

The Influence Of Organizational Culture On *Employee Engagement* At Pt. Pln (Persero) Up3 Palopo City

Putri Astrid Tiar^{1*}, Erwina², Ishak Runi³, Besse Mattayang⁴

¹Management, Andi Djemma University, 19911, Indonesia

²Management, Andi Djemma University, 19911, Indonesia

³Management, Andi Djemma University, 19911, Indonesia

⁴Management, Andi Djemma University, 19911, Indonesia

Corresponding Author Email: putriastrid639@gmail.com

Abstract

Employee engagement and organizational culture are considered important issues for companies around the world. Companies that focus on employee engagement can outperform their competitors through several business outcomes. One factor that can increase employee engagement is organizational culture. This study aims to determine the influence of organizational culture on *employee engagement* at PT. PLN (Persero) UP3 Palopo City. The sample in this study amounted to 40 people. The types and sources of data used in this study are qualitative and quantitative data types. The data collection used is through interviews, observations and distribution of questionnaires to employees of PT. PLN (Persero) UP3 Palopo City. The collected data was then analyzed using a simple linear regression analysis method with the help of SPSS program version 20. Based on the research conducted, it was found that organizational culture has a significant and positive effect on employee engagement of PT. PLN (Persero) UP3 Palopo City. This means that the better the implementation of organizational culture at PT. PLN (Persero) UP3 Palopo City, *employee engagement* will also increase. And vice versa, if the implementation of organizational culture is not good, *employee engagement* will decrease.

Keywords: Organizational Culture; Employee engagement

1. Introduction

In the era of globalization like today, human resources are required to be able to develop themselves proactively. The human resources referred to here must be able to become humans who are able to continue to learn to be individuals who are willing to continue to work hard with passion, so that the potential in the individual can develop optimally. Therefore, the human resources needed today are those who have a great will and commitment in learning and are able to master technology quickly, adaptively, and responsive to technological changes. Humans are considered human beings if the company does not consider them as slaves who can be ruled at will. But nowadays, according to its development, humans are increasingly being paid attention to even now it has turned into the most important asset to pay attention to. This means that humans must indeed be cared for in everything including their needs and treated as well and cared for as human beings mean [1].

Culture is a pattern of basic assumptions created, discovered or developed by a particular group as learning to cope with external adaptation and internal integration that is official and well implemented, therefore taught / passed on to new members as an appropriate way of understanding, thinking and feeling related to these problems. Organizational culture is a pattern of basic assumptions determined or developed by a group of people as they learn to cope with problems of external adaptation and internal integration, which have worked so well that it is considered legitimate to teach to new members as an appropriate way to think, see, feel and

solve problems [2]. Organizational culture is how a member or group of employees is able to deal with external and internal problems, Therefore, organizational culture must be developed and taught to members to be used as a code of conduct for members in dealing with problems [3]. Organizational culture is a system of values believed by all members of the organization that are learned, applied, and developed on an ongoing basis, function as a package system, and can be used as a reference for behavior in the organization to create predetermined corporate goals. In creating a strong culture is a problem that must be solved, which means how to change a weak culture into a strong culture in the hope of improving employee performance in achieving organizational goals. The values or organizational culture adopted by PLN are important things to maintain. All of this is done in order to maintain the increase in value of employee performance and public trust consistently and sustainably. This effort is also a manifestation of the sincerity of PLN residents to work and strive in accordance with the philosophy, vision, mission, and corporate values that have been mutually agreed.

To implement the guidelines mentioned above, the main thing to do is to maintain enthusiasm and foster a sense of full responsibility and commitment from employees / employees in order to carry out what has become a mutually agreed responsibility. *Employee engagement* is a psychological state in which employees feel they have an interest in the success of the company and perform tasks with high standards so that employees devote their time, energy and initiative in work for the success of an organization or company. *Employee engagement* is an important issue in management theory and practice. However, there are still major differences in concepts, theories, influencing factors and employee engagement outcomes, and there is still no authoritative standard [4]. Having engaged employees will bring many benefits to the organization, besides that those who have an attachment to an organization will cause a sense of responsibility given by the superiors of each employee / employee [5]. Organizational culture has an impact on employee engagement, some studies suggest that organizational culture affects employee engagement in an organization [6][7][8][9]. Good organizational culture implementation will increase employee engagement in an organization. PT. PLN (Persero) UP3 Palopo City is a State-Owned Enterprise in the form of a Company (Persero) which is obliged to provide electricity for the public interest. In order to maintain consistency in the implementation of *Good Corporate Governance*. Management of PT. PLN, which always cultivates Trust, Competent, Harmonious, Loyal, Adaptive, and Collaborative, reflects PLN's identity that can be proud of together. In order to be determined to cultivate good habits and professional associations and at the same time reflect PLN's identity that can be proud of together. From this culture, we want to analyze the relationship with employee engagement of employees in it. Based on the description above, researchers are interested in conducting research on the role of organizational culture on employee engagement at PT. PLN (Persero) UP3 Palopo City.

2. Research Methods

This research was conducted at the office of PT. PLN (Persero) UP3 Palopo City which is addressed at Jl. Andi Kambo No. 70, Salekoe, Wara Timur, Palopo City, South Sulawesi. The types of data used in this study are quantitative data and qualitative data. While the data sources used are primary data and secondary data. The data collection method is the most

important step in research, because the main purpose of research is to obtain data. Without knowing the data collection method, researchers will not get data that meets the standards that have been set. The data collection methods used in this study are 1) Observation, namely this method is used to observe directly on the events / phenomena that are the focus of research. 2) Interview, i.e. Interview will know more in-depth things about participants in interpreting situations and phenomena that occur where this cannot be found through observation. 3) Questionnaire is a data collection technique carried out by giving a set of questions or written statements to respondents to answer. The questionnaire in this study consisted of 21 statements. It consists of 12 X variable statements and 9 Y variable statements.

Population is an object or subject with certain characteristics and qualities that have been determined by researchers to be researched and drawn conclusions [10]. The population in this study is all permanent employees who are still working at PT. PLN (Persero) UP3 Palopo City totaling 40 people. While the sample in this study amounted to 40 people. So that the sampling technique in this study uses saturated sampling.

Data analysis techniques in this study to answer the problems in this study used several data analysis techniques, namely:

1) Test Validity and Reliability

a. Validity Test

The validity test is used to measure the validity or validity of a questionnaire. A questionnaire is said to be valid if the statements on the questionnaire are able to reveal something that the questionnaire will measure. So validity can measure whether in the questionnaire statement that has been made can really measure what we want to measure [11]. The statement in the questionnaire is valid if the calculated r value is greater than the table r which is 0.361 with a sample number of 30.

b. Reliability Test

The form of the test used as a tool to measure questionnaires which are indicators of a variable is called a reliability test. A questionnaire is said to be reliable or reliable if a person's answers to a statement are consistent over time [11]. The questionnaire is considered *reliable* if the Cronbach alpha value is greater than 0.60.

2) Classical Assumption Test

a. Normality Test

Analysis to determine regression, bound variables and independent variables or both normally distributed is a normality test. "A good regression model is if the data distribution is normal or near normal. The normality test aims to test whether in the regression model the confounding variables or residual variables are normally distributed. This study uses a probability plot method that compares the cumulative distribution and the normal distribution. The normal distribution will form a diagonal straight line, and the residual data plotting will be compared with the diagonal line. If the distribution of residual data is normal, then the line describing the actual data will follow its diagonal line [12].

b. Heteroscedasticity Test

This type of testing is performed to determine situations "in which all user factors do not have the same variance for all independent observations." Heteroscedasticity means that the distribution of population data points in the regression field is not constant. This phenomenon

is caused by changes in the situation that are not described in the regression model. The heteroscedasticity test in this study used the test "glejser analysis of progress, the absolute value of residuals to the independent variable. [12].

3) Simple Linear Regression

This analysis aims to determine how much influence the independent variable has on the dependent variable. The regression analysis used in this study was a simple linear regression. Simple linear regression is used to measure the magnitude of the influence of the independent variable on the dependent variable and predict the dependent variable using the independent variable [10].

The simple linear regression formula is as follows:

$Y = a + bX + e$ Description:

Y = *Employee Engagement*

X = *Organizational Culture*

a = Constant

b = Regression coefficient

e = Error

This study uses simple linear regression because the data in this study is still simple, namely there is only one dependent variable and one independent variable. Simple linear regression estimates the magnitude of the coefficients resulting from linear equations involving one independent variable to be used as a means of predicting the magnitude of the value of the dependent variable.

Hypothesis testing using simple linear regression is performed by performing the following tests:

a. T Test

The t-test is used to test the significant degree of influence between the independent variable and the dependent variable. These testing criteria are set based on probability. If the significant level used is 5%, in other words if the probability of $H_a > 0.05$ then it is declared insignificant, and if the probability of $H_a < 0.05$ then it is declared significant [11].

b. Coefficient of Determination (Test R²)

The coefficient of determination measures how far the model is able to explain the variation of the dependent variable with values between zero and one ($0 < R^2 < 1$). A *small adjusted R²* value means that the ability of the independent variable to explain the variation of the dependent variable is very limited. A value close to one indicates that the independent variable provides almost all the information needed to predict the variation of the dependent variable [11].

3. Results and Discussion

A. Research Results

1. Test Validity and Reliability

Based on the results of the analysis of validity and reliability tests on variables, this study uses SPSS version 20 which shows that research with validity and reliability tests on *questionnaire instruments is carried out to guarantee that the instruments* The research used

is accurate and reliable, and reliable when used as a tool in collecting data, for more details the two tests can be explained as follows:

a. Test validity

The validity test on the questionnaire was carried out using *software* with the test technique used, namely *bivariate pearson* (product of person moments) and the results will be compared with the *r* value of the table which is 0.361 for an error level of 5% or 0.05. The number of respondents in this validity test was 30 respondents with a total statement of 21 items, where 12 items of variable X and 9 items of variable Y.

Table 1. Organizational Culture Variable Validity Test Results (X)

No.	Statement	R Calculate	R Table	Category
1	XA1	0,747	0,361	Valid
2	XA2	0,779	0,361	Valid
3	XA3	0,752	0,361	Valid
4	XB1	0,685	0,361	Valid
5	XB2	0,692	0,361	Valid
6	XB3	0,635	0,361	Valid
7	XC1	0,541	0,361	Valid
8	XC2	0,705	0,361	Valid
9	XC3	0,693	0,361	Valid
10	XD1	0,757	0,361	Valid
11	XD2	0,898	0,361	Valid
12	XD3	0,801	0,361	Valid

Source: Data processed (2022)

From the results of SPSS testing the validity of organizational culture variables shows that 12 statement items regarding organizational culture variables can be concluded that all statement items are declared valid because *pearson correlation r calculate > r table or in other words pearson correlation above 0.361*.

Table 2. Employee Engagement Variable Validity Test Results (Y)

No.	Statement	R Calculate	R Table	Category
1	YE1	0,770	0,361	Valid
2	YE2	0,756	0,361	Valid
3	YES3	0,811	0,361	Valid
4	YB1	0,566	0,361	Valid
5	YB2	0,715	0,361	Valid
6	YB3	0,685	0,361	Valid
7	YC1	0,612	0,361	Valid
8	YC2	0,612	0,361	Valid
9	YC3	0,504	0,361	Valid

Source: Data processed (2022)

And then for *the employee engagement variable there are 9* statement items regarding the employee engagement variable, *it can be concluded that all statement items are declared valid because r calculate the pearson correlation $> r$ table or in other words the pearson correlation above 0.361*

b. Reliability test

Is a reliability test that aims to find out how far the measuring instrument can be controlled or trusted. Reliability relates to the estimation of the extent of a measuring instrument, when viewed from the stability or internal consistency of the answer / question if the observation is made repeatedly. The number of respondents used in the reliability test is the same as the validity test, which is 30 respondents. The statement in the questionnaire can be said to be reliable if it is greater than 0.600. In this study, the r value of Cronbach's alpha count is 0.913.

Table 3. Reliability Test Results of Organizational Culture Variables (X)

Reliability Statistics	
Cronbach's Alpha	N of Items
.913	12

Source: Data processed (2022)

From the results of SPSS table 3 above, the results of reliability tests on organizational culture variables can be concluded that from the 12 statement items in this study show Cronbach's alpha value of 0.913 which is greater than 0.600 based on the provisions above, the data in this study can be said to be reliable.

Table 4. Employee Engagement Variable (Y) Reliability Test Results

Reliability Statistics	
Cronbach's Alpha	N of Items
.819	9

Source: Data processed (2022)

From the results of SPSS table 4 above the results of reliability tests on variables *Employee engagement* It can be concluded that from the 9 items of statements in this study show Cronbach's Alpha value of 0.819 which is greater than 0.600 based on the provisions above, the data in this study can be said to be reliable.

2. Classical Assumption Test

a. Normality Results

Based on the results in table 18 below, it shows that the significance value above 0.05 is 0.704 and this means that the residual data is normally distributed. Then it can also be explained

in figures 2 and 3 with the results of the analysis of the histogram graph which if the histogram table is like a mountain, the data can be said to be normal and the normal graph of probability p - plot, where if the points in the probability p table - the plot follows a diagonal line can be said to be normal as follows:

Table 5. Employee *Engagement (Y) Variable Normality Test Results*

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual
N		30
Normal	Mean	,0000000
Paramet	Std. Deviation	2,25237274
ers ^{a,b}		
Most	Absolute	,129
Extreme	Positive	,129
Differen	Negative	-,117
ces		
Kolmogorov-Smirnov Z		,704
Asymp. Sig. (2-tailed)		,704

- a. Test distribution is Normal.
- b. Calculated from data.

b. Heteroscedasticity Results

Based on figure 1 below, shows the results if the points spread above or below and the points form a certain pattern then heteroscedasticity does not occur and the results can be seen in the scatterplot image as follows:

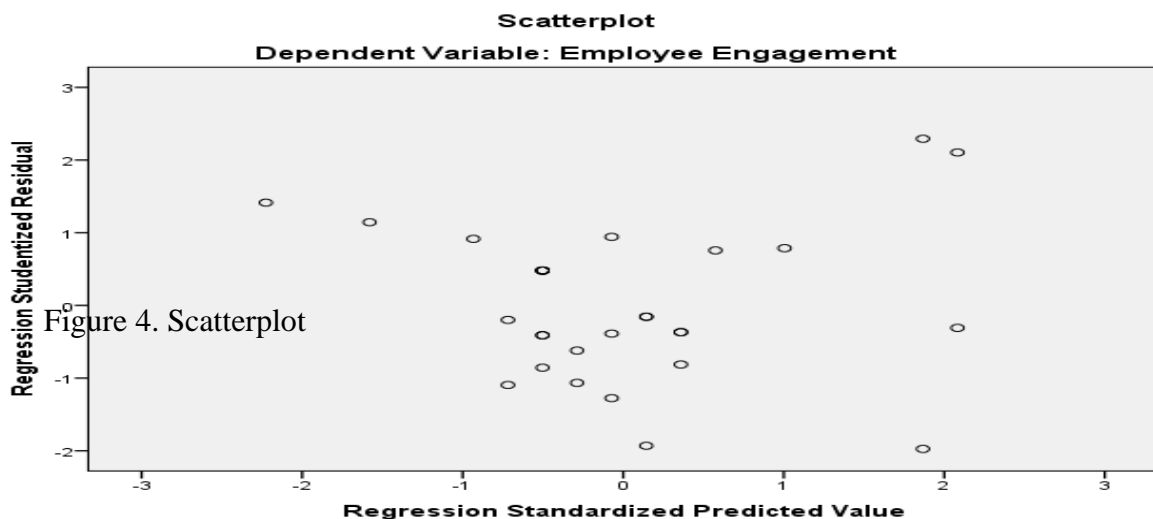


Figure 4. Scatterplot

Source: Data processed (2022)

2. Results of Simple Linear Regression Analysis

a. Partial Test (Test t)

Based on the results of data processing using the SPSS program, a simple linear regression value is obtained which can be seen in table 19 below:

Table 6. Results of the Regression Coefficient Analysis of the T Test
Coefficientsa

Type	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	12,048	4,635		2,599	,015
Organizational Culture (X)	,477	,092	,701	5,196	,000

a. Dependent Variable: Data Y *Employee Engagement*

Source: Data processed (2022) via SPSS version 20.

From the results of the T Test on SPSS shows that organizational culture towards *employee engagement* obtained $t_{count} (5.196) > t_{table} (1.686)$ with a significant level of $0.000 < 0.05$. This means that organizational culture has a significant effect on *employee engagement* at PT. PLN (Persero) UP3 Palopo City so that the hypothesis in this study is accepted.

Based on the table above where to analyze the influence of organizational culture on *employee engagement* at PT. PLN (Persero) UP3 Palopo City obtained the following equation model:

$$Y = 12.048 + 0.477X$$

The regression analysis equation can be explained as follows:

1. The constant of 12.048 states the magnitude of the *employee engagement* variable (Y) at PT. PLN (Persero) UP3 Palopo City which is not influenced by organizational culture variables (X) or independent variables = 0.477, then the *employee engagement* value (Y) is 12.048.
2. The regression coefficient of variable X (organizational culture) is 0.477, which means that if the organizational culture increases by 1 unit, *employee engagement* (Y) at PT. PLN (Persero) UP3 Palopo City will experience an increase of 0.477. If the coefficient is positive between organizational culture and *employee engagement*, the organizational culture carried out by PT. PLN (Persero) UP3 Palopo City, and *employee engagement* in employees will also be higher or better.

b. Test Coefficient of Determination (R^2)

From the results of the analysis of the influence of organizational culture on *Employee engagement* at PT. PLN (Persero) UP3 Palopo City. Table 20 below shows that the value of the coefficient of determination (R^2) of 0.491 It can be concluded that the independent variable (organizational culture) has an influence on the dependent variable (*Employee engagement*) which is 49.1% while the remaining 50.9% is influenced by variables that were not studied in this study.

Table 7. Results of the Coefficient of Determination Test Analysis () R^2

Model Summary

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.701a	.491	.473	2,29224

a. Predictors: (Constant), Data X Organizational Culture

Source: Data processed (2022) via SPSS version 20.

B. Discussion

From the results of research conducted by researchers know that organizational culture affects *employee engagement* at PT. PLN (Persero) UP3 Palopo City. This can be seen in the organizational culture applied by PT. PLN (Persero) UP3 Palopo City where it affects *employee engagement*. If the organizational culture applied by the company to employees is bad, then *employee engagement* will also be bad. Vice versa, if the organizational culture applied to employees is good, then *employee engagement* with the company will increase.

This is in accordance with research conducted by [13] entitled the influence of organizational culture, leadership, compensation and training on employee performance at BPJS Kesehatan Head Office. The results showed that the variables of organizational culture, leadership, compensation and training both partially (alone) and simultaneously (together) had a positive and significant effect on employee engagement of BPJS Kesehatan Head Office employees. In addition, research conducted by [14] with the title The Influence of Organizational Culture and Organizational Commitment to *Employee Engagement* (Study on the Cooperative of Civil Servants of the Republic of Indonesia Sumber Mulyo Tuban). Organizational culture is a pattern of basic assumptions determined or developed by a group of people as they learn to cope with problems of external adaptation and internal integration, which has worked so well that it is considered legitimate to teach to new members as an appropriate way to think, see, feel and solve problems [2] . There are several variable indicators of organizational culture, namely *involvement*, consistency, adaptability and mission. Engagement is the degree to which individuals in all functions of the organization are involved in achieving the mission and working together to meet organizational goals. Consistency is the level of organizational consistency in developing a mindset about do's and don'ts. In this consistency component, existing behavior is based on the basic values of the organization, superiors and subordinates are able to reach an agreement even though they are based on different points of view, and organizational activities that run in a coordinated manner. Adaptability is the company's ability to know what customers want, and respond to external demands and changes. An adaptable organization has the ability to translate market demand into action. They take risks and have the capability and experience to create change. While mission is seen from the extent to which the organization and its members know the direction of its goals, how they will get there, and how each individual can contribute to the success of the organization.

According to [15] in his research entitled *The Influence of Organizational Culture on Employee Engagement At Andi Djemma Palopo University*. The results showed that there was an influence of organizational culture variables consisting of 4 indicators, namely involvement (*involvement*), consistency (*consistensy*), adaptability (*adaptability*), and missions (*mission*) towards *Employee engagement* with a coefficient value of 0.320. Data analysis conducted shows that mission indicators (*mission*) is the indicator that has the most influence compared to other indicators.

Based on previous research and research that the author has done, it can be concluded that there are significant similarities and influences between organizational culture variables and *employee engagement variables from the results of the research conducted, namely organizational culture has a significant effect on employee engagement* at PT. PLN (Persero) UP3 Palopo City. This can be seen from the analysis of respondents' perceptions for each statement on the indicator. Of the most influential indicators according to the average highest score is the adaptability indicator because some employees consider that adaptability at PT. PLN is able to quickly respond to an external change and can involve all employees to be able to deal with increasingly dynamic changes and can quickly utilize technology in dealing with changes that occur. It can be seen that the organizational culture that has been applied to PT. PLN (Persero) UP3 Palopo City with these indicators is in accordance with PLN's expectations and the statement has been agreed by all employees, it can be seen in the results of respondents' perceptions that have been studied. Then the lowest indicator found in organizational culture variables is the mission indicator, because the mission implemented by the company is still not well understood by some employees so that it is not right on target and makes some employees still unable to build good cooperation.

The results of the perception analysis on *employee engagement variables* are based on 3 (three) indicators, namely vigor, dedication, and concentration and *seriousness*. In the application of *employee engagement* at PT. PLN (Persero) UP3 Palopo City based on the highest statement on both aspects of the indicator, namely vigor and dedication has an important influence on the organization, it is known that if employees have great enthusiasm, employees have good resilience at work and never give up in certain situations, it will be good for the company in the future. And if employees have a great sense of enthusiasm for a company, all forms of work given can certainly be easily done, so that employees will feel a strong special attachment to the company. In the *employee engagement* variable, one indicator with the lowest value is concentration and *seriousness*, where if employees are not concerned and serious in doing their work then it will definitely have a *negative* impact on the organization and if employees only focus on one job without looking at other jobs then it will make several jobs accumulates and it can affect the employee's work.

4. Conclusion

From the results of the research conducted shows that organizational culture has a significant effect on *Employee engagement* at PT. PLN (Persero) UP3 Palopo City. This means that whether or not the implementation of organizational culture at PT. PLN (Persero) UP3 Palopo City will have an impact on *Employee engagement* official on PLN. The aspect of the indicator with the highest value on the organizational culture variable can be seen based on

respondents' perception, namely the adaptability indicator, while the indicator with the highest value on the variable *Employee engagement* Based on respondents' perceptions, it is an indicator of enthusiasm and dedication.

5. Acknowledgement

The author would like to express his gratitude to the Management Study Program, Faculty of Economics and Business, Andi Djemma Palopo University for facilitating the author to conduct research and facilitate in participating in this international seminar. Hopefully what is obtained from the results of this research and from this activity can be useful for Andi Djemma University, especially the Management Study Program.

6. Bibliography

- [1] Dewi, D. P. Human Resource Management. In E. Junaedi (ed.), *Unpam Press* (Issue 1). Unpam Press 2019.
- [2] Rofifah, D. The Influence of Organizational Culture on the Implementation of Accounting Information Systems Exists. *Paper Knowledge . Toward a Media History of Documents*, 12–26, 2020
- [3] Ramadani, F. The influence of organizational culture on employee engagement at Andi Djemma Palopo University 2021.
- [4] Sun, L. & Bunchapattanasakda, C. Employee engagement: A literature review. *International Journal of Human Resource Studies*, 9(1), 63-80, 2019.
- [5] Astuti, E. The Effect of Employee Engagement, Organizational Commitment, and Transformational Leadership on Readiness for Change in Universitas Ahmad Dahlan Employees. *FOCUS JOURNAL, Volume 8, Number 1 March 2018*, 8(1), 47, 2020.
- [6] Anugra, A. T., & Saragih, R. The Influence of Organizational Culture on Employee Engagement at PT. Asuransi Jasa Indonesia Bandung Retail Branch. *Almana: Journal of Management and Business*, 2(3), 100-107, 2018.
- [7] Humairoh, H., & Wardoyo, W. Analysis of the influence of organizational culture on employee engagement with job satisfaction as an intervening variable. *Ultima Management: Journal of Management Science*, 9(1), 1-21, 2017.
- [8] Rahayu, S., & Suhaeni, T. The Influence of Organizational Culture on Employee Engagement. *Journal of Business and Investment Research*, 1(2). Retrieved from <https://jurnal.polban.ac.id/ojs-3.1.2/an/article/view/41>, 2016.
- [9] Octaviani, S., & Fakhri, M. The Influence of Organizational Culture on Employee Engagement at the Faculty of Economics and Business and the Faculty of Communication and Business, Telkom University. *VALUTA*, 2(2), 156-170, 2016.
- [10] Sugiyono 2019. *Generalizations*. 43. 43–51, 2019.
- [11] Ghozali. Research Methods. *Research Methods*, 22–34, 2018.
- [12] Rais, I. S., & Parmin, P. The Effect of Perceived Organizational Support and Organizational Culture on Employee Engagement with Job Satisfaction as an Intervening Variable. *Student Scientific Journal of Management, Business and Accounting (JIMMBA)*, 2(5), 813-833, 2020.
- [13] Jermy, D. The Influence of Organizational Culture, Leadership, Compensation and Training on Employee Engagement at BPJS Kesehatan Head Office. *Economic Journal of Information Systems Management*, 2 (4), 447–456, 2021.
- [14] Rizza, M. A. F. Organizational Culture and Its Influence Organizational Commitment, 2021.
- [15] Denison. Review of literature, frameworks and hypotheses. *Angewandte Chemie*



International Edition, 5–24, 2012.

- [16]Ramadani, F. *The influence of organizational culture on employee engagement at Andi Djemma Palopo University, 2021*