

THE EFFECT OF ORGANIZATIONAL CLIMATE AND ORGANIZATIONAL COMMITMENT ON PERSONNEL PERFORMANCE AND ITS IMPACT ON THE PERFORMANCE OF BANK SYARIAH INDONESIA DIPONEGORO BANDA ACEH CITY BRANCH

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ABSTRACT

This research aims to test the organizational climate and organizational commitment influence on personnel performance and its impact on the performance of Bank Syariah Indonesia Diponegoro Banda Aceh City Branch (BSI Diponegoro Branch), located in the Banda Aceh city, Indonesia. The population was all employees of the BSI Diponegoro Branch, with a total of 115 employees. The sample was determined by the census technique. Data were tested using the structural model test and also the Sobel test. The results conclude that in BSI Diponegoro Branch, climate affects personnel performance, commitment affects personnel performance, climate affects BSI Diponegoro Branch Performance, commitment affects BSI Diponegoro Branch Performance, personnel performance affects BSI Diponegoro Branch Performance, climate affects BSI Diponegoro Branch Performance thru personnel performance, and commitment affects BSI Diponegoro Branch Performance thru personnel performance. The points of this result also explain that personnel performance is a partial mediator in the climate model affecting BSI Diponegoro Branch performance and commitment affecting BSI Diponegoro Branch performance. The overall findings explain that the BSI Diponegoro Branch performance improvement model is a function of strengthening the organizational climate and commitment, which can have an impact on improving personnel performance.

Keyword: Organizational Climate, Organizational Commitment, Personnel performance, Organizational Performance.

1. INTRODUCTION

The increasing presence of Islamic banks in Indonesia is driven by the high public interest in placing their funds in banks that adhere to sharia principles. In the Islamic Banking Development Report, this trend is due to the attractiveness of Islamic banking fund products for depositors, considering that the profit-sharing ratio and product margins are still competitive compared to interest rates at conventional banks. In addition, the performance of Islamic banking has shown a significant increase as reflected in increasing capital and profitability (LPS, 2010). Apart from that, Aceh also has various local regulations (Qanun) concerning the Implementation of Islamic Sharia, including Qanun Aceh No.11 of 2018 concerning Islamic Financial Institutions, which is meant by laws and regulations governing the activities of financial institutions to create a just and prosperous Acehnese economy in sharia. With the Aceh Qanun No. 11 of 2018 which play a very important role in the conversion stage are state-owned banks, including Bank Mandiri, BNI, BRI, and BTN. Private banks participating in becoming Sharia are Bank BCA, Danamon, and CIMB

Niaga. This Qanun is effective from January 4, 2019, Financial Institutions operating in Aceh are required to adjust to this Qanun no later than 3 (three) years since this Qanun was promulgated. With this stage of banking conversion, it is hoped that it will become an option, especially for the people of Aceh in choosing banking services without having to worry about usury problems, conventional banks that have become sharia are also trying to create customer satisfaction, especially Bank Mandiri Syariah which adheres to Islam.

After a year the conversion of Conventional Banks to Sharia Banks, on 1 February 2021, the Government of Indonesia established another sharia bank, named Bank Syariah Indonesia (BSI) which was founded by Hery Gunardi (Principal Director), Mulya E. Siregar (President Commissioner). Which is the result of a merger of BUMN subsidiaries in the banking sector including Bank Syariah Mandiri, BNI Syariah, and BRI Syariah. Although nationally BSI recorded positive performance gains, BSI's performance in Aceh was not very good. With the complaints received by the Ombudsman RI Aceh Representative regarding poor service from BSI. The Aceh Ombudsman requested that BSI must guarantee that its services to customers will return to normal, especially at Automated Teller Machines (ATM) (Sandy, 2021). Organizational changes that are being carried out by BSI have an impact on decreasing performance. This is because employees are still in the process of adapting to the new organizational climate so in the process employees still have difficulty applying it to work. The authors pre-survey results at the BSI Diponegoro Banda Aceh City Branch (BSI Diponegoro Branch), located in Banda Aceh city, explain that organizational performance is perceived by respondents as good because a mean value of 3.80 is obtained where the average value is in the good category ($3.80 > 3.41$). However, there are still indicators that have a low average where respondents think that the BSI Diponegoro Branch has not experienced an increase in service quality to customers. This shows that organizational performance is still not optimal. One of the factors to measure organizational success is human resources. If the performance results perceived by some employees are not good, they can be generalized to all work units, of course, it will have an unfavorable impact on the satisfaction of services provided by employees to people who need services.

BSI Employee/personnel Performance Assessment uses two ways, namely employee work behavior assessment and work target assessment. Employee quality is expected to meet the standards set by the bank. Employee quality can be measured by evaluating employee work behavior which includes aspects of customer service, achievement drive, integrity, and cooperation. From the results of the assessment of each of these aspects, the values are grouped based on certain predicates, namely: excellent (451-500), very good (381-450), good (301-380), sufficient (201-300) and less (100-200) (BSI, 2022). Performance appraisal is good. Personnel performance appraisal is expected to show excellent performance or more than 451. This non-special assessment is caused by several factors, such as the results of the work target assessment. The results of the employee quantity assessment in 2021 averaged the target of 85.06% in inputting customer data from the specified target value, which is 100%. From these results, it can be stated that employees have not been able to achieve the targets that had been planned before. The pre-survey reveals that the employee's performance is perceived by the respondents as good because a mean value of 3.97 is obtained where the average value is in the good category ($3.97 > 3.41$). But there are still indicators that have a low average where employees are not able to do many jobs at once. This shows that personnel performance is still not optimal.

One of the factors that affect personnel performance is the organizational climate. The

climate will determine how employees carry out their duties and responsibilities according to procedures or not (Purwanti & Nurhayati, 2016). Changes in organizational climate have a strong influence, where better changes lead to the ability of members of the organization to work as teamwork. If the organization pays attention to and cares for employees, it will cause them to give back to the organization by carrying out constructive behaviors beyond the organizational work requirements. Pre-survey says the organizational climate is perceived by respondents as good because it obtained an average value of 3.98 where the average value is in the good category ($3.98 > 3.41$). However, there are still indicators that have a low average where employees think that the company does not carry out strict and fair supervision of every employee. This shows that the organizational climate is still not optimal.

In addition to climate factors, commitment factors can also affect personnel performance. With a high commitment to the organization, it is hoped that the love for the organization will be even greater and the sense of responsibility for the progress of the organization will become a priority for employees. This is in line with (McShane & Glinow, 2010), commitment is the most powerful influence, where people identify with requests and are highly motivated to carry out, even when the source of motivation is no longer present. Employees who have high commitment will voluntarily give maximum effort for the progress of the organization. Pre-survey describes organizational commitment as perceived by respondents as good because a mean value of 4.04 is obtained where the average value is in the good category ($4.04 > 3.41$). However, there are still indicators that have a low average where respondents think that companies rarely involve their employees in making policies on problems. This shows that organizational commitment is still not optimal.

2. LITERATURE

Organizational Performance

(Muis, Jufrizen, & Fahmi, 2018) found that performance is a work result that can be achieved by a person or group, following their respective authorities and responsibilities, to achieve the goals of the organization concerned legally, not violating the law and following norms and ethics. (Dessler, 2020) explains that performance is a standard that contains a series of goals that the organization hopes to achieve through its employees based on the main tasks and functions and responsibilities given. The measure of the level of performance of an organization according to (Fachreza, Musnadi, & Shabri, 2018) in full as follows: productivity, Service quality, Responsiveness, and Accountability. In this article the organization's performance will often be named as "BSI Diponegoro Branch Performance", because it uses the company name.

Personnel performance

In this article, the use of the word "personnel" will be the same as the word "employee". The good performance of an personnel will have a good impact on the company. (Sapitri & Suryalena, 2016) said performance is a person's achievement of the tasks and responsibilities that have been completed based on the goals that have been set. A person's performance standard is seen from the quality of output, quantity of output, output period, attendance at work, and the cooperative attitude he shows while carrying out his duties. Companies that have better performance than others will have the opportunity to compete better in the market (Triastuti, 2018).

With optimal performance displayed by employees, they can minimize mistakes in implementing the company's strategy in achieving its goals. (Rizky, Marnis, & Marzolina, 2014) describe several indicators used to measure the performance of banking employees based on Individual Performance Targets (SKI), namely: Quality, Quantity, Punctuality, Effectiveness, independence, and Commitment.

Organizational Climate

Organizational climate is a concept that describes the internal atmosphere of the organizational environment felt by its members while they are active to achieve organizational goals (Tambalean, Manossoh, & Runtu, 2018). Organizational climate is a set of equipment from a work environment that is felt directly or indirectly by employees who work in this environment and assume it will be a major strength (Danayasa, Kawiana, & Oktarini, 2021). Lussier (2016) stated indicators of organizational climate consist of 6 indicators which include: Structure, Responsibility, Rewards, Warmth, support, Organizational identity and loyalty, and risk. In this article organizational climate will often be mentioned as just "climate".

Organizational Commitment

Organizational commitment is a situation in which an employee identifies himself in an organization, by depending on his goals and hopes to remain a member (Robbins & Judge, 2017). (Kholiq & Miftahuddin, 2017) state organizational commitment can be defined as a bond that exists between himself and the organization to maintain status as a member, and help the organization achieve the expected goals. In this article organizational commitment will be often mentioned as just "commitment". There are five indicators of organizational commitment according to (Danayasa et al., 2021), namely:

1. Strong belief in a career in the company
2. Level of involvement in company issues
3. Level of interest in the company.
4. Do business as part of the company
5. The meaning of the company for yourself

Hypothesis

Literature forms the framework to analyze this study, based on the hypothesis formulated as follows.

H1 : climate affects personnel performance

H2 : commitment affects personnel performance

H3 : climate affects BSI Diponegoro Branch Performance

H4 : commitment affects BSI Diponegoro Branch Performance

H5 : personnel performance affects BSI Diponegoro Branch Performance

H3 : climate affects BSI Diponegoro Branch Performance thru personnel performance

H4 : commitment affects BSI Diponegoro Branch Performance thru personnel performance

3. METHOD

The population was all permanent and contract employees (excluding office boys and security guards) at BSI Diponegoro Branch, located in Banda Aceh City, totaling 115 people. The

sample in this study was taken by census technique, all population members were used as research samples. The sample is the actual data source where some of the individuals studied are examples (Sekaran & Bougie, 2016). Data included primary data. Data collection was done through the distribution of questionnaires, and then data were tested thru the Structural Equation Modeling (SEM) technique with AMOS software. Measurement test as the first test, thru Confirmatory factor analysis (CFA). CFA was used to confirm the model fit thru the acceptance of loading factors and GoF assessments (Hair, Hult, Ringle, & Sarstedt, 2016). After that structural test was used as the second step to see the direct effect significance and magnitude. The Sobel test was also used to see the indirect effect significance.

4. RESULT

Testing the hypothesis (structural test) was carried out after the CFA test, providing the table below.

Table 1. Direct Effect Test

		Influence	Estimates	SE	CR	P
Personnel performance	<---	Climate	0.367	0.081	2,891	0.004
Personnel performance	<---	Commitment	0.408	0.108	3,449	0.000
Org_Performance	<---	Climate	0.254	0.154	2,419	0.016
Org_Performance	<---	Commitment	0.248	0.119	2,405	0.016
Org_Performance	<---	Personnel performance	0.434	0.070	5,037	0.000

Source: Primary Data Processed, (2023)

Organizational Climate effect on Personnel performance (H1)

The climate effect test on Personnel performance obtains CR 2.891 with p 0.004 meaning that Organizational Climate influences the increase in Personnel performance. The size of Climate affecting Personnel performance is 0.367 or 36.7%. This explains the more appropriate the Climate the higher the Personnel performance. A study by (Paramitha, Agustia, & Soewarno, 2017) found organizational climate affects employee performance. Other research by (Merentek, Adolfini, & Trang, 2018) also found the climate affects employee performance where a better organizational climate will improve employee performance

Commitment effect on Personnel performance (H2)

The commitment effect test on Personnel performance obtains a CR value of 3.449 with p 0.000, explaining Commitment affects Personnel performance. The size of Commitment affecting Personnel performance is 0.408 or 40.8%. This describes the stronger the Commitment, the higher the Personnel performance. Research Merentek et al. (2018) also found Commitment affects employee performance. Another study by (Rizqina, Adam, & Chan, 2017) found Commitment affects employee performance. According to (Nurandini & Lataruva, 2014), Commitment affects employee performance, and normative commitment leaves the strongest effect on average

performance, compared to affective commitment and continuance commitment.

Organizational Climate effect on BSI Diponegoro Branch Performance (H3)

The organizational Climate effect test on BSI Diponegoro Branch Performance obtains CR 2.419 with p 0.016, meaning the Organizational Climate affects BSI Diponegoro Branch Performance. The size of the Organizational Climate affecting BSI Diponegoro Branch Performance is 0.254 or 25.4%. This number figures the more appropriate Organizational Climate will further improve BSI Diponegoro Branch Performance. (Hidayat, 2019) found that organizational climate affects organizational performance. Another study by (Danayasa et al., 2021) also found that organizational climate affects organizational performance.

Commitment effect on BSI Diponegoro Branch Performance (H4)

Commitment effect test on BSI Diponegoro Branch Performance obtained CR 2.405 with p 0.016, describing the Commitment affects BSI Diponegoro Branch Performance. The size of Commitment affecting BSI Diponegoro Branch Performance is 0.248 or 24.8%. This reveals the stronger commitment the higher the BSI Diponegoro Branch Performance. Research by (Kashefi et al., 2014) found Commitment affects organizational performance. Another study by (Danayasa et al., 2021) also found that Commitment affects organizational performance.

Personnel performance effect on BSI Diponegoro Branch Performance (H5)

Personnel performance effect test on BSI Diponegoro Branch Performance obtains CR 5.037 with p 0.000, meaning the Personnel performance influences BSI Diponegoro Branch Performance. The size of Personnel performance affecting BSI Diponegoro Branch Performance is 0.434 or 43.4%. This explains the higher the Personnel performance the higher BSI Diponegoro Branch Performance. (Fachreza et al., 2018) said the performance of employees affects organizational performance. This means that the better the employee performance, the better the organizational performance, and conversely, the lower the employee performance, the lower the organizational performance. Another study by (Rizqina et al., 2017) also found that employee performance influences organizational performance.

Organizational Climate effect on BSI Diponegoro Branch Performance through Personnel performance (H6)

Sobel calculates the H6 model and provides the result 3.658, with p 0.000. Thus, Personnel performance is proven to mediate the Organizational Climate effect on BSI Diponegoro Branch Performance. So, because Personnel performance functions as a mediating variable, Organizational Climate can affect BSI Diponegoro Branch Performance directly (the H3 model was proven), the Personnel performance in Climate affecting BSI Diponegoro Branch Performance is a partial mediator. Partial reveals the Organizational Climate significantly can affect BSI Diponegoro Branch Performance thru Personnel performance or not (directly).

Table 2. H6 model test (Indirect Effect)

Input:		Test statistic:	Std. Error:	p-value:
a	0.367	Sobel test: 3.65815284	0.04354055	0.00025404
b	0.434	Aroian test: 3.62752411	0.04390819	0.00028615
s _a	0.081	Goodman test: 3.68957073	0.04316979	0.00022463
s _b	0.070	Reset all	Calculate	

Commitment effect on BSI Diponegoro Branch Performance through Personnel performance (H7)

Sobel calculates the H7 model and provides the result 3.226, with p 0.001. Thus, Personnel performance is proven to function as a mediator on the Commitment affecting BSI Diponegoro Branch Performance. Because Personnel performance functions as a mediating variable, Commitment can affect BSI Diponegoro Branch Performance directly (the H4 model was proven), so the Personnel performance role in Commitment affecting BSI Diponegoro Branch Performance is as a partial mediator. Partial reveals that the relationship between Commitment to BSI Diponegoro Branch Partial means Commitment significantly can affect BSI Diponegoro Branch Performance thru Personnel performance or not (directly).

Table 3. H7 model test (Indirect Effect)

Input:		Test statistic:	Std. Error:	p-value:
a	0.408	Sobel test: 3.22607885	0.05488769	0.00125499
b	0.434	Aroian test: 3.19590626	0.05540588	0.00139392
s _a	0.108	Goodman test: 3.25712247	0.05436455	0.00112548
s _b	0.070	Reset all	Calculate	

5. CONCLUSION

The results conclude that in BSI Diponegoro Branch, climate affects personnel performance, commitment affects personnel performance, climate affects BSI Diponegoro Branch Performance, commitment affects BSI Diponegoro Branch Performance, personnel performance affects BSI Diponegoro Branch Performance, climate affects BSI Diponegoro Branch Performance thru personnel performance, and commitment affects BSI Diponegoro Branch Performance thru personnel performance. The points of this result also explain that personnel performance is a partial mediator in the climate model affecting BSI Diponegoro Branch performance and commitment affecting BSI Diponegoro Branch performance. The overall findings explain that the BSI Diponegoro Branch performance improvement model is a function of strengthening the organizational climate and commitment, which can have an impact on improving personnel performance. This premise can be the basis for the development of performance theory, and can also be used for further research by developing this model. Practical suggestions for research subject, namely the BSI Diponegoro Branch from the survey results in this study are:

- 1) To improve personnel performance and BSI Diponegoro Branch Performance, companies can improve organizational climate and Commitment.
- 2) To improve the organizational climate, the company can give great discretion and responsibility to each personnel to realize organizational goals but the resulting risks are still taken over by the company.

- 3) To increase Commitment, companies can increase personnel sense of engagement to the organization by providing authority and responsibility so that employees feel needed and valued.

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