

Developing Human Resources Personality to Improve Employees' Performance of Indonesian Bankers

Elisabet Siahaan¹

¹Magister Management Property and Valuation, Postgraduate Program, Universitas Sumatera Utara, Medan, Indonesia

Keywords: Organizational Culture, Employee Commitment, Employee Performance.

Abstract: Sustainable development requiring the utilization of resources owned by the company today and in the future. This study focused on discussing aspects of human resource personality development that referred to bankers. The purpose of this study was to evaluate the role of organizational culture and employee commitment to the organization as an existing system in the organization to improve employee performance. A number of 196 bankers participated in this study. Data were collected by using customized questionnaires adapted on the banking aspect. The model was evaluated by using multiple linear regression analysis. The results indicated that the ability of employees adapting to organizational culture holds the most dominant influence in encouraging the performance of bankers. Employee commitment to the organization also has a positive and significant impact in improving the performance of bankers. Employees of the banking system that adhere to existing systems within organizations such as adhering to organizational culture and having a high commitment to the organization will produce superior performance.

1 INTRODUCTION

Sustainable development is a challenge for management and economy in facing the global era (Singh, 2014). In an effort to achieve sustainable growth, the synergy between natural resources and human resource development is needed. Synergy activities should be done by the company in the short term and also for the long term. One important point in this statement is the need for human resource development that supports management so that the organization is able to achieve better performance in the future. The achievement of sustainable development is complex (Oladeji, 2014) but it is the key in making the global economy successful (Osborn *et al.* 2015). The trigger of sustainable achievement relates to human resource and natural resource management (Ojo and Oluwatayo, 2016).

In the midst of Indonesia's economic slowdown due to the global crisis and US policy on import restrictions affecting other countries, and the policy of the US Central Bank to raise interest rates, a healthy and strong Indonesian banking is highly needed. Strong and healthy banking is strongly influenced by many things including internal and

external conditions. This study looks at ways to improve the banking performance from the internal side, i.e. from the organizational culture and organizational commitment.

Like humans as individuals who have personality, organizations also have personality. The personality of an organization is better known as the organizational culture that becomes the identity, the distinction between one organization and another and as a tool for determining the direction of the organization, directing what employees can and cannot do. Organizational culture contains values, norms that serve as guidelines in behaving, to bind all different members in order to behave the same in achieving organizational goals. Organizational culture is not a tool that impedes the freedom of employees, but rather a means to improve employee performance (Siahaan, 2017). Therefore, organizational culture is the identity of an organization, fostering commitment to achieve greater goals by overriding self-interest and directing employee behavior so as to achieve performance with behavior based on noble values.

Strong organizational culture is characterized by the core values of organization that are firmly held and widely agreed upon. The more members of the

organization that receive core values and the greater their commitment to those values, the stronger the culture is, so the performance increases. In line with this definition, a strong culture will obviously have a great influence in the attitude of the members of the organization compared to the weak culture. The specific result of a strong culture is the low entry of workers. A strong culture will show high agreement on organizational goals among its members. Employees who are able to adapt to organizational culture will behave according to organizational culture, so that the organizational culture is stronger and less management needs related to the development of formal rules and regulations in guiding employee behavior are needed due to the existence of organizational commitment of employees which results in improved performance (Uddin, 2013).

A good fortune for a company if it has employees who have a high commitment to the organization. Therefore, the company conducts selection in the form of written and oral examinations and conducts interviews to get employees who have the same culture with corporate culture and who have a high commitment to the organization. Employees with a strong desire to remain as members of the organization (loyal), desire to strive for the sake of the organization's desire and accept the value and goals of the organization which will result in high performance. Therefore it is very important to examine and analyze the source of the cause of the high commitment of employee organizations, especially in banking companies that rely heavily on the performance of employees in winning competition with banks in the country and abroad.

2 LITERATURE REVIEW

2.1 Organizational Culture

The culture of an organization refers to a system of sharing meaning by members that distinguishes organizations from other organizations (Robbins and Judge, 2015). Organizational culture refers to a system of sharing meaning by members that distinguishes the organization from other organizations (Robbins and Coutler, 2012). Organizational culture is a hallmark of a company that includes a set of trust values that help employees to know what action can or cannot be done related to formal and informal structures within the corporate environment.

Mangkunegara (Mangkunegara, 2013) defines organizational culture as a set of assumptions, or system of beliefs, values and norms developed in guiding organizational behavior for its members to address external and internal adaptation issues. Djokosusanto (2003) sees a link between organizational culture and employee performance stating that the better the quality of organizational culture factors are, the better the employee performance will be. Organizational culture has a direct impact on improving organizational performance. Employees applying organizational culture will result in high performance (Anderson *et al.* 2008; Ehgbal *et al.* 2017; Marbawi *et al.* 2018; Mathis *et al.* 2014; and Siahaan, 2017).

2.2 Organizational Commitment

Organizational commitment is a measure of willingness to retain employees with a company in the future (O'reilly and Chatman, 1986). Organizational commitment will affect how the behavior of the worker within the compan. Meyer and Allen propose three forms of organizational commitment which are still widely used today in measuring employee organizing commitments (Meyer and Allen, 1991). Organizational commitment is divided into three forms, namely affective commitment that shows the emotional bond between employees and the organization; an ongoing commitment that demonstrates employee engagement with the organization on the basis of work sustainability or work stability concerns; and normative commitment that shows employee bonds on the basis of the norms of employees' debt to the organization that raises them. The study of the empires indicates that organizational commitment has a positive and significant effect on the performance of civil servants in West Coast Region (Lily *et al.* 2017). Research of Yetta (2012) and Wibowo (2012) conclude that organizational commitment is one that affects the behavior of employees, that is faithful to the organization. A high organizational commitment will keep employees loyal to their jobs and retain their positions to improve their performance in companies where organizations want workers who want to do new things and have not done before. Employees who have a commitment to the organization shows the increase in organizational effectiveness through high performance achievement.

3 RESEARCH METHODS

3.1 Location and Time of Study

This research was conducted in Medan in the year 2017. The unit of analysis in this study was a banker. This research was a case study conducted in Bank Sumut Main Branch of Medan which was located at Jalan Imam Bonjol No. 48, Medan, North Sumatra, Indonesia.

3.2 Participants

The research was conducted by distributing questionnaires and short interviews to employees of Bank Sumut. The approach by Slovin method (Sugiono, 2013) indicated that 196 employees of Bank Sumut Main Branch of Medan were required. Sampling method was done randomly by using reference list of employees of Bank Sumut.

3.3 Variable Operationalization

This research applied analysis by using two independent variables, that were organizational culture and organizational commitment and one dependent variable that was employee performance. Operationalization of variables in the study refers to Table 1.

Table 1: Variable Operationalization

Notation	Variable	Operational Definition	Dimension	Measurement Scale
X ₁	Organizational Culture	Value system of Bank Sumut held by employees of Bank Sumut Main Branch Medan itself, which then affects the way of working and behaving of the members of the organization	Trusted	Interval
			Energetic	
			Friendly	
			Secured	
			Integrity	
X ₂	Organizational Commitment	A situation where employees of Bank Sumut Main Branch Medan feel bound by the organization and want to maintain membership in the organization and devote themselves to the interests of the organization	Affective	Interval
			Sustained	
			Normative	
Y	Employee Performance	Ability of employees of Bank Sumut in achieving the results of work in quality and quantity in carrying out tasks in accordance with the responsibilities given to them	Quality	Interval

3.4 Instrument Validity and Reliability

Questionnaires in this study were prepared by researchers by using theoretical studies tailored to the situation at Bank Sumut. Therefore the researchers tested the validity and reliability to measure the feasibility of the instruments used (Sekaran, 2003). Validity test was done by using Pearson Correlation and reliability test was done by using Cronbach's Alpha. The reliability summary refers to Table 2.

Table 2: Cronbach's Alpha Research Questionnaire

Variables	Number of Statements	Cronbach's Alpha	Conclusion
Organizational Culture	15	0.831	Reliable
Organizational Commitment	9	0.901	Reliable
Employee Performance	9	0.822	Reliable

Validity test was done by using correlation of statement items to the total score for each variable. The correlation value > 0.361 indicated an exact statement item measuring the research variable. The validity test indicated that the whole item was accurate in measuring each research variable. Table 2 provides information that the instruments applied in this study were reliable and appropriate to be used to evaluate the research model.

3.5 Data Analysis Method

This research used multiple linear regression analysis to evaluate the influence of independent variable to dependent variable. The classic assumption test was used to ensure that the regression model generated through this research had an appropriate model in explaining the phenomenon occurring in Bank Sumut.

4 RESULTS AND DISCUSSION

Multiple linear regression analysis in this study was conducted systematically, namely testing the coefficient of determination, simultaneous test, and partial test. Table 3 indicates that organizational culture and organizational commitment variables could account for 45.4% of variations in employee performance. Correlation analysis of 0.678 indicated a strong relationship between independent variables to the dependent variable in this study. This proved

that the research model was potentially important in explaining employee performance.

Table 3: Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1 ^b	,678 ^a	,459	,454	,449977

a. Predictors: (Constant), Organizational Commitment, Organizational Culture

b. Dependent Variable: Employee Performance

Table 4: Simultaneous Test (F-test)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	33,195	2	16,597	81,971	,000 ^b
	Residual	39,078	193	,202		
	Total	72,273	195			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Organizational Commitment, Organizational Culture

Table 4 indicates the organizational culture and organizational commitment variables of employees significantly influenced the employee performance of Bank Sumut Main Branch Medan. The evaluation of the effect between the research variables is specifically described in Table 5.

Table 5: Partial Test (t-test)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	,286	,278		1,029	,305		
	Organizational Culture	,613	,076	,456	8,029	,000	,870	1,149
	Organizational Commitment	,337	,053	,364	6,413	,000	,870	1,149

a. Dependent Variable: Employee Performance

Table 5 gives an influence between research variables that explained employee performance. Based on the table, the regression equation in this research could be arranged as:

$$Y = 0.286 + 0.613 X_1 + 0.337 X_2 \quad (1)$$

Equation (1) indicates that in the initial conditions without any adaptation of organizational culture and commitment to the organization, the performance of the banker only reached the level of 0.286 indicating a very low performance. Each 1 point increased in organizational culture would improve performance by 0.613. This meant that every 1 point increased in the application of bankers to the organizational culture, then the performance of bankers rose by 0.613. Every increase of 1 point in organizational commitment would increase the

performance of employees of banks amounted to 0.337 points. It meant that 1 point of employee commitment to organization increased, then employee performance would increase by 0,337.

The results indicated that both research variables have a positive and significant effect on employee performance. Of the two variables in the model, the ability of bankers to adapt to organizational systems that include organizational culture in the work environment of employees has a dominant role to the performance of bankers. Successful employee-accepted and employed cultures play an important role in encouraging the formation of behaviors that perform their work very well which leads to the improvement of employee performance that is considered very important for employee success and banking success (Anderson *et al.* 2008; Djokosusanto, 2003; Ehgbal *et al.* 2017; Marbawi *et al.* 2018; Mathis *et al.* 2014; and Siahaan, 2017).

Bank employees who are highly committed to the organization will have a high loyalty to the organization, will work harder, prioritize the interests of the organization rather than personal interests, want to continue to provide benefits and contributions to banking workplace, have an emotional bond with the banking place to work thereby encouraging excellent behavior that leads to improved performance of bankers (Lily *at al.* 2017; Meyer and Allen, 1991; O'Reilly and Chatman, 1986; Wibowo, 2012; and Yetta, 2012).

5 CONCLUSION

This study provided empirical evidence that the ability of bankers to develop self-personality by following the existing work system within the organization would have an impact on increased performance. Organizational culture is mandatory to be applied by every employee to produce quality work. Employee performance is significantly influenced by organizational culture and employee commitment to the organization. Employees who are able to accept organizational culture well and build organizational commitment will perform better than those who are less able to adapt to the company's environment. The suitability of employee personalities with organizational culture will help achieve better employee performance. Organizational culture can encourage the commitment of employees in the organization so as to produce consistency in behaving to produce quality performance that benefits the organization.

6 SUGGESTION

The ability of bankers to apply organizational culture and the ability to build commitment in the employees is an important and must always be done. Organizational culture is used to direct employees to behaviors that the company expects employees to apply during their work in the company. Organizational culture is a process of understanding and acceptance of the work system and values that exist within an organization. Organizational culture cannot be quickly received and executed well by employees. Employees need to be selected appropriately so as to get employees who have the appropriate personality culture of the organization. Top management should always set an example in applying an organizational culture in every word and behavior. Employees also need to be given training, socialization and adaptation in order to be able to accept and implement the corporate culture as expected by the company. This study strongly suggests the development of employee personalities in the form of learning and cultural adaptation and build organizational commitment through increased employee participation to the company directly. This effort will help companies improve employee performance that brings improved corporate performance and build sustainable development for the company.

REFERENCES

- Anderson, C., Spataro, S.E., Flynn, F.J., 2008. Personality and Organizational Culture as Determinants of Influence. *Journal of Applied Psychology* 93(3): 702-710.
- Djokosusanto, 2003. *Budaya Organisasi dari Masa ke Masa*. Gramedia Pustaka. Jakarta.
- Ehgbal, F., Hoveida, R., Seyadat, S.S., Samavatiyan, H., Yarmohammadian, M.H., 2017. The effect of talent management process on the research performance of faculty members with the mediating role of organizational justice. *Foresight and Sti Governance* 11(2): 83-91
- Lily, Ginting, P., Lumbanraja, P., Siahaan, E., 2017. The Antecedent of Work Motivation and the Effect on the Performance of Civil Servants with Job Satisfaction as Moderating variable (A Study of Civil Servants on West Coast, North Sumatera-Indonesia). *International Journal of Economic Research* 14(8): 161-176.
- Mangkunegara, A.P., 2013. *Manajemen Sumber Daya Manusia Perusahaan*. Remaja Rosdakarya. Bandung.
- Marbawi, Lumbanraja, P., Lubis, A.N., Siahaan, E., 2018. The Influence of Organizational Culture, Individual Characteristics and Transformational Leadership Style on the Job Satisfaction and Performance of Employees in Indonesia. *Quality Access to Success* 16(163): 85-92.
- Mathis, R.L., Jackson, J.H., Valentine, S., 2014. *Human Resource Management*. Cengage Learning. New Jersey. 14th Edition.
- Meyer, J.P., Allen, N.J., 1991. A three-component conceptualization of organizational commitment. *Human Resource Management Review* 1(1): 61-89.
- O'Reilly, C.A., Chatman, J., 1986. Organizational commitment and psychological attachment: The effects of compliance, identification and internalization on prosocial behaviour. *Journal of Applied Psychology* 71: 492-499
- Ojo, A.O., Oluwatayo, I.B., 2016. Drivers and challenges of sustainable development in *Africa 3rd International Conference of African Development Issues* (Covenant University Press) 523-526.
- Oladeji, S.I., 2014. Educated and qualified but jobless: A challenge for sustainable development in *Nigeria Inaugural Lecture Series* 262: 1-20.
- Osborn, D.C.A., Ullah, F., 2015. Universal sustainable development goals: understanding the transformational challenge for developed countries. *Stakeholder Forum* 1-25.
- Robbins, S.P., Coutler, M., 2012. *Management*. Pearson Prentice Hall. New Jersey. 11th Edition.
- Robbins, S.P., Judge A.T., 2015. *Organizational Behavior*, Pearson Education, Inc. New York.
- Sekaran, U., 2003. *Research Methods for Business: A Skill Building Approach*. John Wiley & Son Inc. New Jersey. 5th edition.
- Siahaan, E., 2017. Antecedents of employee performance and the influence on employee job satisfaction in banking service sector in Indonesia. *Bank and Bank Systems* 12(4): 75-89.
- Singh, M.V., 2014. An impact and challenges of sustainable development in global era. *Journal of Economics and Development Studies* 2(2): 327-337.
- Sugiono, 2013. *Metode Penelitian Kuantitatif Kualitatif dan R&D*. Alfabeta. Bandung.
- Uddin, M.J., Luva, R.H., Hossiah, S.M.H., 2013. Impact of organizational culture on employee performance and productivity: a case study of telecommunication sector in Bangladesh. *International Journal of Business and Management* 8(2): 63-77.
- Wibowo, 2012. *Manajemen Kinerja*. PT Raja Grafindo Persada. Jakarta.
- Yetta, N.T., 2012. Pengaruh Komitmen Organisasional Terhadap Kinerja Karyawan Lapangan SPBU Coco Pertamina MT Haryono. *Skripsi*. Ilmu Sosial dan Ilmu Politik Universitas Indonesia, Depok.