THE EFFECT OF ORGANIZATIONAL CULTURE AND WORK ENVIRONMENT ON SERVICE QUALITY WITH SATISFICATION AS A MODERATING VARIABLE

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Abstract

Two of the many factors that can influence good or bad service quality are good organizational culture and a work environment that is comfortable, clean, and can provide peace of mind for both workers and customers. This study aims to examine the influence of Organizational Culture and Work Environment on Service Quality at Alfamart which are spread throughout Indonesia. Different from previous studies, this research adds the Job Satisfaction variable as a moderating variable. This research is quantitative research with an explanatory approach. This study uses secondary data distributed through questionnaires to 300 Alfamart employees spread throughout Indonesia with a minimum criteria of having worked for 2 years. The data used in this research were analyzed using Alt Samrt PLS 3.0. The results showed that each of the Organizational Culture and Work Environment variables had a positive and significant effect on the Service Quality variable. Apart from that, the Job Satisfaction variable is able to moderate the two independent variables above and has a quite significant shift in value.

Keywords: Organizational Culture, Satisfication, Service Quality, Work Environment.

1. INTRODUCTION

Organizational culture is an organizational glue that binds members of the organization through shared values. Organizational culture is reflected in the daily behavior of its members, meaning it is also a daily practice at work. Service quality will improve along with the internalization of organizational culture. This means that the stronger the organizational culture or basic values that have been agreed upon, the better the quality of service produced. In Indonesia Organizational Culture became known in the 80-90s, at that time there was much talk about cultural conflicts, how to maintain Indonesian Culture and the cultivation of new values. At the same time, academics began to study it and incorporate it into the curricula of various formal and informal education(Sukarmin, 2016).

The influence of organizational culture has important meaning for the individuals who work in it, because this organizational culture will influence either directly or indirectly on employee

Edunomika – Vol. 8, No. 1, 2023

performance. A strong organizational culture will improve overall individual performance and have a positive effect on employee behavior, resulting in good performance and stimulating high work discipline. Jerome Want (2006:24) states that organizational culture is a collective belief system that people within the organization have about their ability to compete in the market, and how they act within that belief system to provide value added products and services in the market (customers) in return. for financial rewards(Radiany, 2018).

Organizational culture is expressed through attitudes, belief systems, dreams, behavior, values, ordinances of the company, and especially through the actions and performance of employees and management. The creation of organizational culture is a process. This means that it is not necessarily formed even though from the beginning the founders have laid a cultural foundation which may be based on his philosophy of life, his experience, and the results that have been achieved by using a culture similar to those who later joined the organization. A number of studies (Sukarmin, 2016); (Nalendra et al., 2018); (Ayunda et al., 2020); (Radiany, 2018) shows Organizational Culture has a positive and significant impact on Service Quality. By increasing a good organizational culture, it will further improve employee integrity, personality, discipline, and ultimately have a positive impact on Service Quality.

Apart from the Organizational Culture variable, this research also uses the Work Environment variable as the second independent variable. The work environment is something that exists in a worker's environment that can influence him in carrying out his duties, such as temperature, humidity, ventilation, lighting, noise, cleanliness of the workplace and whether or not work equipment is adequate(Maharani, 2019). According to (Sedarmayanti, 2009), measurement indicators of the work environment are work ability and employee relationships.

Organizations need to create and maintain a good work environment because a good work environment will create a work atmosphere that can make employees work harder and can automatically increase employee work productivity which has a direct impact on employee job satisfaction. The benefits of a safe and healthy work environment that is able to improve the quality of work life of employees are that it can increase work productivity, increase efficiency and quality of employees who are more committed, greater flexibility and adaptability as a result of increased participation and a sense of ownership. In different literature, the work environment is divided into two types, namely physical work environment and non-physical work environment.

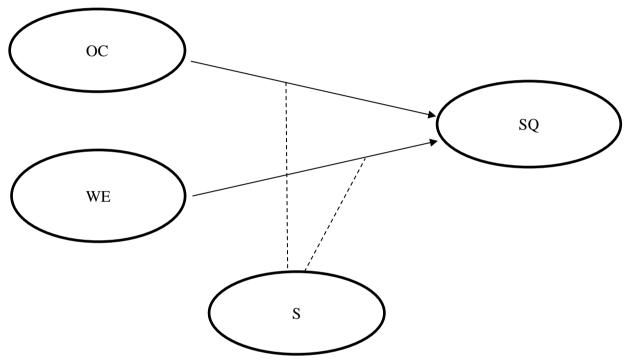
The physical work environment is something that includes light, color, air, and sound. "Furthermore, the physical work environment is all physical conditions that exist around the workplace that can affect employees both directly and indirectly" (Gie, 2000: 212). According to (Nurmasitha et al., 2021), physical environmental requirements must be considered and managed as well as possible by every modern office manager. While the non-physical work environment is a condition that is not shaped around the workplace. Usually related to taste, mind, and so on.

A number of studies show (Ngongoloy et al., 2018); (Andayani et al., 2019); (Maharani, 2019); (Lestari, 2017); and (Nurmasitha et al., 2021) shows that the work environment has a positive and significant effect on service quality. By creating a good work environment, employees who work and customers who are served will feel better and comfortable with the services provided. In contrast to the studies above, this research adds the variable Satisfaction as

a moderating variable which researchers believe can strengthen the effect of Organizational Culture and Work Environment variables on service quality.

2. RESEARCH METHODS

This research is quantitative research with an explanatory approach, namely research that explains the relationship between research variables and testing hypotheses that have been previously formulated(Sugiyono, 2019). In this research, primary data was used which was distributed to 300 Alfamart employees throughout Indonesia(Jonathan Sarwono, 2016). Data is distributed through a questionnaire instrument containing a 1-5 Likert scale which includes strongly agree, agree, neither agree nor disagree and strongly disagree(Supriyanto, 2019). The population used in this research is Alfamart employees who have worked for at least 2 years. The sample in this research was 300 Alfamart employees in Indonesia. The data used in this research was analyzed using the smart PLS 3.0 tool.



Note:

OC : Organizational Culture WE : Work Environemnt SQ : Service Quality S : Satisfication

Hypothesis

H1: The relationship between Organizational Culture and Service Qualitiy.

H2: Relationship of Work Environemnt to Service Qualitiy.

Edunomika – Vol. 8, No. 1, 2023

H3: Commitment moderates Satisfication on Organizational Culture.

H4: Commitment moderates Satisfication on Work Environment.

3. RESULT AND DISCUSSION

3.1 Result

Convergent Valditiy

Convergent validity aims to determine the validity of each relationship between indicators and constructs or latent variables. In this study, a loading factor limit of 0.60 will be used. In this study, it consists of 8 question items for variable X1, 8 question items for variable X2, 6 question items for variable Y, and 6 questions for variable Z.:

Table 1Convergent Validity

Variable	Question Item	Loading Factor
Organizational Culture	Courage to take risks	0.810
(X1)	Be careful about work	0.826
	Responsibility for the risks	0.851
	that exist in the company	
	Thorough and thorough in	0.891
	every job	
	Accuracy in predicting the	0.882
	success or failure of a	
	program	
	Consider safety factors at	0.878
	work	
	Success that we want to	0.883
	achieve together	
	Success in carrying out	0.886
	each task	
Work Environment	Neatness of work	0.886
(X2)	equipment	
	Workplace noise	0.891
	Salary adequacy to meet daily needs	0.893
	Workplace chaos	0.905
	Work area security	0.887
	Mobile network and	0.813
	internet speed	0.015
	The feasibility of the	0.859
	security unit in guarding	0.057
	the work location so that	
	employees feel safe	
	Air quality and weather in	0.886
	the workplace are quite	
	good	

Edunomika – Vol. 8, No. 1, 2023

Service Quality	Complete equipment	0.987
(Z)	Complete facilities in 0.985	
	supporting employee	
	performance	
	Speed of service in serving	0.985
	customers	
	Accuracy in serving	0.991
	customers	
	Personal dexterity in	0.953
	overcoming company	
	problems	
	Dexterity as a group in	0.931
	overcoming company	
	problems	
Job Satisfication	The basic salary received	0.871
(Y)	is sufficient for daily	
	wages	
	Regulation of promotion in	0909
	increasing satisfaction	
	Compensation received by	0.915
	each employee	
	Support colleagues in	0.923
	completing work	
	Support superiors in	0.901
	completing work	
	Family support in	0.879
	completing wor	
T.		

Source: Data processed by researchers, 2023

Description: Valid >70

Realibility Test

Reliability Test is a test tool that is said to be reliable if the tool is accurate, consistent, stable and can be trusted to be correct. Meanwhile, Suharsimi Arikunto said that a test is said to have high reliability if the test can provide consistent results. The word "fixed" here does not mean having a score that is consistently the same/fixed when tested many times on the same students, but follows a steady change. In the PLS reliability test, the composite reliability and Cronbach alpha values for each variable were at a score greater than 0.70 to be said to be reliable and the next stage of testing could be carried out. In this study using 4 variables consisting of 2 independent variables, 1 dependent variable, and 1 moderating variable with statistical results as follows:

Table 2Composite Relaibility and Crobanch Alfa

Variable	Composite Realibility	Crobanch Alfa
Organizational Culture	0.850	0.890
Work Envronment	0.875	0.916
Service Quality	0.952	0.992
Job Satisfication	0.886	0.937

Source: Data processed by researchers, 2023

Description: Valid >70

Based on the statistical results above, it can be concluded that the Composite Reliability and Cronbach Alpha values for each variable are above 0.70. Thus it can be concluded that all variables are valid and these results can be continued at the next stage.

3.2 Discussion Path Coefisien

Path coefficients are a value that is useful in indicating the direction of the relationship to a variable, whether a hypothesis has a positive or negative direction. Path coefficients have values in the range -1 to 1. If values are in the range 0 to 1 then they can be declared positive, whereas if values are in the range -1 to 0 then they can be declared negative. For example, the following is the path coefficient value for each independent variable (exogenous) for the dependent variable (endogenous). Each variable is said to have an effect on other variables if the t-statistic value is below the t-table value of 0.05.

Table 3Path Coefisien

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	Variable	T-table	Information		
	OC>SQ	0.012	Accepted		
Direct Influence	WE> SQ	0.009	Accepted		
	S*OC> SQ	0.000	Accepted		
Moderation	S*WE> SQ	0.000	Accepted		

Source: Data processed by researchers, 2023

H1: The relationship between Organizational Culture and Service Quality

Based on the statistical results above, it can be concluded that Organizational Culture has a significant and positive influence on Service Quality in several Alfamarts spread throughout Indonesia because the t-table value is below 0.05, namely 0.012. Several previous research results (Sukarmin, 2016); (Nalendra et al., 2018); (Ayunda et al., 2020); (Radiany, 2018)has a positive and significant influence on Service Quality. By increasing organizational culture, integrity, behavior/adab, and so on can be increased. In the end, these things can have a good impact on service quality. Thus, the first hypothesis in this research can be **accepted**.

H2: The Relationship of Work Environemnt to Service Quality

Based on the results of the statistics above, the Work Environment has a positive and significant influence on Service Quality because the t-table value is smaller than the significance level of 0.05, namely 0.009. These results are in line with research (Ngongoloy et al., 2018); (Andayani et al., 2019); (Maharani, 2019); (Lestari, 2017); and (Nurmasitha et al., 2021)which shows the work environment has a positive effect on service quality. A good work environment

and complete facilities will make employees and customers feel comfortable. In the end, this will have a good impact on Service Quality. Thus, the second hypothesis in this study can be accepted.

H3: Commitment moderates Satisfication on Organizational Culture

Related to the results of the analysis above, the variable Satisfaction has a positive and significant effect on Organizational Culture because the t-table value is smaller than the 0.05 significance level, which is 0.000. By increasing satisfaction, integrity, motivation can be increased, and in the end it will improve organizational culture in all Alfamarts which are spread all over Indonesia. These results are in line with the research hypothesis and interestingly there is a significant shift in the statistical value, from 0.012 from direct testing to 0.000. Thus the third hypothesis in this study can be **accepted**.

H4: Commitment moderates Satisfication on Work Environment

Related to the results of the analysis above, the variable Satisfaction has a positive and significant effect on Work Environment because the t-table value is smaller than the 0.05 significance level, which is 0.000. By increasing satisfaction, integrity, motivation can be increased, and in the end it will improve Work Environment in all Alfamarts which are spread all over Indonesia. These results are in line with the research hypothesis and interestingly there is a significant shift in the statistical value, from 0.009 from direct testing to 0.000. Thus the third hypothesis in this study can be **accepted**

4. CONCLUSION

Based on the results of the discussion above, it can be concluded that each variable Organizational Culture and Work Environment each has a positive and significant influence on service quality because the t-table value is smaller than the significance level of 0.05. In line with the author's assumption, there is a significant shift in value between direct testing of Organizational Culture and Work Environment variables on Service Quality and with moderation of the Job Satisfaction variable, namely from 0.012 and 0.009 to 0.000 for each variable.

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Edunomika – Vol. 8, No. 1, 2023

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