



## The Effect of Organizational Culture, Transformational Leadership and Organizational Environment to the Organizational Commitment and Performance of Private Higher Performance in East Kalimantan Province

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### Abstract

This study aims to analyze the influence of organizational culture, transformational leadership and organizational environment on organizational commitment and performance. 200 responses were collected through surveys gathered from 8 Universities, 34 High School and 15 Academy. Data were analyzed using Structural Equation Model (SEM) and found that the organizational culture, transformational leadership, and organizational environment has a significant effect on organizational commitment and performance of Private Higher Education in East Kalimantan Province except organizational environment has no significant effect on the performance of Private University in East Kalimantan Province. Organizational commitment variable can be a variable that can improve the effect of organizational culture, transformational leadership and organizational environment on the performance of Private Universities in East Kalimantan Province.

Keywords: organizational culture, transformational leadership, organizational environment, organizational commitment, organizational performance

### 1. Introduction

The organization requires human resources as a system manager to achieve its objectives so that the system must run in its management must consider several important aspects related to organizational culture, transformational leadership, organizational environment, organizational commitment, and organizational performance. The phenomenon or empirical picture of the private university in the area shows the level of education and expertise of the leadership is relatively low, the position of key positions still existed by the lecturers/officials of other public university/civil servant, the organization has not run dynamically and effectively (the relationship between the foundation and the university) Low, campus facilities and other academic facilities are relatively limited, the trust of small stakeholders is not even visible, the accreditation rating of national accreditation body (BAN PT) is still largely in rank C.

This research is based on theoretical review with various theoretical studies used as the foundation of analysis and guidance in discussing the research result, that is the performance of the college which is influenced by organizational culture, transformational leadership, organizational environment, organizational commitment and learning organization. Organizational culture can be formed in a relatively long time because it is sourced and can be influenced by internal culture, external culture and great culture. In his book, Colquitt and Wesson (2009) suggest that "culture can be characterized by trust insubordinate, open communication, considerate and supportive leadership, group problem solving, autonomy worker,

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information sharing and high output goals. According to Schein (1992), the process of cultural formation is closely related in a way identical to the process of the formation of a very important group in its "group" or the characteristic group of patterns of distribution of thoughts, beliefs, feelings, and values resulting from the division Experience and collectively is what is meant by the end result of the culture of the group. Yukls (1998), the initial concept of transformational leadership has been formulated by Byars and Rue (2006) from a descriptive study of political leaders. Byars and Rue (2006) describes transformational leadership as a process of leaders and followers raising themselves to higher levels of morality and motivation. Transformational leadership is a charismatic leader and has a central role and strategy in improving the performance of Private Universities in East Kalimantan Province.

Organizational environment is one of the important factors in creating employee performance. Because the organizational environment has a direct influence on employees in completing the work that will ultimately improve the performance of the organization. Mathis and John (2001), good management thinks about a good and pleasant organizational environment because it is needed by the workforce. Commitment is a form of attachment, identification, and involvement of the individual towards the organization (Sokro, 2012). Mathis and John (2001) argue that the notions of true commitment reflect three common themes, which are then developed by them as Three-Component Models of Organizational Commitment. The model includes Affective Commitment, which is the employee's emotional attachment to the organization, which also describes identification and involvement with the organization. Continuity Commitment, which is the attachment that is formed based on the consideration of cost/price that will be borne by the employee when leaving the organization. Normative Commitment, which is the attachment that comes from the sense of obligation and the necessity of the employee to continue to live in the organization.

**2. Method**

Data were collected through a survey from 8 Universities, 34 High School and 15 Academy. 200 responses were then analyzed using Structural Equation Modeling (SEM). SEM provides a simultaneous estimation for path analysis. This approach is appropriate to analyze both direct and indirect effects and also other advanced multivariate analysis. It is useful to test the relationship among latent constructs in a research model and provide comprehensive tools to evaluate and interpret the findings.

**3. Results and Discussions**

The result of the good-fit analysis shows that all suitability of the model gives index according to the recommended (fit).

Table 1: Value of Goodness of Fit

Criteria	Test Results Model	Nilai Cut-Off	Description
Cmin/df	1.905	< 3.00	Fit
RMSEA	0.058	≤ 0.08	Fit
GFI	0.944	≥ 0.90	Fit
AGFI	0.925	≥ 0.90	Fit
TLI	0.961	≥ 0.95	Fit
CFI	0.994	≥ 0.95	Fit
RMR	0.018	≤ 0.05	Fit
NFI	0.983	> 0.90	Fit

Table 2. Results of Examining Hypothesized for Structural Equation Model

Hypotheses	Effects	Coefficient	C.R.	Prob.	Description
H <sub>1</sub>	Organizational Culture → Organizational Commitment	0.675	7.559	0.000	Significant
H <sub>2</sub>	Organizational Culture → Employee performance	0.740	4.813	0.016	Significant
H <sub>3</sub>	Transformational Leadership → Organizational Commitment	0.480	5.835	0.000	Significant
H <sub>4</sub>	Transformational Leadership → Employee performance	0.624	0.872	0.383	Not Significant
H <sub>5</sub>	Organizational Environment → Organizational Commitment	0.658	8.035	0.000	Significant
H <sub>6</sub>	Organizational Environment → Employee performance	0.696	3.824	0.010	Significant
H <sub>7</sub>	Organizational Commitment → Employee performance	0.960	3.268	0.005	Significant

The result of analysis using AMOS as in table 2 shows that the value of Standardized Regression coefficient shows the Influence of Organizational Culture on Organizational Commitment Development is significant, meaning that if Organizational culture is stronger than Organizational Commitment will increase and the probability number of 0.000 shows the number below 0.05, then It can be said that the influence of Organizational Culture on Organizational Commitment is significant, so that the second hypothesis that the organizational culture has a significant effect on Organizational Commitment received. The results of this study indicate that college institutions should create a strong organizational culture by instilling organizational values reflected in employee behavior, among others by making rules of behavior, Norms whose contents are various standards of behavior that must be followed, the value -the dominant values that must be shared, the philosophy with policies relating to organizational beliefs, strict regulations and the existence of a good organizational climate, with such a culture will bring more committed lecturers as members in higher education organizations.

The influence of Organizational Culture on Organizational Performance, meaning that if Organizational culture increases then Organizational Performance also increases. Probability value shows the number of 0.016 shows the number below 0.05, it can be said that the influence of Organizational Culture on Organizational Performance is significant, thus it can be said that the third hypothesis that states organizational culture has a significant effect on organizational performance is supported. The results of this study indicate that to improve the performance of organizations of higher education institutions must pay attention to a strong organizational culture that must be embraced by all existing lecturers, because the improvement of organizational performance in universities is very dependent on the performance of lecturers, especially in the field of the Three Pillars of University Teaching, Research, and Community Service. If the lecturer remains in obligatory mandatory staged Tri Dharma it will be productive and organizational performance will also increase because of the current assessment of the main university in the field of new three pillars principles other supporting fields.

The Influence of Transformational Leadership to Organizational Commitment, that is, if the application of Transformational Leadership is increased then Organizational Commitment will also increase, and the probability value also shows the figure of 0,000, it can be said that the influence of Transformational Leadership on Organizational Commitment is significant, so that the fifth hypothesis that states Leadership Transformational significant effect on Organizational Commitment accepted.

The results of this study indicate that the improvement of organizational commitment can be done through the implementation of transformational leadership in the organization because the application of transformational leadership as described above is the inspiration and motivation of lecturers to achieve better results than planned, transformational leadership characteristics provide an alternative to difficult problem solving, Thus improving effectiveness Organization, with the implementation of transformational leadership will increase organizational commitment. The Influence of Transformational Leadership on Organizational Performance is insignificant, meaning that if Transformational Leadership is applied well then it will not have an impact on Organization Performance, and probability value also shows the number of 0383 indicates a number below 0.05 it can be said that the influence of Transformational Leadership on Organizational Performance is not significant, so the sixth hypothesis that Transformational Leadership has a significant effect on Organizational Performance is rejected. The results of this study indicate that the application of transformational leadership does not guarantee to improve performance even in the transformational leadership of the leader of inspiration and motivation to lecturers and educational staff to achieve better results than planned, it does not affect the performance of the organization because the performance of the organization is determined by the performance Lecturers where the lecturers work is more independent in motivating themselves to run their own tasks without much influence by the leadership.

The influence of the Organizational Environment on Organizational Commitment, meaning that if the Organizational Environment will increase then Organizational Commitment also increases. And the probability value also shows the number of 0,000 which shows the number smaller than the error value of 0.05 then it can be said that the influence of Organizational Environment on Organizational Commitment is significant, so that the eighth hypothesis stating the Organizational Environment has a significant effect on Organizational Commitment accepted. The results of this study indicate that organizational commitment can be improved through the provision of a safe, comfortable work environment both internally and externally to support the work of lecturers and education personnel in carrying out their duties. It is important to make lecturers and employees committed to the organization. Organizational Environmental Impact on Organization Performance of 0.696, meaning that if the Organizational Environment is improved then the performance of the Organization also increases, and the value of probability also shows the number of 0.010 which shows the number smaller than the value of error of 0.05 then it can be said that the influence of the Organizational Environment on Performance Organization is insignificant, so the ninth hypothesis that states Organizational Environment has a significant effect on Organizational Performance is accepted. The results of this study indicate that improving the work environment can improve the performance of higher education organizations, this is because a safe and comfortable work environment can make employees and lecturers can run their jobs properly and certainly work that can be done well will result in organizational performance with good recall The success of organizational performance cannot be separated with the performance of lecturers in running the Three Pillars of Higher Education and employees in supporting the achievement of organizational performance in universities.

Organizational Commitment Influence on Organizational Performance, meaning that if Organizational Commitment increases then Organizational Performance also increases and value Probability also shows the number of 0.615 shows greater than the value of error of 0.05, it can be said that the influence of Organizational Commitment on Organizational Performance is not significant, so the tenth hypothesis that states Organizational Commitment has a significant effect on Organizational Performance is rejected. The results of this study indicate that the commitment of lecturers and educational staff cannot always improve the performance of universities, this is possible because every lecturer and educational staff have more independent work with demands to perform their duties in completing Tri Dharma College, so the job must be fixed Completed in accordance with the demands of the workload must be completed so that there is commitment or not they still finish the job well with high performance. The results of this study indicate that the improvement of lecturers' performance in universities needs support from the organization in facilitating lecturers to gain new knowledge, transfer knowledge from the facilities provided by universities, because the lecturers of their duty in the field of teaching, research and community service are important for lecturers To always add new insights and knowledge to keep their knowledge always updated.

#### 4. Conclusion

This study aims to examine the effect of organizational culture, transformational leadership, and organizational environment on organizational commitment and performance in the context of private universities. The study found that the organizational culture has a significant effect on Private Higher Education Commitment in East Kalimantan Province. Moreover, organizational culture has a significant effect on the Performance of Private Universities in East Kalimantan Province. A similar result shows in hypothesis three that transformational leadership has a significant influence on the Commitment of Private Universities in East Kalimantan Province, while transformational leadership has no significant effect on the Performance of Private Universities in East Kalimantan Province. Finding related organizational environment indicates that such construct has a significant effect on Private Higher Education Commitment in East Kalimantan Province. In a similar line, organizational Environment has a significant effect on the Performance of Private Universities in East Kalimantan Province. Finally, organizational commitment has a significant effect on the Performance of Private Universities in East Kalimantan Province

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