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# Analysis of the Influence of Organizational Environment, Values and Leadership on Employee Performance in Lumajang Regency Regional Staffing Agency

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Abstract: This study aims to find out the description of employee performance in the Lumajang Regency Regional Personnel Agency. Using a qualitative research approach with descriptive research type. The researcher used the census method to determine the research sample. The total sample of this study was 135 people. Data analysis used descriptive analysis method, multiple linear regression analysis and classical assumption test. Simultaneously shows that the organizational environment, values and leadership can affect the performance of employees of the Lumajang Regency Regional Personnel Agency. However, partially, the organizational environment cannot contribute at all to employee performance. This is because employee of human resources is still less skilled and still need a lot of training, especially in IT and computer, for the most dominant variable in partially influencing employees is the leadership variable. This can be seen by the regression coefficient of 0.557, which shows that the leader exercises his leadership well during his tenure in BKD Lumajang Regency.

*Keywords*: organizational environment, values, leadership, employee performance.

# 1. Introduction

External actors and factors that affect the internal ability to smooth activities are the environment. Organizations enable society to achieve goals that a single individual is unlikely to achieve alone [1], [2]. People cannot achieve their goals alone, which is why the organization was created. A group of people working together to achieve a common goal is an organization, according to David Charlington (2012:12). The organizational environment, sourced from [3], is everything that surrounds the organization and then contributes influence to its acceptance, as well as influencing its ability to remain budding. As a result, the organization's environment is involved in factions that can either help or harm. The environment will change as a result of the organization's activities, and the organization will change as a result of the environment. Companies and organizations working on environmental actions cannot deny that they also have an impact on the environment in the region in which they operate. Therefore, the organization must understand how the environment affects its operations.

The organizational environment, according to Hick & Gullet (2013; 133), is what surrounds the organization, contributes to its acceptance, and influences its ability to survive. The organizational environment as an entity or factor that exists outside the organization and has the capacity to influence how well the organization performs [4]. Therefore, the organization is in a situation where its environment has the potential to help or hurt it.

Working conditions that offer employees a consistent climate and work environment for them in achieving the goals desired by a company are known as the organizational environment. Employees can become lazy, easily stressed, have difficulty concentrating, and perform less productively as a result of poor working conditions. For example, please imagine if the workspace is uncomfortable, hot, insufficient air circulation, the workspace is overcrowded, the work environment is unclear, noise, the comfort of the workers is of course greatly affected. In a work environment. Anything that directly or indirectly impacts the organization or the business and impacts how well employees perform is under the umbrella of the organization's environment.

Values, in public, are notions that refer to things that are valued in human life, especially about what people consider to be good, worthy, appropriate, true, significant, beautiful, and desirable in everyday life. However, things that are considered inappropriate, bad, incorrect, and uninteresting are seen as worthless. When something has use, truth, goodness, or beauty, it is said to have value.

Researchers argue that to improve the performance of workers themselves, performance is a process or task produced by employees through a number of qualities that must be passed and have stages that must be achieved. Performance, as a result, plays an important role in organizational development. Performance indicates whether an organization is moving forward or just standing still, depending on how it is performing.

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# 2. Methodology

This study uses a quantitative study approach. Quantitative research is research that principally uses a deductive-inductive approach. This approach departs from the theoretical framework, expert ideas, as well as the knowledge of researchers based on their experience, then develops into a suggested problem to obtain justification (verification) or rejection in the form of field empirical data documents. The quantitative approach aims to test theory, build facts, show relationships between variables, provide statistical descriptions, estimate and predict results. In addition, research that uses a quantitative approach must be organized, standardized, formal and designed as carefully as possible in advance. The design is specific and detailed as it is the design of the study actually to be carried out.

In this study, the data analysis method was multiple regression. The population in this study were 135 employees. The sampling technique used a total sampling technique where the entire population above 100 respondents was used as the entire research sample.

### 3. Literature Study

The research titles used as the source of this study include the research title Analysis of the Influence of Organizational Culture and Job Satisfaction on the Performance of Non-Doctoral Employees at Mercu Buana University Jakarta examined by Ikhsan in 2016. Variable used Organizational Culture, Job Satisfaction and Employee Performance, the equation with the discussion of this research is using variable organizational culture, while the difference is one of the independent variables of job satisfaction the results of variable research on organization and job satisfaction both have a significant influence.

Research title The Influence of Motivation, Work Discipline and Organizational Values on Employee Performance at PT Karyamitra Budisentosa [5], Variable used Motivation, Work Discipline, Organizational Culture and Employee Performance, the equation of themes raised is using organizational values variable, the difference is one of the independent variable, motivation and work discipline, the results of research variables of values have a very dominant influence.

The title of the study was Analysis of the Influence of Elements Forming Organizational Culture on Employee Performance at the Regional Personnel Agency of Ngawi Regency, researchers of the [6] variables used elements of organizational culture, and employee performance, the equation with this study is to use organizational culture variables, the difference with this study is that it uses the variable elements of the organizational environment, values and leadership as the indepth variable, the results of research variables of cultural elements, namely role models have the most dominant element.

# A. Organizational Environment

A complex network of power changes that affect the way organizations operate. An environment is a great possibility in which an organization must plan and adapt. Furthermore, the environment is a source of uncertainty that organizations need to control [7]. Every organization in whatever industry it enters, whether profile-oriented or non-profile-oriented faces a degree of environmental uncertainty, because no organization is perfectly capable of pooling all the resources necessary for its survival.

#### B. Values

The form of things that give life a meaning, that give reference, point of departure and purpose of life. Value is something that is up held, that can colour and bring life to someone's actions.

According to [8], values are the standards of behaviour and attitudes that determine who we are, how we live and how we treat others. Obviously, good values can make people better, live better and serve others better.

# C. Leadership

A form of mastery based on the ability of an individual to invite and encourage others to do something based on acceptance from the group, and to have the right specific skills in a given situation.

Leadership according to [9] is the art of influencing others to work together based on one's ability to provide guidance and direction to achieve the goals desired by the group.

The definition of leadership according to Moejiono (1993) is the result of a purpose that may be caused by the leader having certain traits that make him superior among his followers [10].

### D. Individual Performance

Performance as the result achieved by employees in their work according to certain criteria that apply to a job [11].

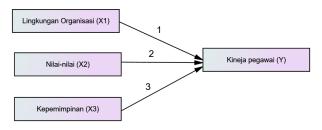


Fig. 1. Conceptual research model

#### 4. Result

The analysis in this study used descriptive statistics and multiple regression. The results of data analysis in this study are as follows:

### A. Validity and Reliability Test of Research Instruments

Validity test results showed that the value of r count for 24 statement items obtained a value below the provision number of r table (0.168) or probability value (sig. 2-tai) for 24 items of the questionnaire resulted in a probability value below 0.05. This comparison shows that respondents understand the 24 questionnaire items taught by the researcher. Thus, all questionnaire items in this study were declared valid.

The results of the reliability test showed that the value of Alpha Cronbach for the four corrected variables representing the 24 items of the research questionnaire yielded a value still

Table 1
Previous research variables

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Iksan (2016)	Deby (2016)	Eko (2016)					
Organizational Environment	Motivation	Elements of Organizational Culture					
Job Satisfaction	Work Discipline	Also, employee performance					
Employee Performance	Organizational Values						
	Employee Performance						

Table 2
Testing of independent and dependent variables

No.	Independent variable	The dependent variable of	Coefficient. regression	Sig. t	Err to errancy rate (α)	Result
1	X1-Environmental organization	also, employee performance.	0.000	0.876	0.005	X1 has no effect on Y
2	Values	also, employee performance.	0.374	0.005	0.005	X2 has an effect on Y
3	X3-Leadership	also, employee performance.	0.557	0.000	0.005	X3 has an effect on Y

below the number of cut-off provisions (0.6). This comparison shows that respondents are consistent in answering the 24 items of the questionnaire taught by the researcher. Thus, all questionnaire items in this study were declared reliable.

#### B. Autocorrelation Test

Autocorrelation in a regression model can be determined by the correlation series test model using the Durbin Watson (DW) method. A regression model equation can be said to have no autocorrelation symptoms if the Durbin Watson value is between -2 and 2 or -2 < DW < 2. Based on the results of the calculation, it can be seen that the Durbin Watson value is 1.325 so that it is greater than the value of -2 and smaller than 2. means can be drawn the certainty that there is no autocorrelation in the regression model.

#### C. Multiple Linear Regression Test Results

The regression constant value of 4.213 shows that when the independent variable (organizational structure, values and leadership) is assumed to be constant or 0 [12], then there is or is still performance on the work of employees in the Lumajang Regency Regional Personnel Agency.

The regression coefficient (b1) of the organization environment variable of 0.025 indicates that the organizational environment has no effect on employee performance. The t test results showed that the probability value of variable X1 (0.156) exceeded the error level of the researcher by 0.05 ( $\alpha$ =0.05) [12].

The regression coefficient (b2) variable value of 0.374 indicates that the organizational values have a positive or unidirectional effect on employee performance. The t test results showed that the probability value of variable X2 (2.463) was less than the error level of the researcher by 0.05 ( $\alpha$ =0.05) [12].

The regression coefficient (b3) of the leadership variable of 0.557 indicates that leadership has a positive effect on employee performance. The t test results showed that the probability value of variable X3 (5.168) was less than the Researcher error level of 0.05 ( $\alpha$ =0.05) [12].

# D. Correlation Coefficient

The relevance of the relationship between the independent variables of the organization (X1), value (X2) and leadership (X3) with employee performance dependent variables (Y) can be measured using multiple correlation coefficient analysis. The R value (Correlation Coefficient) produced by is 0.444 indicating that the correlation between the independent variable

(work ability, organizational commitment and professionalism) with the dependent variable (employee performance) is 85.1%. This number indicates a strong relationship between the independent variable selected by the researcher and the dependent variable.

# E. Determination Coefficient Analysis

R2 value (adjusted) or determination coefficient value of 0.178 which means that work ability, organizational commitment and professionalism are related to employee performance by 84.5% while the remaining 14.9% are other independent variables that are not corrected.

# F. Hypothesis I Test Results

Hypothesis I testing in this study used the F test, which examines the effect of organizational variables, values and leadership on the performance of BKD office employees in Lumajang Regency. Based on the results of the F test, it can be seen that the F count value is 10.695 and the sig value. 0.000, while the value of F table ( $\alpha$ ; DF = n-k-1) for the value of  $\alpha$  = 0.05 and df = 63 obtained a value of 2.76. The comparison value between F count and F table shows greater F count (F count (10.965) > F table (2.76). Also, the sig value. F (0.000) is less than the Researcher error level of 0.05 or 5%.

Therefore, it can be concluded that the organization, values and leadership have a significant effect on employee performance. Thus, the research hypothesis I can be proven.

# G. Hypothesis II Test Results

Hypothesis II testing in this study used t test, which examines the significance of the effect of each (partial) independent variable on the dependent variable. The test results for three independent variables are summarized in table 2. Based on the summary table 2 shows that all independent variables have a significant effect on employee performance, and leadership has the greatest amount of influence (regression coefficient value) of 0.557 can be compared to the regression coefficient value of other independent variables. Thus, the research hypothesis I can be proven.

#### 5. Discussions

# A. The Influence of Organizational Environment on Employee Performance

Based on the results of the research that has been analysed, there is a positive and significant effect between the organizational environment and employee performance. This is indicated by the regression coefficient value of 0.025. At the 5% significance level, the t count value was 0.156 with a significance of 0.876. It can be concluded that the better the organizational environment, the better the employee's performance. Conversely, the lower the work discipline, the lower the employee's performance.

The results of this study support the research conducted by [13] who found that the organizational environment has a positive and significant effect on employee performance. The results of research conducted by [14] found that the organizational environment has a positive and significant effect on employee performance. The same is also found by the organizational [6], [15], [16] environment to have a positive and significant effect on employee performance.

# B. The Influence of Values on Employee Performance

Based on the results of regression analysis, it is known that the values have an effect on employee performance which is indicated by a regression coefficient of 0.374. At the 5% significance level, the t count value was 0.156 with a significance of 0.876. With these results, the first hypothesis can be accepted that values have a positive and significant effect on the performance of gadgets.

The results of this study support the research conducted by [13] which found that values have a positive and significant effect on employee performance. Research conducted by [17]-[19] found that values have a positive and significant effect on employee performance. The same is also found by [20]-[22] where values have a positive and significant effect on employee performance.

# C. The Influence of Leadership on Employee Performance

Based on the results of regression analysis, it is known that the values have an effect on employee performance which is indicated by a regression coefficient of 0.374. At the 5% significance level, the t count value was 0.156 with a significance of 0.876. With these results, the first hypothesis can be accepted that leadership has a positive and significant effect on employee performance.

The results of this study support the research conducted by [23] which found that values have a positive and significant effect on employee performance. Research conducted by [17], [18] found that leadership has a positive and significant effect on employee performance. The same is also found by [20]-[22] where values have a positive and significant effect on employee performance.

# D. Determination Coefficient R Square (R2)

The results of this study indicate that there is a positive and significant effect between the organizational environment, values and leadership on employee performance. This is shown by the test results with the F test obtained an F count value of 10.695 with a significance value of F of 0.000 or F<0.05 [24]. The coefficient of determination R Square is used to show how much the percentage of organizational environment variables, values and leadership together affect the employee performance variable.

The coefficient of determination R Square is used to show how much the percentage of work discipline and compensation variables together affect the employee performance variable. The results of multiple regression analysis show that the coefficient of determination R2 has a value of 0.174 or it can be said that 17.4% of employee performance is influenced by the variables Organizational Environment, Values and Leadership. While the remaining 82.6% was influenced by other variables outside of in vitro research. With these results, it can be seen that the organizational environment, values and leadership play an important role in employee performance, this should be used as a reference by the relevant office to improve the quality of the organizational environment, values and leadership to create good employee performance in accordance with organizational goals.

#### 6. Conclusion

Based on the results and discussion in the study, it can be concluded that; 1). The organizational environment has a positive and significant effect on employee performance, 2). values and leadership have a positive and significant effect on employee performance, 3). organizational environment, values and leadership together affect employee performance by 17.4% and 82.6% are influenced by variables outside of this study. With limitations in this study, it is expected to be a reference material for further research in the future.

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