

# Organizational Culture and Welfare, Its Effect on Work Motivation, Job Satisfaction, and Performance of Tuban Regency Civil Servants

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## Abstract

The success of administering government for national goals and regional governments in the Tuban district is determined by the State Civil Apparatus (ASN), which is necessary to carry out accounting services. The Regional Government is hoped to widely promote the organizational culture "Tuban Bumi Wali" and raise income improvement allowances for ASN to improve performance. At the same time, it has been unable to improve SAKIP; therefore, this study tries to quantify the impact of organizational culture and welfare on performance by intervening variable work motivation and job satisfaction. This study also attempts to analyze in more depth the conditions of the Regional Government of Tuban Regency regarding organizational culture and welfare, their influence on work motivation, job satisfaction, and the performance of the state civil apparatus in the Tuban regency government. The research method employed in this study is associative quantitative with a positivist philosophical perspective. This associative quantitative research aims to investigate the interaction of factors. This study examined the Component-Based Structure Equation Model (SEM) using the Generalized Structured Component Analysis (GeSCA) tool. The findings revealed that the coefficients on the path of organizational culture, work motivation, and ASN performance were significant, resulting in an indirect effect of 0.306; similarly, the coefficient on the way of welfare, job satisfaction, and ASN performance was substantial, resulting in an indirect effect of 0.185.

**Keywords:** Tuban, Government, Welfare, Work, Organizational.

## 1. INTRODUCTION

Following Pancasila and the 1945 Constitution, the State Civil Apparatus (later reduced to ASN) is a part of the state apparatus charged with serving the public professionally, honestly, fairly, and equitably. And ASN plays a more prominent and significant role in Indonesian governance and development administration as the country strives to realize its vision of a law-abiding, progressive, democratic, prosperous, just, and moral society. As a result, public service positions need to be filled by reliable individuals who can consistently contribute to government growth and community initiatives.

To paraphrase Tahar and Kuncahyo, local government is a system, meaning that it is composed of a set of related entities that function as a unit. Each part is its self-contained system with many facets (Tahar and Kuncahyo 2020). People's efforts directly affect the success of their organizations. It stands to reason that successful businesses will also have positive cultures and employee benefits (Edowati, Abubakar, and Said 2021). Human resources are an essential consideration for any business. The established conditions of the organization are the aims that have been agreed upon by all its members. Thus, organizational goals can be achieved if all members are willing to cooperate and their activities can be well coordinated; furthermore, employees are motivated and given awareness to comply with regulations to create good work results; finally, a conducive work environment is required (Noorainy 2017).

The performance of state civil servants working for the Government of Tuban Regency can be improved by creating a positive organizational culture, namely "Tuban Bumi Wali," and providing enough welfare in the form of income improvement benefits (Aini 2020). In addition, it is widely held that an organization's culture significantly contributes to its success. The ideal model of an organization's culture possesses both strength and flexibility. A dynamic and adaptive organizational culture will make the organization flexible and sensitive to changes in the internal and external environment, while an influential culture will influence individual behavior in service of corporate actors to achieve organizational goals (Yudianti 2021).

The Government of Tuban Regency has spent the last five years (2017-2021) cultivating a work culture in the form of organizational values called "Tuban Bumi Wali," whose central behavior is to uphold religious values as a foundation for providing excellent service to the community in pursuit of predetermined goals. This work culture may be realized by having all 26 Regional Apparatus organizations (abbreviated as OPD) and 20 sub-districts in Tuban Regency apply it. Regular awareness in every OPD and implementing innovations to enhance service to the community are the activities carried out to attain this organizational culture.

The performance of all ASNs employed by the local government is a measurable sub-system within the larger organizational structure, the Tuban Regency Government. Planning, budgeting, and reporting are the foundations upon which the success of the Tuban Regency Government rests. This is done to ensure that the Government Agency Performance Accountability System (also known as SAKIP) is implemented with maximum transparency and responsibility. Based on Presidential Regulation No. 29 of 2014 regarding the Government Agency Performance Accountability System and Regulation of the Minister of Administrative Reform and Bureaucratic Reform No. 12 of 2015 regarding Guidelines for Evaluation and Implementation of Government Agencies Performance, the State Civil Apparatus's Social and Welfare Improvement Program (SAKIP) is an excellent example of the outcomes of these efforts. According to these two rules, the range of possible scores is from 90 to 100 for an A.A. interpretation, 90 to 90 for an A interpretation, 70 to 80 for a BB interpretation, 60 to 70 for a B interpretation, and 30 to 50 for a C interpretation to 0 to 30 for a D interpretation (Peraturan Presiden 2014).

In addition, researchers from Tuban Regency's regional government organization section found that the regency's SAKIP values over the past five years were as follows: category B in 2017 (value: 61.29), category B in 2018 (value: 67.92), category B in 2019 (value: 69.00), category B in 2020 (value: 69.67), and category B in 2021 (value: 69.40). This information suggests that the SAKIP value in category B has been relatively stable during the past five years (Suseno 2021).

Since ASNs play a pivotal role in coordinating activities across all Regional Apparatus Organizations, they must operate at peak efficiency if the accountability system being implemented by all of these organizations is to yield the best possible results. Therefore, the Government of Tuban Regency is constantly working to improve ASN performance by promoting a "Tuban Bumi Wali" organizational culture and handing out Income Improvement Allowances to increase ASN and, by extension, work motivation and job satisfaction that mediate increased performance. Because of this, the Government of Tuban Regency has taken two actions in the five years (2017- 2021) since then. The first is to thoroughly permeate all State Civil Apparatuses within the Tuban Regency Government with the "Tuban Bumi Wali" organizational culture. The second ASN perk involves a substantial rise or decrease: in 2020, the lowest benefit was worth Rp. 200,000.0), but by 2025, it will be worth Rp. 570,000.00 (an increase of 185%), and the maximum benefit would be worth IDR 11,731,500.00 (an increase of 1,203.5%). (Nawang Sari et al. 2021).

As can be seen from the data mentioned earlier, the problem lies in the fact that the Regional Government's hopes that the widespread application of the "Tuban Bumi Wali" organizational culture and increasing Income Improvement Allowances for ASNs to improve performance over the same period have not been successful in boosting the SAKIP score obtained by the Government of Tuban Regency. The study's secondary objective is to "discuss in greater detail the conditions of the Regional Government of Tuban Regency concerning organizational culture and welfare, their influence on work motivation, job satisfaction, and the performance of the state civil apparatus in the Tuban regency government."

## 2. LITERATURE REVIEW

Organizations like regional governments are systems comprising interconnected pieces that function as a whole through a set of rules and established relationships. Each part is its self-contained system with many facets. People's efforts directly affect the success of their organizations. Put another way, if a company cares about its workers and treats them well, it will have a positive culture and productive employees (Sahputra 2020). Human resources are an essential consideration for any business. The established conditions of the organization are the aims that have been agreed upon by all its members. In this way, the organization's goals may be attained if its members are eager to work together and their actions can be coordinated effectively; furthermore, employees are inspired and given awareness to comply with regulations to create good work results. As well as that, it's essential to have a pleasant place to work (Noorainy 2017).

Consistent with the findings of Endang Sri Wahyuni's research on local government, it was found that factors related to organizational culture affected the efficiency of government agencies serving those communities (Wahyuni and Rosmida 2016). In terms of actual conditions and how the local government can lead other members of the organization, internally and externally, the organization's culture could not be more transparent. This means that all ASNs, from the lowest-level employees to the Regent, have a crucial strategic role in the Regional Government, as seen by the relative prominence of the various tasks and responsibilities they fulfill.

On the other hand, a person is considered to be "welfare-qualified" if they have access to sufficient resources to ensure a high standard of living, including but not limited to food, clothing, shelter, safe drinking water, and educational opportunities, as

well as gainful employment that contributes to this standard of living. Equivalent to those of other citizens (Watunglawar and Leba 2020). From this perspective, the State Civil Apparatus in Tuban Regency can be deemed affluent if their primary and secondary demands are addressed.

There should not be a one-sided focus on the implementation and monitoring system when considering government agency accountability for performance. Further, the psychological system, emphasizing the human element, must be examined in the behavioral approach to organizational studies. Instead of viewing the organization through an established normative paradigm, practitioners of this behavioral approach see it for what it is: an empirical reality in the field. Because it focuses on people rather than machines, this method is more compassionate than classical theory specialists.

Several new ideas, such as those of Mary Parker Follets and Chester L. Barnard, emerged in response to the Hawthorne experiment, but they all maintained this humanistic perspective on behavior. Because of his belief that groups take precedence over individuals and foster growth, Follets emphasizes the group principle in his analysis of organizational phenomena. In Follett's view, organizing is a social process, and the organization must be viewed as a social system. Follets' major concepts are sharing power and responsibilities while maintaining individual agency. Although Follets's ideas drew inspiration from ancient theorists, particularly his beliefs on the proper delegation of authority to subordinates, Follets placed a greater emphasis on the value of groups. He made a significant addition to the field of organizational theory at the time by focusing on the dynamics of group dynamics and the importance of subordinates' participation in fostering organizational success. After his death, Follets was recognized as a leading figure in management theory and practice (Berman and Van Buren 2015; Ryan and Scott 1995).

In his book *The Function of the Executive*, management expert Chester L. Barnard shares insights from his practical experience with the aim of better understanding employee behavior in the workplace. Barnard argues that working together is the key to personal and professional success. Barnard establishes a connection between the formal organization's demands and those of its individuals and ad hoc groupings. This is a novel perspective in the study of organizations that sheds light on the interplay between formal and informal structures (Keon and Barnard 1986).

With this background in mind, the tools of "General System Theory," which takes the system as its starting point for understanding organizational phenomena, will help shed light on the interrelationships between the district government and its external environment. Tuban. Bakke proposes a fusion process for the following stage when people are more conscious of the complexity of balancing competing human interests in a bureaucratic setting. In pursuing human goals, organizations in a specific position will be aware of several challenges where expectations from the bureaucratic system will need to be met.

### 3. RESEARCH METHODS

The research method used in this study is associative quantitative with an approach based on the philosophy of positivism. This associative quantitative research examines the interplay between variables (Fraserhealth 2018). In this study, the variables tested were: organizational culture, well-being, work motivation, job satisfaction, and performance.

The population of this study was all State Civil Servants who worked in government agencies of Tuban Regency, both those in the regional secretariat and the secretariat of councils, agencies, and agencies, BUMD and District/Kelurahan which totaled 7,273. Furthermore, the sampling technique used is Multi-Stage Random Sampling (Tongco 2007). The first step is taking samples through random sampling with the Slovin formula with the results of 383 respondents. The second stage is Proportional Random Sampling (Bhandari P 2020).

Quantitative data in this study were analyzed using structural equations known as SEM (Structural Equation Modeling) with AMOS Version 20 software. In SEM, researchers can carry out three activities simultaneously, namely checking the validity and reliability of instruments (equivalent to Confirmatory Factor Analysis (CFA), testing the relationship model between latent variables (comparable to Path Analysis), and creating a valuable model for forecasting (equivalent to Structural Model or Regression Analysis) (Rosseel 2012; Savalei 2021).

The SEM analysis model found exogenous and endogenous variables. Exogenous variables are variables that come from outside the model and are input to the model. Endogenous variables come from within the model and are the model's output. Based on the framework in this study, organizational culture and welfare variables are exogenous variables. In comparison, work motivation, job satisfaction, and ASN performance are endogenous variables.

### 4. RESULTS AND DISCUSSION

Confirmatory factor analysis, sometimes known as CFA, is a paradigm that can investigate the unidimensionality of variables. For the sake of reliability analysis as well as constructions validity, unidimensionality is required (Kang and Ahn 2021). The value of the goodness of fit index (GFI) is the metric that is used to measure whether or not the model is feasible. The minimal value that may be anticipated for GFI is 0.90. (Hair et al. 2021).

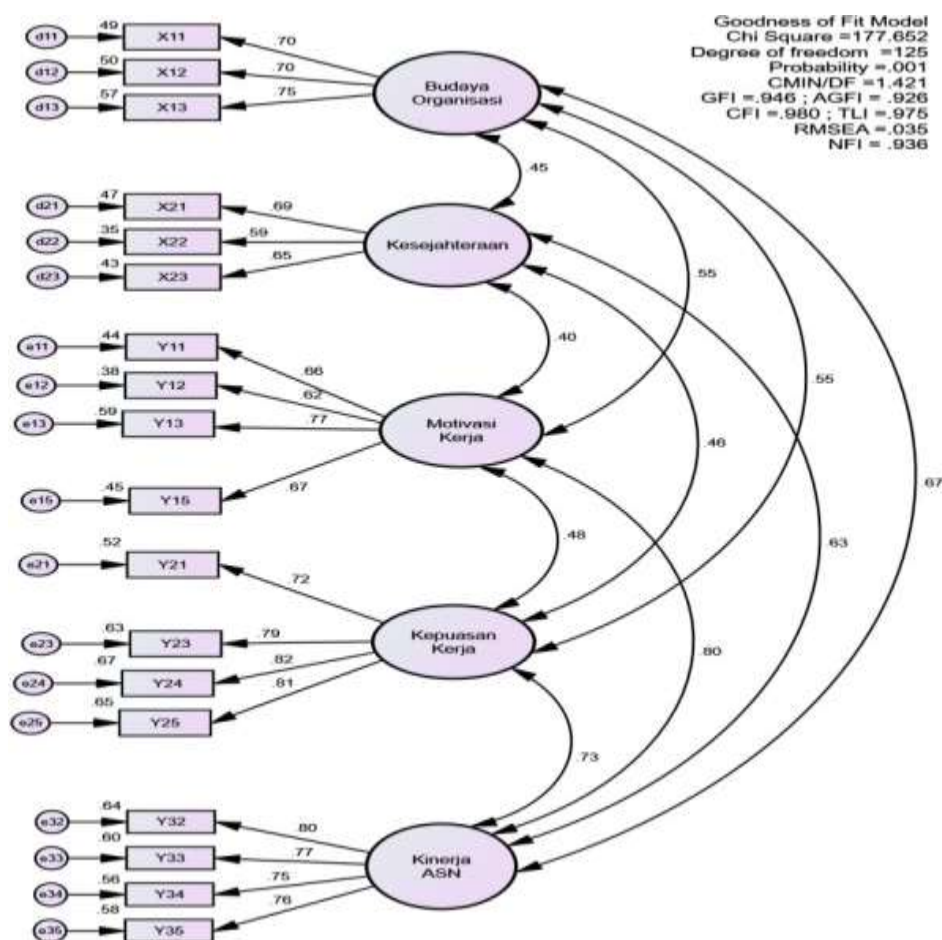


Figure 1. CFA models

The fit model results on the CFA model, chi-square = 177.652 ( $p = 0.000$ ), GFI = 0.946, AGFI = 0.926, CFI = 0.980, TLI = 0.975, RMSEA = 0.035 and NFI = 0.936. Overall the fit of the model from various model fit indices explains the existence of a high model fit. The model results explain that GFI and AGFI are worth more than 0.90 and RMSEA is less than 0.08, indicating an absolute good fit. While CFI and TLI are worth more than 0.95 and NFI is more than 0.90, indicating a good incremental fit. Good fit models exist in all model fit indices, namely GFI, AGFI, CFI, TLI and RMSEA.

The measurement model in the hypothesis model has good validity and reliability. The loading factor in the 0.593 - 0.820 is good because it is worth more than 0.50. The reliability of each construct is also good. The composite reliability value in the range of 0.700 – 0.866 has exceeded the recommended limit of 0.70. Likewise, construct reliability, measured by the AVE value, is in the range of 0.500 – 0.619, reaching the marginal or exceeding the recommended limit of 0.50.

Table 1. Construct Validity and Reliability

Variable	Indicator	Loading Factor	Composite Reliability	Average Variance Extracted (AVE)
Organizational culture (X1)	Identity	0.702	0.764	0.519
	Commitment	0.704		
	Stability	0.755		
Well-being (X2)	Investment	0.654	0.700	0.500
	Health	0.593		
	Income	0.685		
Work motivation (Y1)	Challenge	0.672	0.776	0.500
	Opportunity	0.767		
	Achievement	0.619		
	Responsibility	0.661		
Job satisfaction (Y2)	Profession	0.722	0.866	0.619
	Supervisor	0.820		
	Promotion	0.793		

	Colleague	0.809		
Work ASN Performance (Y3)	Effective	0.747	0.854	0.594
	Quantity	0.800		
	Independent	0.759		
	Time	0.775		

In the hypothetical model, the position of work motivation and job satisfaction is a mediating variable in the relationship between organizational culture and welfare on ASN performance. So that in the hypothetical model, the results of the direct effect test and the indirect effect will be shown. The fit model results for the hypothetical model, chi square = 297.122 (p=0.000), GFI = 0.918, AGFI = 0.891, CFI = 0.936, TLI = 0.924, RMSEA = 0.062

and NFI = 0.892. Overall the fit of the model from various model suitability indices explains that there is a good fit of the model

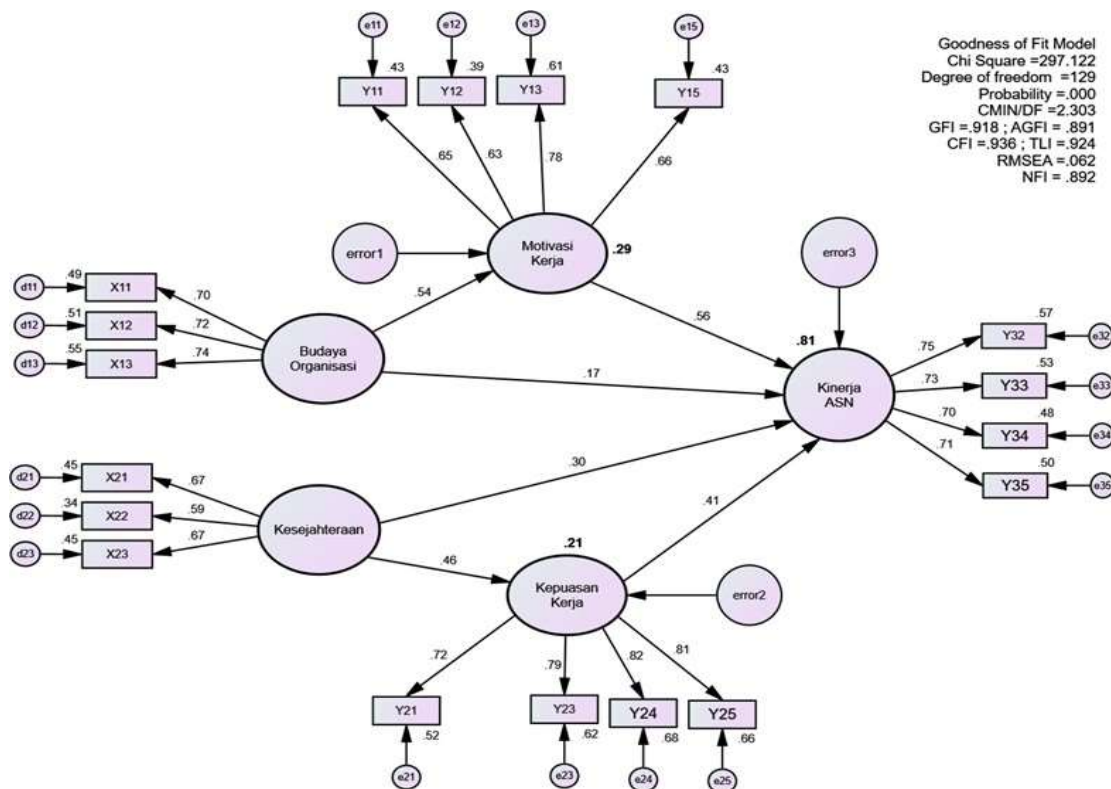


Figure 2. Hypothetical Model  
Table 2. Path Coefficient Test Results

		Standardized Regression Weight	C.R.	P
<b>Endogen Motivasi Kerja (Y1)</b> R <sup>2</sup> = 0.294				
Motivation	<--- Culture	0.542	7.228	<0.001
<b>Endogen Kepuasan Kerja (Y2)</b> R <sup>2</sup> = 0.208				
Satisfaction	<--- Well-being	0.456	5.795	<0.001
<b>Endogen Kinerja ASN (Y3)</b> R <sup>2</sup> = 0.811				
Performance	<--- Culture	0.165	2.688	0.007
Performance	<--- Well-being	0.299	4.696	<0.001
Performance	<--- Motivation	0.565	8.024	<0.001
Performance	<--- Satisfaction	0.405	6.890	<0.001

Furthermore, two indirect effects will be explained in the hypothetical model to test whether work motivation and job satisfaction play a role in mediating the influence of organizational culture and welfare on ASN performance.

Table 3. Results of Direct, Indirect and Total Influence

Variable relationship	Direct Influence	Indirect Influence	Total Impact
Culture --> Motivation	0.542	-	0.542
Well-being --> Satisfaction	0.456	-	0.456
Culture --> Performance	0.165	0.306	0.471
Well-being --> Performance	0.299	0.185	0.484
Motivation --> Performance	0.565	-	0.565
Satisfaction --> Performance	0.405	-	0.405

The indirect effect of organizational culture on ASN performance through work motivation is 0.306. The magnitude of this indirect effect is obtained from the direct effect of 0.542 from organizational culture on work motivation with a direct effect of 0.565 from work motivation on ASN performance, namely  $0.542 \times 0.565 =$

0.306. The two coefficients on the path of organizational culture, work motivation and ASN performance are tested to be significant, so an indirect effect of 0.306 is significant.

The indirect effect of welfare on ASN performance through job satisfaction is 0.185. The magnitude of this indirect effect is obtained from the direct effect of 0.456 from welfare on job satisfaction, with a direct effect of 0.405 from job satisfaction on ASN performance, namely  $0.456 \times 0.405 = 0.185$ . The two coefficients on the path of welfare, job satisfaction and ASN performance are significant, so the indirect effect of 0.185 is significant.

## 5. CONCLUSION

There is a strong relationship between organizational culture and worker motivation, as indicated by a path coefficient of 0.542 and a p-value of less than 0.001. There is a substantial relationship between welfare and job satisfaction, as indicated by a path coefficient of 0.456 (p 0.001). According to the path coefficient of 0.165 (p = 0.007), there is a strong relationship between organizational culture and ASN performance. There is a substantial relationship between welfare and ASN performance, as indicated by a path coefficient of 0.299 (p 0.001). There is a significant relationship between work motivation and ASN performance, as indicated by a path coefficient of 0.565 (p 0.001). There is a considerable relationship between job happiness and ASN performance, as indicated by a path coefficient of 0.405 (p 0.001)

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