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# The Effect of Organization Culture, Promotion and Selection on Employee Performance at PT. Amorindo Mitra Sentosa

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Abstract

: The purpose of this study was to examine and analyze the influence of organizational culture, promotion, and selection on employee performance. Employee performance is the result of the work of employees in carrying out their duties and responsibilities at work. The current decline in sales shows that there is a decline in performance in the company. Organizational culture is a collection of customs and habits owned by the company and implemented by employees in carrying out the work environment. Promotion is the transfer of a position that is higher than the previous position by the company to the position of an employee. Selection is the process of selecting employees to occupy positions in the company in accordance with the competencies they have which is the background of the problem in this study. The sampling technique used saturated sampling with a sample of 65 employees. In the partial test results, organizational culture has a positive and significant effect on employee performance, selection has a positive and significant effect on employee performance. In the partial test results, each of the variables of organizational culture, promotion, and selection has a positive and significant effect on employee performance.

## 1 INTRODUCTION

Employees as human resource assets in the company. The role of employees is very important for the company. With good performance, employees will be able to help the company to explain future business activities. PT Amorindo Mitra Sentosa is a business in the distribution and sandals sector located in the city of Medan. Employee performance is the result of employees' work in carrying out their duties and responsibilities at work Organizational culture is a collection of customs and habits owned by the company and implemented by employees in carrying out the work environment. In the application of organizational culture, employees are still not able to apply the culture properly. Employees still often commit violations in carrying out their work. The highest number of violations occurred in August as many as 8 violations and shows that the organizational culture has not been running well. Promotion is the transfer of a position that is higher than the previous position by the company to the position of an employee. Judging from the employee mutation data, only a small number of employees in the sales and administration departments have the opportunity to be promoted and transferred because of the relationship between relatives and friends of the company leadership, effectively improve performance due to evaluation of promotions and transfers, not based on employee performance. Selection is the process of selecting employees to occupy positions in the company based on their abilities. Employee selection is still not good, it can be seen from the inconsistency of work abilities and academic qualifications of existing employees, resulting in difficulties in job development. The choice of the company is still not in accordance with the employee's work, so work errors still often occur in the workplace.

#### 2 LITERATURE REVIEW

#### **Organization Culture**

According to Arianty (2014), organizational culture becomes a characteristic of organizations, not by what they believe, but culture becomes a basic trait in descriptive. According to Afandi (2016: 80), organizational culture is a system that forms the beliefs that exist within the organization. According to Torang (2013: 107), organizational culture is a belief in employee behavior and has become a habit for employees at work.

## **Promotion**

According to Herlambang and Marwoto (2014: 140), promotion is part of the process of transferring tasks and positions held by employees within the organizational structure. According to Rahayu (2018), promotion is the granting of authority to other positions followed by higher tasks compared to the previous position. According to Ritonga and Lubis (2015). Promotion is an important role that is highly expected by employees in forming good performance. Employees who work well will expect promotions.

#### Selection

According to Muntu (2017) selection is a series of activities to decide the acceptance of a prospective employee after carrying out a preliminary test. According to Jaya (2018) selection as an operational in human resource management as part of the company's operations in recruiting prospective new employees to be placed in jobs. According to Priansa (2016: 107), selection is a process to gather prospective employees to be recruited as workers from both internal and external sources.

#### **Employee Performance**

According to Mangkunegara (2013: 67), employee performance (work performance) is the result of quality and quantity in accordance with the responsibilities given to an employee in carrying out his work. According to Kasmir (2016: 182), performance is the result of work in carrying out a given task for a certain time. According to Edison (2016: 190), performance is a result that is measured over a certain period of time based on the ability to work of employees in the company.

## Framework

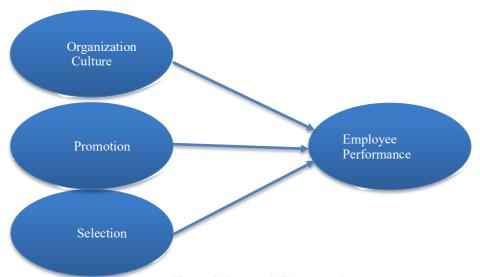


Figure 1. Research Framework

#### Hypothesis:

- H1: Organization culture has effect on employee performance at PT. Amorindo Mitra Sentosa.
- H2: Promotion has effect on employee performance at PT. Amorindo Mitra Sentosa.
- H3: Selection has effect on employee performance at PT. Amorindo Mitra Sentosa.
- H4: Organization culture, Promotion and Selection have effect on employee performance at at PT. Amorindo Mitra Sentosa

# 3 METHODOLOGY

In this study using quantitative research. According to Suharsaputra (2018: 52), quantitative research is a research method intended to explain the phenomenon of numerical statistics, then analyzed using statistics. The type and nature of this research uses descriptive quantitative research with positivism philosophy and the nature of explanatory research. This study uses employees at PT. Amorindo Mitra Sentosa from as many as 65 people as the population of the study. According to Suharsaputra (2018:121), the sample is used to represent the variance of variables in the population. The sampling technique used was the saturated sampling formula in which all existing employees were used as the research sample, as many as 65 people. To test the validity and reliability as many as 30 people were taken from the company's branch at Jalan Perniagaan No 88-90 Medan. In this study using multiple linear regression method, to test the effect of the independent variable on the dependent variable. Testing the data used in this study includes validity, reliability, classic assumption tests (normality test, multicollinearity test, heterocedaticity test, multiple linear regression analysis, t test to test and prove the research hypothesis, simultaneous, and the coefficient of determination.

## 4 FINDINGS AND DISCUSSION

## Validity Test

According to Priyatno (2013: 19), validity is a test to measure the validity of the research questionnaires that have been distributed. If a valid research instrument has high validity, otherwise an instrument that is less valid means it has low validity. With the following criteria, if rcount > rtable, then the question is declared valid and if rcount < rtable, then the question is declared invalid. Based on the results of data processing, here are the results of the validity test in this study.

Table 1. Validity Test

Variables	Item	Validity
Organization culture	10	Valid
Promotion	8	Valid
Selection	10	Valid
Employee Performance	10	Valid

Based on the test results from table 1, that the organization culture variable is 10 statements, promotion is 8 statements, selection variable is 10 statements and employee performance is 10 statements. Of the four variables, all statements are declared valid because the r number greater than the r-table number of 0.361 which means valid.

### **Reliability Test**

According to Priyatno (2013:30), this test was conducted to measure the consistency of the values in the test of these variables. For testing, the limit used is 0.60. This means that the criteria for an instrument are said to be reliable if the Alpha value > 0.60.

**Table 2. Reliability Test** 

Variables	Alpha Cronbach	Validity
Organization culture	0.849	Reliable
Promotion	0.826	Reliable
Selection	0.864	Reliable
Employee Performance	0.801	Reliable

Based on table 2, the Cronbach Alpha is greater than 0.6. This shows that all variable in this study is said to be reliable or have a good level of reliability so that they can be used in summarizes this research.

### **Multiple Linier Regression**

Multiple linear regression analysis is used in this study to determine whether there is an influence of the independent variable on the dependent variable. Statistical calculations in multiple linear regression analysis used in this study were to use SPSS software. The results of multiple linear regression are as follows:

Table 3. Coefficients

	C 4	nge • o				
Coefficients <sup>a</sup>						
Unstandardized S		Standardized				
Coefficients		Coefficients				
	Std.					
В	Error	Beta	t	Sig.		
2.921	5.193		.563	.576		
244	076	161	1 555	.000		
.344	.076	.404	4.333	.000		
.328	.106	.306	3.113	.003		
.345	.117	.300	2.960	.004		
	Coeffic  B 2.921 .344 .328	Unstandardized Coefficients Std. B Error 2.921 5.193 .344 .076 .328 .106	Coefficients           Std.         Beta           2.921         5.193           .344         .076         .464           .328         .106         .306	Unstandardized Coefficients         Standardized Coefficients           Std.         B           Error         Beta           2.921         5.193           .344         .076           .464         4.555           .328         .106           .306         3.113		

a. Dependent Variable: Employee Performance

From the output, the regression equation is obtained as follows:

$$Y = 2.921 + 0.344 X_1 + 0.328 X_2 + 0.345 X_3 + e$$

The constant of 2,921 states that organizational culture, promotion, and selection on performance is 2,921 units if it does not exist or is constant. The coefficient of organizational culture which is defined as 0.344 and has a positive value which means that the performance of 0.344 will correspond to every increase in the organizational culture variable of 1 unit, considering that other factors do not change. The value of the promotion coefficient is 0.328 and is optimistic which means that performance can be increased by 0.328 with an increase in every 1 component of promotion, assuming other variables do not change. The value of the selection coefficient is 0.345 and is positive, which means that performance will increase by 0.345 according to each increase in the selection variable by 1 unit, provided that other factors do not change.

#### **Partial Test**

According to Ghozali (2013: 98), the statistical t test basically shows how far the influence of one independent variable on the dependent variable by assuming the other variables constant. The following is the test of t Test.

**Table 4. Hypothesis Test** 

No.	Variables	t-value	Sig	t-table
1.	Organization culture	4.555	.000	1.999
2.	Promotion	3.113	.003	1.999
3.	Selection	2.960	.004	1.999

With ttable value is 1.999. The results of the partial test are as follows. The influence of the organizational culture hypothesis is partially obtained 4.555> 1.999 and significant 0.000 <0.05 which means Ha is approved and Ho is rejected, that is partially organizational culture has a strong and significant effect on employee performance. The finding of the partial promotion hypothesis was obtained 3.113> 1.999 and significant 0.003 <0.05 which indicates that Ha is approved, and Ho is rejected, that is partially promotion has a positive and significant effect on employee performance. The findings of the partial selection hypothesis obtained 2.960> 1.999 and significant 0.004 <0.05 which means Ha is approved and Ho is rejected, namely selection has a positive and significant effect on employee performance.

#### **Simultaneous Test**

According to Ghozali (2013: 98), the F statistical test basically shows whether all the independent variables included in the model have a simultaneous effect on the dependent variable. The following is the test of F Test.

Table 5. ANOVA ANOVA<sup>a</sup>

		Sum of				
$\mathbf{N}$	Model	Squares	df	Mean Square	F	Sig.
1	Regressio n	700.746	3	233.582	14.87 1	$.000^{b}$
	Residual	958.115	61	15.707		
	Total	1658.862	64			

a. Dependent Variable: Employee Performance

The value of Ftable is 3.15. The test results obtained the calculated F value (14.871) > F table (3.15) and a significant probability of 0.000 < 0.05, indicating that organizational culture, promotion and selection affect employee performance.

## Coefficient of Determination (R2)

The value of the coefficient of determination is as follows:

**Table 6. Model Summary** 

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.650a	.422	.394	3.96318

b. Predictors: (Constant), Organization culture, Promotion, Selection

This means that 39.4% of the performance that can be clarified by the variables of organizational culture, promotion, and selection in the results of the coefficient of determination test produced with an Adjusted R Square value of 0.394, while the remaining 60.6% is explained by other variables not. analyzed in this analysis.

#### **Discussion**

Based on the results of statistical testing, simultaneously organizational culture, promotion, and selection variables have a positive and significant effect on the performance variable. Furthermore, for partial testing the organizational culture variable has a positive and significant effect on the performance variable, while the promotion variable has a positive and significant effect on the performance variable and the selection variable has a positive and significant effect on the performance variable. The explanation of each variable effect is explained as follows:

The Effect of Organization Culture on Performance

After passing the testing phase that can be presented at the end, the suggested conclusions are considered accurate and become the results of the company's main research. The results of the analysis show that the t count is higher than the t table (4.555 > 1.999). H1 has the result that organizational culture has a strong and important influence on performance.

The Effect of Promotion on Performance

After passing the testing phase that can be presented at the end, the suggested conclusions are considered accurate and become the results of the company's main research. The results of the analysis show that the t count is higher than the t table (3.113 > 1.999). H2 has a promotion result that has a strong and important influence on performance.

The Effect of Selection on Performance

After passing the testing phase that can be presented at the end, the suggested conclusions are considered accurate and become the results of the company's main research. The results of the analysis show that the t count is higher than the t table (2,960 > 1,999). H3 has a selection result that has a strong and important influence on performance.

# 5 CONCLUSION

Partially testing the organizational culture variable of 4,555> 1,999, it was found that organizational culture had a positive and significant effect on employee performance at PT Amorindo Mitra Sentosa. Partial testing of the promotion variable 3.113 > 1.999 resulted in a positive and significant effect on employee performance at PT Amorindo Mitra Sentosa. Partial testing of the selection variable 2.960 > 1.999 resulted in a positive and significant effect on employee performance at PT Amorindo Mitra Sentosa. Simultaneous testing 14,871 > 3.15 obtained from the finding of determination of 39.4 percent, namely organizational culture, promotion and selection have a positive and significant influence on employee performance at PT Amorindo Mitra Sentosa.

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