

The Effect of Organizational Culture, Compensation, and Leadership on Employee Performance Mediated with Motivation and Job Satisfaction (Empirical Study in PT. BosowaBerlian Motor Branch, South Sulawesi)

Piter Tiong¹, Mattalatta², Khuzaini³

Doctoral Student of Management Program,
Sekolah Tinggi Ilmu Ekonomi Indonesia (STIESIA) Surabaya
Sekolah Tinggi Ilmu Ekonomi AMKOP Makassar
Sekolah Tinggi Ilmu Ekonomi Indonesia (STIESIA) Surabaya
Corresponding Author: Piter Tiong

Abstract: This study aimed to analyze the effect of organizational culture, compensation, leadership, work motivation and job satisfaction on employee performance. This also tested the variables through the mediation of work motivation and job satisfaction of employees in PT. BosowaBerlian Motor Branch, South Sulawesi. This applied quantitative approach of which data was collected using survey methods with questionnaires instrument. The data involved 162 employees as samples that were obtained through purposive sampling. Moreover, the data was analyzed with Structural Equation Model (SEM) analysis.

As the result, this study indicated that organizational culture, compensation, leadership, work motivation and job satisfaction had a positive and significant effect on employee performance. Organizational culture, compensation and leadership had a positive and significant effect on employee performance through work motivation. While the organizational culture, compensation and leadership had a positive and not significant effect on employee performance through job satisfaction, but directly affected employee performance.

Furthermore, the practical implications of this study acknowledged employees in regard with organizational culture, compensation, leadership, work motivation and job satisfaction on the performance of employees in PT. BosowaBerlian Motor. The study was limited only branches in Makassar, Maros, Gowa, Pare-Pare, Mamuju, Palopo, Soppeng, Bone and Bulukumba. Instead, this study recommended further research to explore the entire branches of PT. BosowaBerlian Motor in South Sulawesi in order to generalize more valuable research findings.

Keywords: Organizational Culture, Compensation, Leadership, Work Motivation, Job Satisfaction and Employee Performance

Date of Submission: 04-04-2019

Date of acceptance: 19-04-2019

I. Introduction

Automotive businesses have been considered supporting Indonesian economic development. The news reported that car sales declined in 2015, but increased 1.07 million units in 2017 and rising up to 1.13 million or 5.27% in the end of second quarter of 2018. Acknowledging the growth of car sales in the past two years, each automobile company needs to find ways to run its business professionally. A key to manage a business requires a company to contemplate its human resources whose adequate and appropriate competencies at work. The employees' ways in making suitable decision making indicate their performance and capability to analyze working problems as his or her position and duties. Therefore, employee performance is considered important for a company.

Employee performance can influence a company's success. This is defined as an employee's actual behavior or working performance to achieve a company's goals (Bintoro and Daryanto, 2017:108). The employees who are able to carry out particular performance are considered as precise and good employees. Placing an employee with an accurate competency and expertise will allow a company achieving its maximum working performance and reducing task errors (Sutrisno, 2014: 2). Obviously, employees work to achieve satisfactory completion in the workplace. In turn, the work accomplishments are perceived by the employees to establish their job satisfaction. Moreover, employees' job satisfaction will influence their work motivation that have great impacts to improve their performance at work (Sinambela, 2012:10). One of the factors that influence employee performance is considered the organizational culture.

Organizational culture has a significant effect on employees' work motivation as well as employees' job satisfaction. Organizational culture is the basic philosophy of an organization which includes the dimensions of beliefs, knowledge, values, systems, and core characters among individuals or groups who are active within the organization (Sopiah, 2010: 138). The culture also derives ways on how the employees play a role, create their identities, develop their engagements with others, and guide employees' work behavior. Accordingly, Herawan et al., argue (2015) that organizational culture has a significant effect on employee job satisfaction. While, Tumbelaka et al., (2016) state that organizational culture influences employee job satisfaction. Furthermore, other researchers found that organizational culture has a positive and significant effect on employee performance (Taurisa & Ratnawati, 2012; Soedjono, 2005)

In addition, compensation is described as an important factor that can motivate employees working better. It is a part of human resource management. Compensation refers to reward for employees' time, energy, and thoughts that have been endured to the company (Sutrisno, 2014: 179). Moreover, Putrayasa et al., (2014) and Muniroh (2013) argue that compensation has a significant effect on work motivation. In particular, financial compensation can not only motivate employees to work, but also affect employee job satisfaction. A research by Mardaheni (2013) find that compensation has a significant impact on an employee's job satisfaction. Instead, Humaeroh et al. (2015) indicate that both financial compensation and non-financial compensation had an effect partially and simultaneously. Financial compensation also has a significant effect on employee performance (Suwati, 2013); work motivation and compensation have a positive and significant effect on employee performance (Wijaya & Andreani, 2015).

Another factor that affects work motivation is leadership. This describes leadership as the art and activities to influence others' behavior and motivation that can affect the success or failure of a company (2017: 9). Leadership also influences work motivation. Previous researchers indicate that there was a significant positive effect between leadership and work motivation (Marwansyah & Oemar, 2015; Chairil, et al., 2016). Moreover, leadership problems do not only affect work motivation but also affect job satisfaction. Sukarja and Machasin (2015) give evidence that leadership partially has a positive and significant effect on job satisfaction.

Employee performance is considered influencing organizational culture, compensation, leadership, and work motivation. Motivation is as a driving factor for others' behavior (Sutrisno, 2014: 108). This is in accordance with previous researchers arguing that work motivation has an effect on job satisfaction (Kartika & Kaihatu, 2010; Kurnia, et al., 2013; Kadir, 2017). In the field of organizational behavior, job satisfaction is the most important attitude. According to Badriyah (2015: 239) high productivity can increase job satisfaction. Meanwhile, Robbins and Judge (2015: 52) believe that the relationship between satisfaction and performance is a myth; however, the results of 300 studies show the correlation of the variables are strong enough.

This research focused on mediation testing of employee motivation. This is in line with a research by Graha and Rahardjo (2016) that work motivation can mediate the influence of organizational culture and compensation for employee performance. While, Hutauruk (2015) shows that motivation as a mediating variable has a positive and significant effect on leadership on employee performance. Indriyaningrum, et al., (2015) conclude that work motivation cannot mediate the influence of leadership on employee performance. In this study, the mediating variable was job satisfaction. Another research argues that job satisfaction can mediate the influence of organizational culture on employee performance (Rizondra 2013). Instead, Hidayah and Aisyah (2016) demonstrate that compensation has a positive effect on employee performance through job satisfaction. Sukarja and Machasin's (2015) research find that leadership partially has a positive and significant effect on employee performance through job satisfaction.

PT. Bosowa Berlian Motor, South Sulawesi Branch, is the largest Mitsubishi brand car dealer in East Indonesia. Comparing to other car dealer companies in South Sulawesi, Mitsubishi dealers are having strategic office locations, comfortable showroom facilities, many official workshop branches with reliable facilities and mechanics, and 24 hours a day service service facilitated with reliable workshop and mechanics. However, one of the problems that occur at PT. Bosowa Berlian Motor Branch of South Sulawesi for the last 3 years (2015-2017) was the reduction of its employees' performance. The declining employee performance is due to several factors, such as: organizational culture, compensation, leadership, work motivation, and job satisfaction. A fact shows that supervisors generally do not give encouragement to employees at PT. Bosowa Berlian Motor. The supervisors do not inform how to innovate, to find new ideas for effective selling methods, to create timeliness of work completion, to establish qualified relationships, and to make effective communication among coworkers, superiors and subordinates. In relation to leadership, the investigated employees are still inadequate since the superiors have given lack of instructions and duties. Overall, this study indicated various problems that need to be resolved for better employee performance.

II. Literature Review

Organizational Culture

Organizational culture is defined as the fundamental beliefs and assumptions of each member within an organization or company. A corporate culture will also derive business behavior or business activities operationally that enforce the existence and to guarantee the continuity of an organization or company (Tika, 2010: 59). Meanwhile, Sudarmanto (2010: 165) conveys that organizational culture is a cognitive framework involving attitudes, values, norms of behavior, and shared expectations that are felt by members of the organization. In brief, organizational culture refers to attitudes and behavior that are manifested in social interactions between members in the workplace.

Compensation

Compensation is important in the workplace. It is generally defined as whatever achievements that employees receive as the result of their work and contribution in the workplace (Sulistiyani & Rosidah, 2011: 206). Compensation broadly influences employees' working enthusiasm in the office. When a compensation is distributed appropriately, the employees will be more satisfied and motivated to achieve the organizational goals. It is obvious that wages are part of compensation. However, compensation in this study is not the same as wages. Thus, every organization can choose what most appropriate compensation can support to achieve organizational goals effectively and efficiently.

Leadership

Leadership is a process that is carried out by company managers to give instruction as well as to influence their subordinates in completing office tasks and activities. So the subordinates as the individual and as the member of a team intend to activate their abilities in order to attain the pre-determined goals in a company. Terry and Rue (2010: 99) assume that leadership as an activity to influence people to work to achieve common goals voluntarily. Bass and Stogdill (2010: 89) suggest that leadership is a process affecting activities within a group in accomplishing their stated goals. Moreover, leadership is delineated as an organized effort to manage and utilize human, natural, and financial resources in order to achieve the company goals.

Work Motivation

Motivation is a factor that may encourage people to do an activity. According to Sutrisno (2014: 109) motivation is interpreted as a driving factor towards a person's behavior. One's activity must include particular factors that drive his or her desire to complete the activity. Pasolong (2010: 138) argues that motivation can be derived from internal or external enthusiasm and perseverance for reaching goals; while the two motivation can be embedded to reach specific goals as well. In addition, Suparyadi (2015: 417) conveys motivation as a driving factor to activate initiatives, moves and direction so that individuals are able to meet their needs and to have incentives.

Job Satisfaction

Job satisfaction is also an important factor that needs to be understood by a manager. Sutrisno (2014: 76) argue that it is an employee's attitude towards work situations, cooperation between employees, working rewards, and other physical and psychological factors. Job satisfaction can be described as the result of employees' attitudes towards factors at work, personal adjustment, and social relations out of work. In other words, human factors play a role in achieving organizational goals. Otherwise, an organization's good plans, supervisions, and researches cannot be accomplished if employees are not interested in working well. In brief, establishing employees' job satisfaction becomes essential for each organization or company leader.

Employee Performance

Employee performance is also an important factor in the company. Wibowo (2016: 65) argues that performance is the result of work that involves a strong relationship with the organization's strategic goals, customer satisfaction, and contribution to economy values. Sembiring (2012: 81) provides an understanding of performance as the working records of employees' certain positions or activities during a period of time. Thus, performance combines three elements between employees' ability and interest, employees' ability and acceptance to do the assignment, and employees' role and level of motivation at work. The performance achievement refers to process that requires a number of resources, such as: money, people, tools, time and so on. Overall, the greater concern is due to the achievement of employee performance.

Research Hypotheses

- H₁ : Organizational culture has a significant effect on employee performance.
- H₂ : Compensation has a significant effect on employee performance.
- H₃ : Leadership has a significant effect on employee performance.
- H₄ : Work motivation has a significant effect on employee performance.
- H₅ : Job satisfaction has a positive and significant effect on employee performance.
- H₆ : Organizational culture has a significant effect on employee performance through work motivation
- H₇ : Compensation has a significant effect on employee performance through motivation.
- H₈ : Leadership has a significant effect through work motivation on performance employee
- H₉ : Organizational culture has a significant effect on employee performance through job satisfaction
- H₁₀ : Compensation has a significant effect on employee performance through job satisfaction.
- H₁₁ : Leadership has a significant effect on employee performance through job satisfaction.

Therefore, this study conceptualized the following framework to address the research objectives:

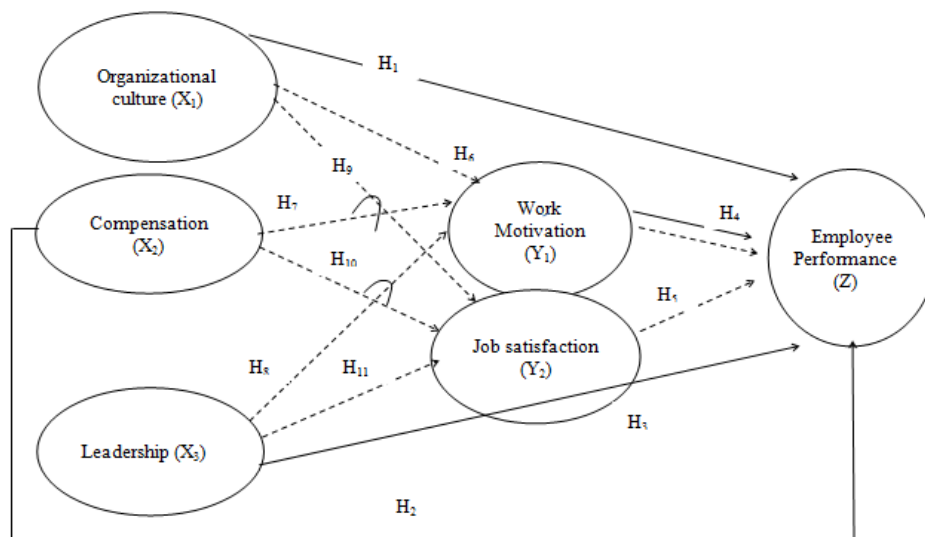


Figure 1
Research Conceptual Framework

———— = Direct effect
 - - - - - = Indirect effect

Research Methods

This study aimed to analyze the effect of organizational culture, compensation, leadership, work motivation and job satisfaction on employee performance in PT. BosowaBerlian Motor Branch, South Sulawesi. Therefore, data were collected using surveys with questionnaires that were distributed to respondents. In this study, primary data were in relation to organizational culture, compensation, leadership, work motivation, job satisfaction and employee performance.

Data analysis

In this study, data was analyzed using descriptive statistics and inferential statistics. The descriptive statistics was applied to provide respondents' demographics and descriptions of each research variable. The second was inferential statistics that used Structural Equation Model (SEM) approach to test the research hypothesis. SEM is a statistical technique to test causal model by following four steps, such as: performance confirmatory factor analysis (CFA) test, SEM assumption test, feasibility model test, model interpretation and modification.

Confirmatory factor analysis (CFA) was firstly conducted to test the dimensions of variables. Prior analyzing the structural model, the researcher must first make measurements. Then, SEM assumption test was applied before testing the hypothesis with four ways of analysis:

- a. Evaluating the multicollinearity and singularity
- b. Evaluating the assumption of data normality by using the criteria for kurtosis and skewness values of ± 2.58 .
- c. Evaluating the emergence of outliers, both univariate outliers and multivariate outliers.
- d. Evaluating reliability that is closely in relation to the consistency of manifest variables in measuring latent constructs.

Furthermore, the feasibility model test was used to interpret the results of confirmatory factor analysis. This was to recognize the suitability or goodness of a model as a whole. There are several methods to test the goodness or suitability of the model as a whole, namely chi square test (χ^2 test), root mean squares at approximation (RMSEA), goodness of fit index (GFI), adjusted goodness of fit index (AGFi), and root mean residual squares (PMSR). Last, model interpretation and modification was also utilized to observe the standardized residuals generated by the test model. The safety limit for the residual number is ± 2.58 with a significant level of 5%. The residual value of ± 2.58 indicates a substantial prediction error for a pair of indicators.

Testing Research Hypotheses

Testing the hypothesis is to examine the direct effect of exogenous variables on endogenous variables. To analyze the direct influence of exogenous variables on endogenous variables carried out by two criteria:

- a) If $p > \alpha = 0,05$ so H_0 is accepted. H_a is rejected when there is no significant effect of direct influence of exogenous variables on endogenous variables.
- b) If $p < \alpha = 0,05$ so H_0 is rejected. H_a is accepted when there is a significant effect of the direct influence of exogenous variables on endogenous variables.

Then, the indirect effect of exogenous variables on endogenous variables can be tested with a double test examining the strength of the indirect effects of exogenous variables on endogenous variables through intervening variables. The formula to calculate the standard indirect error (indirect effect) follows Sujarweni (2016:315) that are described as follow:

$$S_{ab} = \sqrt{b^2 S_a^2 + a^2 S_b^2 + S_a^2 S_b^2}$$

To test the significance of the indirect effect of exogenous variables on endogenous variables are through intervening with the formula:

$$t_{count} = \frac{ab}{S_{ab}}$$

a = The independent variable regression coefficient on the mediating variable.

b = Mediating variable regression coefficient on dependent variable.

S_a = Standard error of estimation with the influence of independent variables on mediating variables

S_{ab} = Standard indirect error (indirect effect)

S_b = Standard error of estimation and the effect of variable mediation on independent variables to mediating variables.

The value of t_{count} is compared with t_{table} ; if t_{count} is greater than value t_{table} means that there is an influence of mediation. Then, the comparison between p value and alpha (0.05) is done to find out the effect of hypothesis test decision by comparing the two conditions. If $p \geq \alpha$ (0.05) so H_0 is accepted. H_a is rejected when there is no significant effect of indirect effects of exogenous variables on endogenous variables through intervening variables. If $p \leq \alpha$ (0.05) so H_0 is rejected. H_a is accepted when there is a significant effect of indirect influence of exogenous variables on endogenous variables through intervening variables.

Validity test

Validity test is in regard with a variable that should be measured. Validity tests are used to measure the validity of a questionnaire. A questionnaire is said to be valid if the statement on the questionnaire can reveal an evidence. The questionnaire is valid if the correlation is greater than 0.30.

1. Validity Test on Organizational Culture

To test organisational cultural validity, this study used 162 respondents that were distributed through questionnaires. The results are as follow:

Table1 Test Validity Item Statement of Organizational Culture variable

Questionnaire items	Correlation (r)	Standard correlation	Decision
X _{1.1}	0.798	0.30	Valid
X _{1.2}	0.803	0.30	Valid
X _{1.3}	0.774	0.30	Valid
X _{1.4}	0.777	0.30	Valid
X _{1.5}	0.773	0.30	Valid
X _{1.6}	0.837	0.30	Valid
X _{1.7}	0.796	0.30	Valid

The results of validity test on organizational culture questionnaire showed a correlation range of 0.773-0.837;this is greater than 0.30. It can be concluded that all items in the statement were all valid.

2. Validity Test on Compensation

The validity test of the compensation variable statement items can be presented through the following table:

Table2 Test Validity Item Variable Statement of Compensation

Questionnaire items	Correlation (r)	Standard correlation	Decision
X _{2.1}	0.755	0.30	Valid
X _{2.2}	0.893	0.30	Valid
X _{2.3}	0.862	0.30	Valid

Based on the results of the validity test, the range of correlation is between 0.755-0.889; this means greater than 0.30. Therefore, all statement items were valid in measuring compensation.

3. Validity Test on Leadership

The validity test on leadership that were distributed through questionnaires can be presented below:

Table3 Test Validity Item Statement of Leadership variables

Questionnaire items	Correlation (r)	Standard correlation	Decision
X _{3.1}	0.844	0.30	Valid
X _{3.2}	0.805	0.30	Valid
X _{3.3}	0.842	0.30	Valid
X _{3.4}	0.792	0.30	Valid

The result validity test for leadership variablewas in a correlation range of 0.792-0.844. It can be said that all statement items are valid since the correlation range is greater than 0.30.

4. Validity Test on Work Motivation

The validity test on work motivation is presented in the following table:

Table4 Test the Validity of Item Statement of Work Motivation variable

Questionnaire items	Correlation (r)	Standard correlation	Decision
Y _{1.1}	0.790	0.30	Valid
Y _{1.2}	0.836	0.30	Valid
Y _{1.3}	0.846	0.30	Valid

The result of validity test on work motivation showed a correlation range of 0.790-0.846. This is greater than 0.30, so the entire item statement is valid.

5. Validity Test on Job Satisfaction

The validity test on job satisfaction through questionnaires to 162 respondents is presented below:

Table 5 Test Validity of Item Variable Statement of Job Satisfaction

Questionnaire items	Correlation (r)	Standard correlation	Decision
Y _{2.1}	0.852	0.30	Valid
Y _{2.2}	0.789	0.30	Valid
Y _{2.3}	0.790	0.30	Valid
Y _{2.4}	0.920	0.30	Valid
Y _{2.5}	0.837	0.30	Valid
Y _{2.6}	0.846	0.30	Valid

The validity test on job satisfaction validity was distributed with 6 points statements. Based on the results, the correlation range was 0.789-0.920; this is greater than 0.30. So the variable of job satisfaction is valid.

6. Validity Test on Employee Performance

The validity test of employee performance through questionnaires to 162 respondents is presented in the following table:

Table 6 Test Validity of Item Statement of Employee Performance variable

Questionnaire items	Correlation (r)	Standard correlation	Decision
Z ₋₁	0.858	0.30	Valid
Z ₋₂	0.833	0.30	Valid
Z ₋₃	0.883	0.30	Valid
Z ₋₄	0.857	0.30	Valid
Z ₋₅	0.619	0.30	Valid
Z ₋₆	0.747	0.30	Valid
Z ₋₇	0.798	0.30	Valid

The result of validity test on employee performance statement obtained a correlation range of 0.619-0.883; this showed valid items.

Reliability Test

Reliability is a tool for measuring a questionnaire which is an indicator of a construct or variable. A questionnaire is said to be reliable, if it has a cronbach's alpha value greater than 0.60. Reliability test results through the following table:

Table 7 Statement Item Reliability Test Results with 162 Respondents

No	Research variable	Questionnaire Items amount	Cronbachs alpha	Decision
1	Organizational culture	7	0.896	Reliable
2	Compensation	3	0.766	Reliable
3	Leadership	4	0.830	Reliable
4	Work motivation	3	0.755	Reliable
5	Job satisfaction	6	0.916	Reliable
6	Performance	7	0.906	Reliable

The results of reliability test of statement items to 162 respondents indicated that all statement items are reliable since the cronbach's alpha range was greater than 0.60.

III. Discussios

This study aimed to examine the direct effect of organizational culture, compensation, leadership, work motivation and job satisfaction on employee performance at PT. BosowaBerlian Motor Branch of South Sulawesi. These are discussed in the following sub-sections.

Effect of Organizational Culture on Employee Performance

This study found the direct influence of organizational culture on employee performance at PT. BosowaBerlian Motor Branch of South Sulawesi. This also indicated that the highest score of respondent item statement was orientation result. In other words, the employees had tried to improve their working effectiveness to obtain the targeted goals. However, the lowest score results referred to innovation and risk since the supervisor of PT. BosowaBerlian Motor, South Sulawesi Branch did not encourage employees to make new innovations to accomplish daily duties. The empirical findings showed that organizational culture had a positive

and significant effect on employee performance. Accordingly, the application of organizational culture in the company PT. BosowaBerlian Motor South Sulawesi Branch had an impact in improving employee performance.

Effect of Compensation on Employee Performance

As the result of descriptive statistical analysis, this study found that compensation was the highest scores. At PT. BosowaBerlian Motor, compensation was greatly expected by all employees. Another analysis indicated that salaries were still considered by employees inadequate comparing to their duties. Therefore, the empirical finding showed the positive and significant effect of compensation on employee performance. In turn, this study argued that PT. BosowaBerlian Motor is required to increase employees' salary to elevate their working performance. Through financial benefits and incentives, the company is able to meet the employees' expectation so they will be more active to work.

Effect of Leadership on Employee Performance

In this study, descriptive statistics result showed that the respondents' largest score was leadership. The employees of PT. BosowaBerlian Motor described their superiors giving more opportunity to discuss related issues in the office. However, the respondents confirmed the lowest score on the implementation of directive leadership. The superiors were assumed giving less direction on what to do and how to complete the work. In addition, the empirical findings showed positive and significant influence on leadership with employee performance. This meant that leadership can improve employee performance at PT. BosowaBerlian Motor Branch of South Sulawesi. Similarly, the hypothesis test result presented the significant influence between leadership and employee performance. This can be interpreted that leadership brings a great impact on improving employee performance at PT. BosowaBerlian Motor, South Sulawesi Branch Office.

Direct Effect of Work Motivation on Employee Performance

This study concluded that work motivation had a direct effect on employee performance at PT. BosowaBerlian Motor, South Sulawesi. The results of descriptive statistical analysis compiled the highest score of respondents' answers for work motivation. The employees assumed that the company always gave encouragement to work better in improving their performance. On the other hand, the smallest score was in relation to personal benefits. The employees assumed that their current job position was not in line with their actual competencies. So the empirical finding refers to the significant effect of motivation on employee performance. Furthermore, the employees' increasing motivation lead to a significant influence in improving employee performance.

Direct Effect of Job Satisfaction on Employee Performance

This study found the direct effect of job satisfaction on employee performance at PT. BosowaBerlian Motor Branch of South Sulawesi. The descriptive statistical analysis indicated the largest score of respondents was on employment condition. The employees were satisfied with the work facilities in the company. In contrast, the respondents' lowest score was the work itself. They felt less satisfied with their current job. Furthermore, the higher degree of job satisfaction gave greater impact on improving performance of employees at PT. BosowaBerlian Motor Branch of South Sulawesi. The hypothesis test also found that there was a significant effect between job satisfaction and employee performance. In short, job satisfaction can have a significant effect in improving employee performance at PT. BosowaBerlian Motor Branch of South Sulawesi.

Effect of Organizational Culture on Employee Performance through Motivation

Based on the data analysis result, this study found that work motivation could mediate the effect of organizational culture on employee performance. The application of organizational culture at PT. BosowaBerlian Motor, South Sulawesi could increase work motivation. So the culture had an impact on improving employee performance at PT. BosowaBerlian Motor Branch of South Sulawesi. Thus, the hypothesis test result was proven.

Effect of Compensation on Employee Performance through Work Motivation

The results of sobel test indicated that the motivation could mediate the influence between compensation and employee performance. By giving compensation to employees of PT. BosowaBerlian Motor could increase their work motivation. In turn, compensation had an impact on improving employee performance.

Effect of Leadership on Employee Performance through Work Motivation

Based on the analysis result, this study showed the influence of leadership to employee performance through work motivation. The empirical findings indicated that work motivation could mediate the influence of leadership on employee performance. Moreover, the leadership in the company went well so it could increase employee motivation to work and employee performance at PT. BosowaBerlian Motor Branch of South Sulawesi.

Effect of Organizational Culture on Employee Performance through Job Satisfaction

As the statistical test result, this study found that job satisfaction cannot mediate the influence of organizational culture to employee performance at PT. BosowaBerlian Motor Branch, South Sulawesi. This study also argued that organizational culture did not have a significant effect on employee performance through job satisfaction. But the organizational culture directly affected employee performance at PT. BosowaBerlian Motor Branch. Besides, the job satisfaction could not mediate the influence of organizational culture to employee performance due to innovation and risk taking. The fact evidenced that the employers did not encourage employees to innovate in taking risks on all jobs. Whereas, the employees assumed that their job satisfaction was unsatisfactory because there were still employees who were not placed in accordance with their field of competence.

Effect of Compensation on Employee Performance through Job Satisfaction

The empirical result of mediation test, this study indicated that the job satisfaction could not mediate the influence between compensation and employee performance. The Sobel test also found that the compensation directly affected employee performance and had no direct effect on job satisfaction. These were due to the salary factor given in the company. The employees argued that their salary was not equalled with the given duties and responsibilities. Moreover, the hypothesis testing result did not prove that job satisfaction could not mediate the effect of compensation on employee performance.

Effect of Leadership on Employee Performance through Job Satisfaction

In this study, the empirical finding on the influence of leadership on employee performance through job satisfaction was proven at PT. BosowaBerlian Motor Branch in South Sulawesi. Whereas, the job satisfaction could not mediate the influence between leadership and employee performance because the superiors' leadership was not implemented as what employees perceived. In brief, the employees expected to have clear directions on what to do and how to work.

IV. Conclusion and Suggestion

This study investigated the influence of organizational culture, compensation, leadership, work motivation, and job satisfaction to employee performance through the mediation of work motivation and job satisfaction of employees in PT. BosowaBerlian Motor Branch, South Sulawesi. Eleven conclusions were demonstrated in this study.

First, the organizational culture had a positive and significant effect on employee performance. This is interpreted that organizational culture has a meaningful influence in improving employee performance. Second, the compensation had a positive and significant effect on improving employee performance. This is interpreted that compensation given by the company can have a significant influence to develop employee performance. Third, the leadership had a positive and significant effect on employee performance. This means that the implementation of leadership at PT. BosowaBerlian Motor has a significant influence in improving employee performance. Fourth, the work motivation had a positive and significant effect on employee performance. This means that work motivation has a valuable effect on improving employee performance. Fifth, the job satisfaction has a positive and significant effect on employee performance. This means that job satisfaction can provide a meaningful impact on improving employee performance.

Sixth, the mediation test results showed that organizational culture had a positive and significant effect on employee performance through work motivation. The better implementation of organizational culture may increase work motivation as well as employee performance. Seventh, the compensation had a positive and significant effect on employee performance through work motivation. This is interpreted that compensation may increase work motivation that can influence employee performance. Eighth, the mediation test results showed that leadership had a positive and significant effect on employee performance through work motivation. Then, the organizational culture had a positive, but not significant effect on employee performance through job satisfaction. While, the organizational culture only affected employee performance. Tenth, the mediation test results indicated that compensation had a positive and not significant effect on employee performance through job satisfaction; and the compensation had a direct effect on employee performance. Last, the leadership had a

positive but not significant effect on employee performance through job satisfaction; and it only had a direct effect on employee performance.

Furthermore, this study provides four recommendations to the company. To improve further organizational culture, the leaders should always encourage employees to make new innovations during working completion. To improve employee performance, the company should communicate to what employees can do and how to work in the company. To motivate employees, the employers should adjust employee positions based on their competencies. Moreover, to improve employee work performance, companies need to increase work motivation by providing financial incentives to employees who tend to explore their performance higher.

Bibliography

- [1]. Badriyah, M. 2015. *Manajemen Sumber Daya Manusia*. Cetakan Pertama. CV. Pustaka Setia. Bandung.
- [2]. Bass, B.M dan Stogdill. 2010. *Leadership and Performance Beyond Expectations*. Free Press. New York.
- [3]. Bintoro & Daryanto. 2017. *Manajemen Penilaian Kinerja Karyawan*. Gaya Media. Yogyakarta.
- [4]. Brahmawati, I.A. & A. Suprayetno. 2008. Pengaruh Motivasi Kerja, Kepemimpinan, Budaya Organisasi terhadap Kepuasan Kerja Karyawan serta Dampaknya pada Kinerja Perusahaan (Studi Kasus pada PT. Pei Hai International Wiratama Indonesia. *Jurnal Manajemen dan Kewirausahaan*, Vol. 10, No. 2 September 2008: 124-135.
- [5]. Chairil, A. 2016. Pengaruh Fungsi Kepemimpinan terhadap Motivasi Kerja Pegawai pada Kantor Dinas Pendidikan Kabupaten Sinjai. *Jurnal Office*, Vol. 2, No. 1, 2016.
- [6]. Graha, A.M.C. Adan E. Rahardjo. 2016. Pengaruh Budaya Organisasi dan Kompensasi terhadap Kinerja Karyawan pada PT. LG Bagian Penjualan Indonesia Semarang. *Jurnal Studi Manajemen Organisasi*, Vol. 13, No. 2 (2016). <https://www.indonesia-investment.com>
- [7]. Hakim, Firman Ahmad. 2018. Pengaruh Kepemimpinan dan Lingkungan Kerja Fisik terhadap Kinerja Karyawan pada Banjarmasin Post Group. *Jurnal Administrasi Bisnis*.
- [8]. Herawan, K, M. Judi, M. G. Ekodan Nurtjahjono. 2015. Pengaruh Budaya Organisasi terhadap Kepuasan Kerja Karyawan (Studi Pada PT. BRI (Persero) Kantor Cabang Kota Malang Kawi. *Jurnal Administrasi Bisnis (JAB)*, Vol. 1, No. 1 Januari 2015.
- [9]. Humaeroh, H. Susilodan A. Prasetya. 2015. Pengaruh Kompensasi terhadap Kepuasan Kerja Karyawan dan Dampaknya terhadap Motivasi Kerja (studi pada karyawan PT. Krakatau Steel (Persero). *Jurnal Administrasi Bisnis (JAB)* Vol. 27 No. 2 Oktober 2015
- [10]. Hutauruk, Syafri, M.H. 2015. Pengaruh Gaya Kepemimpinan terhadap Kinerja Pegawai Melalui Motivasi Kerja pada Dinas Kesehatan Pemerintah Kota Sibolga. *Jurnal Universitas Terbuka*
- [11]. Indriyaningrum, K. Y. Sutomodan M.N. Azis. 2015. Pengaruh Kepemimpinan terhadap Kinerja dan Motivasi Kerja sebagai Variabel Mediasi pada Bengkel Mobil Plat H. @Auto Station Semarang. *Jurnal Fakultas Ekonomi Manajemen*
- [12]. Kadir, M.A.H. 2017. Pengaruh Motivasi Kerja, Kompensasi, Budaya Organisasi terhadap Kepuasan Kerja dan Kinerja Pegawai Kementerian Ketenagakerjaan. *Jurnal Ekonomi*. Volume 19 (1) Februari 2017.
- [13]. Kartika, E. W. dan T.S. Kaihatu. 2010. Analisis Pengaruh Motivasi Kerja terhadap Kepuasan Kerja (Studi Kasus pada Karyawan Restoran di Pakuwon Food Festival Surabaya). *Jurnal Manajemen Sumber Daya Manusia*.
- [14]. Kurnia, A. M. B. S. Sunuharyodan H. N. Utami. 2013. Pengaruh Motivasi Kerja terhadap Kepuasan Kerja dan Prestasi Kerja Karyawan pada PT. Askes (Persero) Cabang Boyolali. *Jurnal Manajemen dan Kewirausahaan*, Volume 12 No. 1 Maret 2010:100-112.
- [15]. Mardahlani. 2013. Pengaruh Kompensasi terhadap Kepuasan Kerja Karyawan (Biro Distribusi dan Transportasi) Pada PT. Semen Padang. *E-Journal Apresiasi Ekonomi Volume 1, Nomor 1, Januari 2013*.
- [16]. Marwansyah dan Oemar. 2015. Pengaruh Kepemimpinan dan Kompetensi terhadap Motivasi serta Dampaknya terhadap Kinerja Karyawan pada PT. Bank OCBC NISP, Tbk. Cabang Pekanbaru. *Jurnal Tapak Manajemen Bisnis*, Vol. VII, No. 2 Mei 2015.
- [17]. Muniroh, L. 2013. Pengaruh Kompensasi terhadap Motivasi Kerja Karyawan Taman Rekreasi Alam Mayang Kota Pekanbaru. *Jurnal Ilmu Manajemen dan Bisnis*.
- [18]. Pasolong, H. 2010. *Kepemimpinan Birokrasi*. Cetakan Pertama. Alfabeta. Bandung.
- [19]. Putrayasa, R, H. Susilodan A. Prasetya. 2014. Pengaruh Kompensasi terhadap Motivasi Kerja dan Kinerja Karyawan pada PT. Asuransi Jiwasraya. Fakultas Ilmu Administrasi Universitas Brawijaya Malang. *Jurnal Administrasi Bisnis (JAB)* Vol. 17 No. 1 Desember 2014. *Administrasi-bisnis.studentjournal.ub.ac.id*.
- [20]. Rizondra. 2013. Pengaruh Motivasi Kerja, Gaya Kepemimpinan dan Budaya Organisasi terhadap Kinerja Pegawai dengan Kepuasan Kerja terhadap Kinerja Pegawai dengan Kepuasan Kerja Pegawai sebagai Intervening Variabel pada Dipertahortnabun Kabupaten Pesisir Selatan. *Artikel*
- [21]. Robbins, S.P. dan T. A. Judge, 2015. *Perilaku Organisasi: Konsep, Kontroversi, Aplikasi*. Alih Bahasa Hadyana Pujaatmaka dan Benyamin Molan. Edisi Kedelapan. Jilid Dua. Prenhallindo. Jakarta
- [22]. Sembiring, M. 2012. *Budaya dan Kinerja Organisasi (Perspektif Organisasi Pemerintah)* Foskumedia. Bandung.
- [23]. Setyowati, Y.E. 2014. Pengaruh Kepemimpinan, Motivasi Kerja dan Budaya Organisasi terhadap Kinerja Karyawan pada PT. Kebon Agung Pabrik Gula Trangkil Kabupaten Pati. *Naskah Publikasi*
- [24]. Sinambela, L.P. 2012. *Kinerja Pegawai Teori Pengukuran dan Implikasi*. Edisi Pertama. Cetakan Pertama. Graha Ilmu. Jakarta.
- [25]. Soedjono. 2005. Pengaruh Budaya Organisasi terhadap Kinerja Kerja Organisasi dan Kepuasan Kerja Karyawan pada Terminal Penumpang Umum di Surabaya. *Jurnal Manajemen dan Kewirausahaan*, Vol. 7 No. 1 Maret 2005: 22-47.
- [26]. Sopiha. 2010. *Perilaku Organisasional*. Edisi Pertama. Andi. Yogyakarta
- [27]. Sudarmanto. 2010. *Kinerja dan Pengembangan Kompetensi Sumber Daya Manusia*. Cetakan Pertama. Pustaka Pelajar. Jakarta.
- [28]. Sujarweni, W. V. 2016. *Kupas Tuntas Penelitian Akutansidengan SPSS*. Edisi Lengkap. Pustaka Baru Press. Yogyakarta.
- [29]. Sukarja, R. dan Marchasin. 2015. Pengaruh Kepemimpinan dan Komunikasi terhadap Kepuasan Kerja dan Kinerja Pegawai Dinas Pendidikan Provinsi Riau. *Jurnal Tapak Manajemen Bisnis*, Vol. VII, No. 2 Mei 2015.
- [30]. Sulistiyani, A. T. dan Rosidah. 2011. *Manajemen Sumber Daya Manusia, Konsep Teori dan Pengembangan Dalam Konteks Organisasi Publik*. Edisi Kedua. Cetakan Pertama. Graha Ilmu. Jakarta.
- [31]. Suliyanto. 2011. *Ekonometrika Terapan: Teori dan Aplikasi dengan SPSS*. ANDI. Yogyakarta.

- [32]. Suparyadi. 2015. *Manajemen Sumber Daya Manusia :MenciptakankeunggulanBersaingBerbasisKompetensi SDM*. EdisiPertama. ANDI. Yogyakarta.
- [33]. Sutrisno, E. 2014. *Manajemen Sumber Daya Manusia*. EdisiPertama. CetakanPertama. KencanaPranada Media Group. Jakarta.
- [34]. Suwati, Y. 2011. PengaruhKompensasi dan Motivasi Kerja Terhadap Kinerja Karyawan Pada PT. Tunas Hijau Samarinda. *E-Journal Ilmu Administrasi Bisnis. eJournal Ilmu Administrasi Bisnis, 2013, 1 (1):41-55 ISSN 0000-0000, ejournal.adbisnis.fisip.unmul.org*.
- [35]. Taurisa, C.M. dan I. Ratnawati. 2012. Analisis Pengaruh Budaya Organisasi dan Kepuasan Kerja Terhadap Komitmen Organisasional dalam Meningkatkan Kinerja Karyawan (Studi Pada PT. Sido Muncul Kaligawe Semarang). *Jurnal Bisnis dan Ekonomi (JBE), September 2012 Vol. 19 No. 2*
- [36]. Thoah, M. 2017. *Kepemimpinan dalam Manajemen*. Rajawali Pers. Yogyakarta.
- [37]. Terry, G. dan L.W. Rue. 2010. *Dasar-dasar Manajemen*. Cetakan Kesebelas. PT. Bumi Aksara. Jakarta.
- [38]. Tika, P. M. 2010. *Budaya Organisasi dan Peningkatan Kinerja Perusahaan*. Cetakan Kedua. Bumi Aksara. Jakarta.
- [39]. Tumbelaka, S. S, T. Alhabsji, dan U. Nimran. 2016. Pengaruh Budaya Organisasi Terhadap Kepuasan Kerja, Komitmen Organisasi dan Intention to Leave (Studi pada karyawan PT. Bitung Mina Utama). *Jurnal Manajemen dan Bisnis*.
- [40]. Wibowo. 2016. *Manajemen Kinerja*. Edisi Keempat. Rajawali Pers. Jakarta.
- [41]. Wijaya, T. dan Fransisca Andreani. 2015. Pengaruh Motivasi dan Kompensasi Terhadap Kinerja Karyawan Pada PT. Sinar Jaya Abadi Bersama. *Jurnal Vol. 3, No. 2*

IOSR Journal of Business and Management (IOSR-JBM) is UGC approved Journal with SI. No. 4481, Journal no. 46879.

Piter Tiong. "The Effect of Organizational Culture, Compensation, and Leadership on Employee Performance Mediated with Motivation and Job Satisfaction (Empirical Study in PT. Bosowa Berlian Motor Branch, South Sulawesi)." *IOSR Journal of Business and Management (IOSR-JBM)*, Vol. 21, No. 4, 2019, pp. -50-60