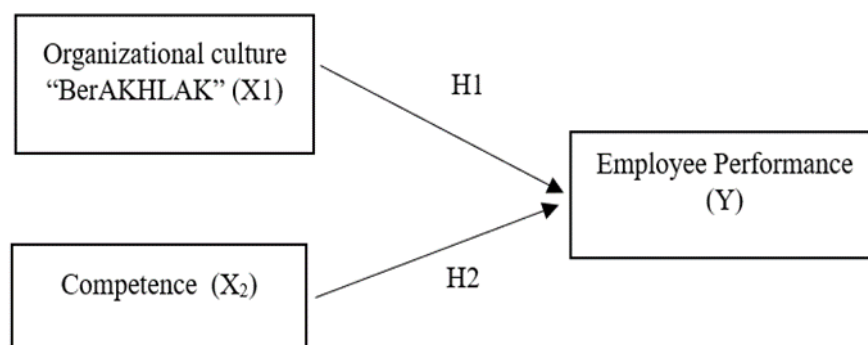


Figure 1. Conceptual Framework

III. Method

The research method used is quantitative research, which analyzes the influence of BerAKHLAK's organizational culture and competence on the performance of civil servants at DPUPR Madiun. The population in this study was 47 civil servants. The saturated sampling technique was so that all 47 employees in this study were used as the research sample. The primary data source used in this research is data obtained by distributing questionnaires to all samples. Out of 47 distributed questionnaires, 42 were returned, and the remaining 5 were not filled in, so the sample processed was 42. The research used a Likert scale to answer questions. The data analysis techniques used were descriptive-associative and multiple linear regression analysis. Data testing in this research included validity tests, reliability tests, classic assumption tests (normality test, heteroscedasticity test, multicollinearity test), regression analysis, and hypothesis testing (t-test).

IV. Results and Discussion

1. Characteristics of Respondents

Table 1 presents the demographic characteristics of the respondents in this study. It indicates that 59.5% of the participants were male employees (25 employees), while 40.5% were female employees (17 employees). Regarding age distribution, respondents aged 25 accounted for 2.4% of the sample, whereas those aged between 26 and 36 comprised 28.6%. The age group of 37-47 years represented the largest proportion at 47.6%, followed by respondents aged 48-58 years at 21.4%. Regarding educational attainment, 26.2% of the respondents had a high school education, 23.8% held a Diploma, and the majority, 50%, possessed a Bachelors Degree.

Among the various sections represented, the water resources management division had the highest participation with 31% of the respondents, followed by the highways and city planning section at 19% and the secretariat section at 7.1%. Regarding work experience, 35.7% of respondents had worked for 2-10 years, 42.9% for 11-20 years, 19% for 21-30 years, and 2.4% had over 30 years of experience.

Table 1. Characteristics of Respondents

Respondent Characteristics		Frequency	Percentage
Gender	Male	25	59,5%
	Female	17	40,5%
Age	25 year	1	2,4%
	26-36 year	12	28,6%
	37-47 year	20	47,6%
	48-58 year	9	21,4%
Education	Senior high school	11	26,2%
	Diploma	10	23,8%
	Bachelor	21	50%
Field of Work	Head of PUPR Division	1	2,4%
	community building	8	19%
	Copyright	5	11,9%
	Water Resources Management	13	31%
	Urban planning	8	19%
	Secretariat	3	7,1%
	Head of Subdivision	2	4,8%
	Administrative Staff	2	4,8%
Total		42	100%

2. Validity Test

A questionnaire is valid if the questions reveal something that the questionnaire will measure. The statement is valid if the calculated r-value \geq r table with a significance of 0.05 ($\alpha = 5\%$) (Hair

et al., 2020). Based on Table 1, all statements measuring the independent variables are declared valid because they have a calculated r-value greater than the r-table. Thus, this data can be used to support the analysis and findings of this research. The results of the Validity Test can be seen in Table 2.

Table 2. Results of the Validity Test

Statement	R count	R table	Information
X1.1	0,780	0,312	Valid
X1.2	0,758	0,312	Valid
X1.3	0,786	0,312	Valid
X1.4	0,754	0,312	Valid
X1.5	0,633	0,312	Valid
X1.6	0,652	0,312	Valid
X1.7	0,639	0,312	Valid
X1.8	0,770	0,312	Valid
X1.9	0,588	0,312	Valid
X1.10	0,596	0,312	Valid
X1.11	0,583	0,312	Valid
X1.12	0,681	0,312	Valid
X1.13	0,781	0,312	Valid
X1.14	0,773	0,312	Valid
X1.15	0,700	0,312	Valid
X1.16	0,847	0,312	Valid
X1.17	0,719	0,312	Valid
X1.18	0,660	0,312	Valid
X1.19	0,697	0,312	Valid
X1.20	0,536	0,312	Valid
X1.21	0,583	0,312	Valid
X2.1	0,796	0,312	Valid
X2.2	0,815	0,312	Valid
X2.3	0,827	0,312	Valid
Y1.1	0,710	0,312	Valid
Y1.2	0,785	0,312	Valid
Y1.3	0,837	0,312	Valid
Y1.4	0,772	0,312	Valid
Y1.5	0,878	0,312	Valid
Y1.6	0,671	0,312	Valid
Y1.7	0,613	0,312	Valid
Y1.8	0,693	0,312	Valid
Y1.9	0,620	0,312	Valid
Y1.10	0,537	0,312	Valid

A questionnaire is reliable if a person's answers to statements are consistent or stable over time. A construct or variable is reliable if Cronbach Alpha > 0.60 (Hair et al., 2020). Table 3 shows Cronbach's Alpha value for each variable, which is > 0.60 . So, it can be concluded that each instrument for each variable is reliable and suitable for use in research.

Table 3. Reliability Test Results

Variable	Cronbach's Alpha	Conclusion
Organizational culture "BerAKHLAK"	0,944	Reliable
Competence	0,730	Reliable
Employee Performance	0,890	Reliable

3. Classic Assumption Test

The classical assumptions were evaluated through normality, multicollinearity, and heteroscedasticity tests. The normality test using the Kolmogorov-Smirnov two-tailed indicated that the significance value was 0.200, exceeding the threshold of 0.05, thereby confirming the normal distribution of residual values in the study (Khatun, 2021). Detailed results of the normality test are presented in Table 4.

Table 4. One-Sample Kolmogorov-Smirnov Test

Unstandardized Residual	
N	42
Asymp. Sig. (2-tailed)	0.2

Next, the multicollinearity assessment revealed that the Variance Inflation Factor (VIF) for the variables of organizational culture of BerAKHLAK and competence is 1.958, below the conventional threshold of 10. Furthermore, the tolerance value is above 0.10 Lavery et al. (2019). This finding indicates the absence of multicollinearity issues between these variables. Further details of the multicollinearity test are provided in Table 5.

Table 5. Multicollinearity Test

Model	Collinearity Statistics		Information
	Tolerance	VIF	
Organizational Culture	0,511	1,958	Multicollinearity does not occur
Competence	0,511	1,958	Multicollinearity does not occur

The presence of heteroscedasticity was examined using the Glejser Test. Analysis from the test reveals that no heteroscedasticity exists, as indicated by the non-significant p-values associated with each variable. Specifically, the organizational culture variable yielded a p-value of 0.112 (> 0.05), while the competency variable yielded a p-value of 0.242 (> 0.05). These findings substantiate the absence of heteroscedasticity within the dataset under scrutiny. The comprehensive view of the heteroscedasticity test results is shown in Table 6.

Table 6. Results of the Heteroscedasticity Test

Variable	Sig	Information
Organizational Culture of BerAKHLAK	0,112	Heteroscedasticity does not occur
Competence	0,242	Heteroscedasticity does not occur

4. Hypothesis Test: T-test

Table 7. Results of T-test

Variable	T count	Sig.	Sig/2	Information
Organizational culture of BerAKHLAK	2,397	0,021	0,010	Significant Accepted
Competence	2,605	0,013	0,006	Significant Accepted

The organizational culture of BerAKHLAK exhibited a calculated t-value of 2.397, which surpassed the critical t-table of 1.684, alongside a significance level of 0.010 (< 0.05). Consequently, the first hypothesis was accepted, indicating a statistically significant and positive impact of the organizational culture of BerAKHLAK on employee performance within DPUPR in Madiun. These results mean that a positive correlation exists between the level of organizational culture practice termed BerAKHLAK

and the performance of civil servants, indicating that as the organizational culture of BerAKHLAK strengthens, there is a corresponding increase in the performance levels observed among the employees. The results of this study are in line with previous studies, which stated that organizational culture has been consistently found to exert a significant and positive influence on employee performance (AlShehhi et al., 2021; Farida and Paulus, 2022; Ghoni, 2022; Syaffi et al., 2015). They highlight that a work culture aligned with core values significantly enhances civil servants' performance. These findings underscore the robust relationship between organizational culture and employee performance across various contexts and settings.

Similarly, the competency variable yielded a calculated t-value of 2.605, exceeding the critical t-table of 1.684, with a significance level of 0.006 (< 0.05). This led to the acceptance of the second hypothesis, signifying a significant and positive influence of competency on employee performance within DPUPR Madiun. These findings underscore the empirical support for the influential role of both organizational culture and competency in enhancing employee performance at DPUPR. As competency practices among civil servants increase, there is a corresponding rise in their performance levels, facilitating the attainment of goals within the department. This relationship underscores the importance of developing and enhancing competencies among civil servants to achieve organizational objectives effectively. This study's findings align with earlier research conducted, all of which have demonstrated that competence positively and significantly impacts employee performance (Chaeriah, 2019; Nur et al., 2020; Pramularso, 2018). Their research contributes to the understanding that enhancing employee competency improves performance outcomes.

V. Conclusion

This research confirms that BerAKHLAK's organizational culture significantly enhances civil servants' performance. This result contributes to ensuring that employee performance commensurately improves as the culture becomes more deeply embedded. Similarly, competence also demonstrates a significant positive impact on the performance of civil servants at DPUPR, indicating that higher levels of competency correspond to higher employee performance. Moving forward, recommendations for future research include incorporating additional variables such as personality traits and Organizational Citizenship Behavior (OCB) when examining organizational culture, employee competence, and performance. Researchers are encouraged to refine measurement instruments to enhance the operational validity of competency and employee performance variables among civil servants. Exploring diverse research subjects and contexts could enrich understanding and application in organizational settings.

Acknowledgment

The authors extend gratitude to Universitas Katolik Widya Mandala, Surabaya, and Dinas Pekerjaan Umum dan Penataan Ruang (DPUPR) for their invaluable support in facilitating the successful execution of this research. Their assistance ensured the seamless implementation and completion of the study, contributing significantly to its objectives.

Declaration

The authors declare that this work has not been published or submitted for publication elsewhere. The authors have no competing financial interests or personal relationships that could influence the work reported in the article. The authors also declare that each author contributed significantly to this research's planning, implementation, or analysis.

References

- Adam, A., Yuniarsih, T., Ahman, E., and Kusnendi, K. (2020). The Mediation Effect of Organizational Commitment in the Relation of Organization Culture and Employee Performance. In *Proceedings of the 3rd Global Conference On Business, Management, and Entrepreneurship (GCBME 2018)*, pages 260–264, Jawa Barat, Indonesia. Atlantis Press. <https://doi.org/10.2991/aebmr.k.200131.056>
- AlShehhi, N., AlZaabi, F., Alnahhal, M., Sakhrieh, A., and Tabash, M. I. (2021). The effect of organiza-

- tional culture on the performance of UAE organizations. *Cogent Business & Management*, 8(1):1–24. <https://doi.org/10.1080/23311975.2021.1980934>
- Amah, E. and Daminabo-Weje, M. (2013). Corporate Culture: A Tool for Control and Effectiveness in Organizations. *Research on Humanities and Social Sciences*, 3(15):42–49.
- Azizollah, A., Abolghasem, F., and Mohammad Amin, D. (2015). The Relationship Between Organizational Culture and Organizational Commitment in Zahedan University of Medical Sciences. *Global Journal of Health Science*, 8(7):195–202. <https://doi.org/10.5539/gjhs.v8n7p195>
- Chaeriah, E. S. (2019). Pengaruh Kompetensi dan Penempatan Terhadap Kinerja Karyawan PT. Alam Sutera Realty Tbk. *Jurnal Manajemen Bisnis Krisnadwipayana*, 7(1):11–18. <https://doi.org/10.35137/jmbk.v7i1.267>
- Farida, F. A. and Paulus, A. L. (2022). Budaya Organisasi Dan Kinerja Karyawan Pdam Kota Madiun: Peran Mediasi Kepuasan Kerja. *Cakrawala Management Business Journal*, 4(2):921–929. <https://doi.org/10.30862/cm-bj.v4i2.148>
- Ghoni, A. (2022). Core values dalam kinerja asn dengan adanya work from home (wfh) selama masa pandemi covid-19 (studi pada ASN di Pemerintah Provinsi Kepulauan Bangka Belitung). *Jurnal Andragogi*, 10(1):1–16.
- Hair, J. F., Ortinau, D. J., Harrison, D. L., and Harrison, D. E. (2020). *Essentials of Marketing Research*. McGraw-Hill Education.
- Indiyati, D., Ghina, A., and Romadhona, A. F. (2021). Human Resource Competencies, Organizational Culture, and Employee Performance. *International Journal of Science and Society*, 3(1):1–10. <https://doi.org/10.54783/ijssoc.v3i1.251>
- Karima, F. (2022). BerAKHLAK, Implementasi Paradigma Baru New Public Governance (NPG). *Jurnal Andragogi*, 10(1):36–44.
- Khatun, N. (2021). Applications of Normality Test in Statistical Analysis. *Open Journal of Statistics*, 11(1):113–122. <https://doi.org/10.4236/ojs.2021.111006>
- Lavery, M. R., Acharya, P., Sivo, S. A., and Xu, L. (2019). Number of predictors and multicollinearity: What are their effects on error and bias in regression? *Communications in Statistics - Simulation and Computation*, 48(1):27–38. <https://doi.org/10.1080/03610918.2017.1371750>
- Nur, F. M., Nurmawanti, S., and Tatminingsih, S. (2020). Pengaruh Budaya Organisasi, Lingkungan Kerja dan Kompetensi terhadap Kinerja Pegawai Dinas Pertanian dan Perkebunan Kabupaten Bima. *JMM UNRAM - MASTER OF MANAGEMENT JOURNAL*, 9(4):356–368. <https://doi.org/10.29303/jmm.v9i4.582>
- Pramularso, E. Y. (2018). Pengaruh Kompetensi terhadap Kinerja Karyawan CV Inaura Anugerah Jakarta. *Widya Cipta: Jurnal Sekretari dan Manajemen*, 2(1):40–46.
- Rosmaini, R. and Tanjung, H. (2019). Pengaruh Kompetensi, Motivasi dan Kepuasan Kerja Terhadap Kinerja Pegawai. *Maneggio: Jurnal Ilmiah Magister Manajemen*, 2(1):1–15. <https://doi.org/10.30596/maneggio.v2i1.3366>
- Srimulyani, V. A., Rustiyaningsih, S., Farida, F. A., and Hermanto, Y. B. (2023). Mediation of AKHLAK corporate culture and affective commitment on the effect of inclusive leadership on employee performance. *Sustainable Futures*, 6(October):100138. <https://doi.org/10.1016/j.sftr.2023.100138>
- Syafii, L. I., Thoyib, A., Nimran, U., and Djumahir (2015). The Role of Corporate Culture and Employee Motivation as a Mediating Variable of Leadership Style Related with the Employee Performance (Studies in Perum Perhutani). *Procedia - Social and Behavioral Sciences*, 211(November):1142–1147. <https://doi.org/10.1016/j.sbspro.2015.11.152>

Wahyudi, W. D. and Tupti, Z. (2019). Pengaruh Budaya Organisasi, Motivasi dan Kepuasan Kerja Terhadap Kinerja. *Maneggio: Jurnal Ilmiah Magister Manajemen*, 2(1):31–44. <https://doi.org/10.30596/maneggio.v2i1.3363>

[This page intentionally left blank.]