

THE INFLUENCE OF LEADERSHIP, ORGANIZATIONAL CULTURE, WORK ENVIRONMENT AND COMMITMENT ON THE PERFORMANCE OF GOODS/SERVICES PROCUREMENT MANAGERS THROUGH JOB SATISFACTION AS AN INTERVENING VARIABLE IN THE RIAU ISLANDS PROVINCE

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Abstract

This study aims to analyze the influence of leadership, organizational culture, work environment, and competence on the performance of managers of procurement of goods/services with job satisfaction as an intervening variable in the Ministry of Health. The data used in this study is primary data obtained from distributing questionnaires to 145 employees managing the procurement of goods/services of the Ministry of Health as respondents. The sampling technique used is simple random sampling. Structural Equation Modeling (SEM) with AMOS was used to test the research hypothesis. The results of the direct influence analysis showed that leadership, work environment and competence had a positive and significant effect on job satisfaction, while organizational culture had a negative and insignificant effect on job satisfaction. Leadership, organizational culture and work environment have a positive and insignificant effect on performance, while competence and job satisfaction have a positive and significant effect on performance. The results of the indirect influence analysis show that leadership, organizational culture, work environment and competence have a positive and significant effect on performance through job satisfaction.

Keywords: *Leadership, Organizational Culture, Work Environment, Competence, Job Satisfaction, Performance*

1. INTRODUCTION

Procurement of Government Goods/Services, hereinafter referred to as Procurement of Goods/Services, is an activity to obtain goods/services by Ministries/Institutions/Regional Governments/Institutions whose process starts from planning needs until the completion of all activities to obtain goods/services. Goods/Services Procurement Manager is a Civil Servant who is given full duties, responsibilities, authorities and rights by authorized officials to carry out procurement planning activities, supplier selection, contract management and asset information management. Human Resources (HR) have an important role in an organization, both government, industrial, educational, private and so on. Human resources are also an enforcement factor and determine the net of an organization/company in achieving success or goals. If human resources in an organization/company are managed optimally, employees/employees will feel satisfied so that the organization will be able to run the wheels of government to the fullest. Therefore, all things that include human resources need to be an important concern for the management so that employees have job satisfaction so that the goals of the organization/company can be achieved. In other words, human resource management plays a very important role in increasing the effectiveness and efficiency of an organization/company in achieving its goals. Performance is the result of work achieved by an employee in carrying out tasks in accordance with the responsibilities given to him. Employees are a key determinant of organizational success. For this

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Azwandi, Muammar Khadafi, Chablullah Wibisono, Damsar

reason, besides being required to have the knowledge, skills and abilities, every employee must also

have experience of motivation, self-discipline and high morale, so that if the employees in the office are good, the office performance will also increase leading to office goals (SP Siagian, 2002). Employee competence is something to carry out work or tasks that are based on skills and knowledge and are supported by the work attitude demanded by the job. The skills or abilities required by an employee as demonstrated by the ability to consistently provide an adequate or high level of performance in a job function. The definition of competence by Spencer cited by Moeherton (2014) is as a characteristic that underlies a person related to the effectiveness of individual performance in his work or the basic characteristics of individuals who have a causal relationship or as a cause and effect with the criteria used as a reference. According to Spencer, competence lies within every human being and will forever exist in a person's personality which can predict behavior and performance in a broad way in all situations and work tasks.

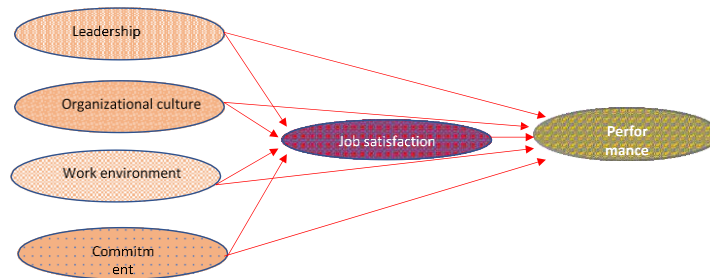


Figure 1 Thinking Framework

This research is a causal explanatory research in the form of a survey that aims to determine the pattern of causal relationships between exogenous variables, namely Leadership, Organizational Culture, Work Environment, Competence with endogenous variables namely Performance and job satisfaction as intervening variables within the framework of Human Resource Management theory.

2. RESEARCH METHODS

Data Collection Methods and Procedures The data collection technique used in this research is to use individual questionnaires to the Goods/Services Procurement Manager in the Riau Islands Provincial Government. The scale used as a variable measurement in the answers or questionnaires from the respondents is to use a Likert scale, which contains five levels of answers (weight scores) from 1 to 5.

Population and Sample

a. Population

Population is the entire research subject (Arikunto, 2002: 108). Population is the whole of the variables related to the problem under study (Nursalam, 2003). Sample is a part to be taken from the whole object under study and is considered to represent the whole population. The population in this study were all Commitment Making Officers (PPK) of Regional Apparatus Organizations (OPD), namely as many as 43 OPD with 105 Commitment Making Officials (PPK).

b. Sample

Sample is a part to be taken from the whole object under study and is considered to represent the whole population. The population in this study were all Commitment Making Officials (PPK) of Regional Apparatus Organizations (OPD), namely as many as 43 OPD with 105 Commitment Making Officials (PPK). All populations are used as samples or saturated samples.

3. DATA PROCESSING

Researchers conducted a pilot test on 20 samples to test the validity and reliability of the research questionnaire. Then distributed questionnaires to 105 research samples and then processed the data using the structural equation modeling (SEM) method with the AMOS 23 application.

4. RESULTS AND DISCUSSION

Characteristics of Respondents

Based on the gender of male respondents (52%) and female respondents (48%). Based on age 19-30 years (9%), 31-40 years (40%), 41-50 years (30%) and >51 years (21%). Based on length of service 1-5 years (9%), 6-10 years (16%), 11-15 years (27%) and >16 years (48%). Based on the last education SMA (3%), D3 (2%), D4 (1%) S1 (63%), S2 (28%) and S3 (3%).

Perception of Respondents

Respondents gave quite positive answers to the leadership variable indicated by agreeing answers (48%). The results of the analysis of the average of all answers on the variable Leadership is equal to 3.80. The results above show that the Leadership variable with the highest indicator is the Communicator at 3.88. Respondents gave quite positive answers to the Organizational Culture variable marked by agreeing answers (50%). The results of the overall average analysis of respondents' answers on the Organizational Culture variable amounted to 4.20. The results above show that the Organizational Culture variable with the highest indicator is Self-Awareness of 4.11. Respondents gave quite positive answers to the Work Environment variable marked by agreeing (30%). The results of the overall average analysis of respondents' answers to the Work Environment variable amounted to 3.25. The results above show that the Work Environment variable with the highest indicator is Lighting at 3.40. Respondents gave quite positive answers to the Competency variable marked by agreeing (49%). The results of the analysis of the overall average respondent's answers to the Competency variable are 3.90. The results above show that the Competency variable with the highest indicator is a score of 5.07. Respondents gave quite positive answers to the Performance variable marked by agreeing (50%). The results of the analysis of the overall average of respondents' answers on the Performance variable amounted to 3.64. The results above show that the Performance variable with the highest indicator is Quality 3.96. Respondents gave quite positive answers to the variable Job Satisfaction indicated by agreeing (48%). The results of the overall average analysis of respondents' answers to the variable Job Satisfaction amounted to 3.72.

Test the Validity and Reliability of Research Instruments

To test the validity of the questionnaire, Pearson's Correlation (Simple Correlation, Product Correlation of Moments from Karl Pearson, 1939) was used with the help of SPSS 26 application. The r count results of all questions are greater or $> r$ table. Thus the questionnaire or research instrument is valid (Ghozali, 2013). While the reliability test is based on the value of the Cronbach's Alpha parameter. Through the SPSS 26 application, the results obtained are r Alpha $>$ minimum limit (0.70) so that the questionnaire is reliable or the respondents are consistent in answering questions/questionnaires and can be trusted/reliable (Ghozali, 2013).

Data Normality Test and Multivariate Outliers

Based on the data normality test, the multivariate data values are normally distributed. While the results of the Outlier Multivariate test show that the d-squared Mahalanobis value

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Azwandi, Muammar Khadafi, Chablullah Wibisono, Damsar

indicates the highest observed value has a value below the Chi-Square value at 29 degrees of freedom, namely the number of indicators at a significant level of $p < 0.001$. Thus the analysis can be continued at the next stage (Tomarken and Waller, in Suryanto, 2011).

Latent Construct Validity and Reliability Test

In testing the validity through Confirmatory Factor Analysis or testing the significance of the indicators that make up the exogenous variables showing all indicators of each variable leadership, organizational culture, work environment, competency, job satisfaction and employee performance used

in this research can represent each latent variable is good, which is marked by a CR (Critical Ratio) value > 1.96 and significant with a $p = 0.001$ or below probability (p) < 0.05 (Ghozali, 2010). The calculation results show that all indicators are valid because they have a standard factor loading (FMS) value of > 0.50 , so no modification of the model and constructs of all latent variables is required (Heir et al; Wijanto. 2008). In testing the construct reliability (CR) it was stated that the CR of all latent variable constructs from the study had construct reliability (CR) ≥ 0.70 or reliable, meaning that indicators can be used as formers/measuring each latent variable (Wijanto; Ghozali, 2013).

Table 1 Full Model Feasibility Test Results

No	Goodness of Fit Index	Cutoff Value	Estimation Results	Model Evaluation
1	Chi-square (df =328)	Expected small 351,062	412,680	marginal
2	probability	≥ 0.05	0.060	Good
3	CMIN/DF	< 2.00	1,331	Good
4	RMSEA	< 0.08	0.048	Good
5	AGFI	≥ 0.90	0.932	Good
6	TLI	≥ 0.95	0.955	Good
7	CFI	≥ 0.95	0.965	Good
8	GFI	≥ 0.90	0.846	marginal

Based on the results of the feasibility test of the full confirmatory model, it is known that the Probability criteria, CMIN/DF, RMSEA, AGFI, TLI and CFI are in the good category while chi-square and GFI are in the pretty good (marginal) category. This can happen because of the many variables and indicators studied, so that it has a level of complexity in calculating the SEM analysis tool. From several model feasibility tests, the model is said to be feasible if at least one of the due diligence methods is met (Hair, J., F. 2019). Thus it can be concluded that the fit of the predicted model with the observed values meets the requirements. Thus the analysis can be continued on hypothesis testing.

5. RESULTS OF HYPOTHESIS TESTING AND DISCUSSION

Direct Influence Analysis

Testing is carried out using the P-value or Critical Ratio (CR) on the Standardized Regression Weight from the results of data processing.

Table 2. Structural Equation

Influenced Variables	Mark Estimation	CR	P-Value	Information
Leadership – Job Satisfaction	0.173	3,099	0.002	Influential
Organizational Culture – Job Satisfaction	-0.112	-1,789	0.074	No effect
Work Environment - Satisfaction	0.310	2,690	0.007	Influential

Work				
Competence - Job Satisfaction	1,040	2,318	0.020	Influential
Job Satisfaction - Performance	0.719	0.289	0.004	Influential
Leadership - Performance	0.023	-0.937	0.349	No effect
Organizational Culture - Performance	0.059	-0.200	0.841	No effect
Work Environment - Performance	0.022	2,749	0.006	Influential
Competence - Performance	0.444	2,283	0.022	Influential

The value of the coefficient of determination or R square (R²) in SEM analysis is known as value

square multiple correlation. This value can be explained as follows:

- a. The value of the square multiple correlation in the first equation is 0.965. This value shows that 96.5% of the variation in the value of Job Satisfaction is influenced by the variation in the value of the variable Leadership, Organizational Culture, Work Environment and Competence.
- b. The value of the square multiple correlation in the second equation is 0.764. This value shows that 76.4 of the variation in the Performance value is determined by the variation in the values of Leadership, Organizational Culture, Work Environment, Competence and Job Satisfaction.

Based on table 4.3 and with the following criteria:

- If CR (critical ratio) < 1.96 and p > 0.05 then Ho is accepted, H1 rejected
- If CR (critical ratio) > 1.96 and p < 0.05 then Ho is rejected, H1 is accepted, it can

be explained that:

1) Hypothesis Testing 1

The results showed that the critical ratio (CR) was 3.099 with a probability of 0.002. The CR value above 2 (in this case is 3.099) indicates that the variable relationship is correct. Because the CR value > 1.96 and the probability value < 0.05, it can be concluded that leadership has a positive and significant effect on job satisfaction, so the first hypothesis which states that leadership has a positive and significant effect on job satisfaction is acceptable. This shows that the higher the value of Leadership will increasingly affect increased Job Satisfaction.

2) Hypothesis Testing 2

The research results show CR value of -1.789 with a probability of 0.074. CR values below 2 (in this case -1.789) indicate that the variable relationship is incorrect. Because of the value of CR < 1.96 and probability > 0.05, it can be concluded that Organizational Culture has no positive and significant effect on Job Satisfaction, so the second hypothesis states that Organizational Culture has a positive and significant effect on Job Satisfaction, can be rejected. This shows that Organizational Culture cannot influence Job Satisfaction.

3) Hypothesis Testing 3

The results showed that the CR value was 2.690 with a probability of 0.007. A CR value above 2 (in this case 2.986) indicates that the variable relationship is correct. Because the CR value > 1.96 and probability < 0.05, it can be concluded that the work environment has a positive and significant effect on job satisfaction, acceptable. This shows that the work environment can affect job satisfaction.

4) Hypothesis Testing 4

The results showed that the CR value was 2.318 with a probability of 0.020. The CR value above 2 (in this case is 2.318) indicates that the relationship between variables is correct. Because the CR value > 1.96 and probability < 0.05, it can be concluded that competence has a positive and significant effect on job satisfaction, so the fourth hypothesis which states that competence has a positive and significant effect on job

satisfaction, can be accepted. This shows that the higher the competence possessed, the more it will affect Job Satisfaction.

5) Hypothesis Testing 5

The results showed that the CR value was 0.289 with a probability of 0.004. The CR value below 2 (in this case is 0.289) indicates that the variable relationship is not really true. Because the CR value < 1.96 and probability > 0.05 , it can be concluded that leadership has no positive and significant effect on performance, so that the fifth hypothesis which states that leadership directly has a positive and significant effect on performance can be rejected. This shows that leadership has no effect on performance.

6) Hypothesis Testing 6

The research results show CR value of -0.937 with a probability of 0.259. The CR value below 2 (in this case is -0.937) indicates that the variable relationship is incorrect. Because of the value of CR < 1.96 and probability > 0.05 , it can be concluded that Organizational Culture has no positive and significant effect on performance, so the sixth hypothesis which states that Organizational Culture directly has a positive and significant effect on performance, can be rejected. This shows that Organizational Culture no effect on Performance.

7) Hypothesis Testing 7

The research results show CR value of -0.200 with a probability of 0.841. A CR value below 2 (in this case is -0.200) indicates that the variable relationship is incorrect. Because of the value of CR < 1.96 and probability > 0.05 , it can be concluded that the work environment has no positive and significant effect on performance, so the seventh hypothesis which states that the work environment directly has a positive and significant effect on performance can be rejected. This shows that the work environment has no effect on performance.

8) Hypothesis Testing 8

The results showed that the CR value was 2.749 with a probability of 0.006. The CR value above 2 (in this case is 2.749) indicates that the variable relationship is correct. Because the CR value > 1.96 and probability < 0.05 , it can be concluded that competence has a positive and significant effect on performance, so that the eighth hypothesis which states that competence directly has a positive and significant effect on performance is acceptable. This shows that the higher the competence that is owned will increasingly affect the increased performance.

9) Hypothesis Testing 9

The results showed that the CR value was 5.059 with a probability of 0.000. The CR value above 2 (in this case is 5.059) indicates that the variable relationship is correct. Because the CR value > 1.96 and probability < 0.05 , it can be concluded that Job Satisfaction has a positive and significant effect on performance, so the ninth hypothesis which states that Job Satisfaction has a direct positive and significant effect on performance, can be accepted. This shows that the higher the Job Satisfaction that is owned, the more it will affect the increased performance.

Indirect Influence Analysis

The indirect effect is the effect of an exogenous variable on the dependent endogenous variable through an intervening variable or mediator, namely Job Satisfaction. To test the indirect effect is done using the Sobel Test. Based on the results of the Sobel test in the appendix, the magnitude of the indirect effect can be presented in the following table. Based on the results of testing the indirect effect (Indirect Effect) between variables, namely the influence of Leadership,

Organizational Culture, Work Environment, Competence on Performance through Job Satisfaction Intervening. The complete explanation of the indirect effect test is as follows:

Table 3. Results of Indirect Influence Analysis

Variable exogenous	Variable endogenous	Variable Intervene	Indirects effects	CR	P-Value	Information
Leadership	Performance	Satisfaction Work	0.122	2,302	0.005	Influential
Organizational culture	Performance	Satisfaction Work	0.115	2,510	0.023	Influential
Environment Work	Performance	Satisfaction Work	0.230	2,284	0.007	Influential
Competence	Performance	Satisfaction Work	0.540	3,683	0.004	Influential

1) Hypothesis Testing 10

The results showed that the CR value was 2.302 and the probability was 0.005. The CR value above 2 (in this case is 2.302) indicates that the variable relationship is correct. Because the CR value > 1.96 and probability < 0.05 , it can be concluded that leadership has an indirect positive and significant effect on performance through job satisfaction, is accepted. This shows that leadership indirectly influences performance through job satisfaction.

2) Hypothesis Testing 11

The results showed that the CR value was 2,510 and the probability was 0.023. The CR value above 2 (in this case is 2.510) indicates that the variable relationship is correct. Because the CR value is > 1.96 and the probability is < 0.05 , it can be concluded that organizational culture has an indirect positive and significant effect on performance through job satisfaction, which is acceptable. This shows that Organizational Culture indirectly influences Performance through Job Satisfaction.

3) Hypothesis Testing 12

The results showed that the CR value was 2.284 and the probability was 0.007. The CR value above 2 (in this case is 2.284) indicates that the variable relationship is correct. Because the CR value is > 1.96 and the probability is < 0.05 , it can be concluded that the work environment has a positive and significant indirect effect on performance through job satisfaction, which is acceptable. This shows that the work environment indirectly affects performance through job satisfaction.

4) Hypothesis Testing 13

The results showed that the CR value was 3.683 and the probability was 0.004. The CR value above 2 (in this case is 3.383) indicates that the variable relationship is correct. Because the CR value > 1.96 and probability < 0.05 , it can be concluded that competence indirectly has a positive and significant effect on performance through job satisfaction, which is acceptable. This shows that competence indirectly affects performance through satisfaction

6. CONCLUSION

Based on the results of research and data analysis that has been done, the conclusions in this study are:

1. The results of the direct effect analysis show that leadership, work environment and competence have a positive and significant effect on job satisfaction, while organizational culture has a negative and insignificant effect on job satisfaction. Leadership and organizational culture have a positive and not significant effect on

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Azwandi, Muammar Khadafi, Chablullah Wibisono, Damsar

performance, while competence, work environment and job satisfaction have a positive and significant effect on performance.

2. The results of the indirect influence analysis show that leadership, organizational culture, work environment and competence have a positive and significant effect on performance through job satisfaction.

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