“Determinants of employee performance at public hospitals in Indonesia: Examining the moderating role of organizational culture”

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Abstract
Performance refers to the outcome or overall degree of achievement exhibited by an individual within a specified timeframe in executing duties about a range of potential outcomes, including conventional work outputs, goals, objectives, or mutually established benchmarks. With a moderated organizational culture, this study aims to analyze the effect of good corporate governance, organizational commitment, and internal controls on employees' performance at public hospitals in North Sumatra, Indonesia. The paper employs an associative approach to the quantitative data type. The sample consists of 102 public hospital employees in North Sumatra, Indonesia. This study used a questionnaire to collect the data and SEM-PLS to analyze the data. The research results show that good corporate governance, organizational commitment, and internal control affect employee performance at public hospitals in North Sumatra, Indonesia (p < 0.05). Good corporate governance affects employee performance moderated by organizational culture (p < 0.05). Organizational commitment affects employee performance moderated by organizational culture (p < 0.05). Internal control affects employee performance moderated by the organizational culture at public hospitals in North Sumatra, Indonesia (p < 0.05). The implication is that organizational culture has a role attached to the individual level of an employee and as a strategy to improve employee performance.

Keywords
employee performance, organization culture, SEM-PLS, public hospitals, Indonesia

JEL Classification
I10, L32, M14

INTRODUCTION
Human resources are essential as the prime mover of directing an organization’s activities. The success of an organization must be distinct from the role of its human resources. As a result, human resources and employees in an organization are essential to achieving progress and success. The success of an accounting information system will increase company performance and make it superior to other companies because the success of a system will produce added value, which will positively impact employee performance. Applying accounting information system technology in companies can provide added value for users, positively influencing individual and employee performance. No matter how sophisticated an organization’s structure, system, information technology, methods, and workflow are, this will only run optimally with capable and integrity human resources.

The performance of employees holds significant importance for an organization. Work performance, which is demonstrated as work performance in alignment with an employee’s role within an organization.
over a specified timeframe, expresses the employee’s work conduct. This is the case because employees determine the company’s success and survival. Humans are among the most essential elements in revitalizing any organization or business. Additionally, this must be accompanied by stable performance, as the organization’s success hinges on its ability to attain its objectives.

Performance describes the level of achievement of the implementation of an activity in an organization. The level of employee performance directly impacts the extent to which they contribute to the organization. Evaluating employee performance is crucial in influencing the development and progress of the organization. The correlation between employee performance and organizational goal achievement is that higher performance levels facilitate goal achievement while lower performance levels hinder it. In case of substandard or unsatisfactory employee performance, the smooth execution of scheduled activities may be hampered, hindering the organization’s ability to achieve its goals.

1. LITERATURE REVIEW AND HYPOTHESES

In private and public organizations, the performance of employees is essential to achieving organizational objectives. A company’s performance must be distinct from its employees as they carry out their duties and responsibilities. Thus, an organization’s success or failure is determined primarily by the performance of its employees (Awan et al., 2020). Employee performance is crucial to a company’s overall success, so business proprietors must hire individuals who can perform their duties competently. Performance pertains to the conduct or actions exhibited by employees rather than the outcomes or products derived from their labor (López-Cabarcos et al., 2022). Performance refers to the outcomes that can be attained by an individual or a collective within an organizational context through the exercise of power and responsibility, intending to accomplish specific objectives (Khan et al., 2020). It is the evaluation of the accomplishment in executing an activity, program, or policy toward attaining an organization’s goals, objectives, vision, and mission, as established through strategic planning (Alosani et al., 2020). The factors that affect performance are leadership, initiative, work quality, workability, motivation, organizational climate, endurance/reliability, work quantity, work discipline, and supervision. Performance indicators are calculated and measured as performance indicators (Mangkunegara, 2017), i.e., quality of work, quantity of work, dependability, and attitude.

Corporate governance is a problem that will not end and will continue to be discussed by business people, academics, and policy-making. Attention to corporate governance is increasing as many financial scandals emerge in the business environment. Many experts and bodies have put forward the concept of corporate governance as a means of controlling and supervising management performance. Corporate governance refers to the internal control system implemented by a corporation, which aims to effectively manage and mitigate substantial risks to achieve its business objectives. This system protects company assets and enhances long-term shareholder investment value (Sadaa et al., 2023). Corporate governance refers to the intricate network of interactions between a corporation’s administration, its directors, commissioners, shareholders, and various other stakeholders (Puspitaningrum & Atmini, 2012). It is the systematic framework and organizational arrangement employed by various corporate entities, including shareholders or capital owners, commissioners, supervisory boards, and directors. Its primary objective is to augment business prosperity and ensure corporate responsibility, achieving long-term shareholder value. This is accomplished by considering the concerns and interests of other stakeholders and following legal and regulatory requirements and ethical principles (Tjahjadi et al., 2021). Various rules of the game and systems that regulate balance in managing the company must be outlined in the form of principles that must be obeyed to lead to good corporate governance (John & Senbet, 1998). Corporate governance must consider basic principles: transparency, accountability, fairness, and sustainability (Rusydi et al., 2020; Pesqueux, 2005; Arslan & Alqatan, 2020). Government and society must have a vision for participation, rules of law, transparency, respon-
siveness, efficiency and effectiveness, consensus orientation, equity, accountability, and administration (Klimach et al., 2018; Kardos, 2012).

Organizational commitment refers to the inherent connection between individuals and their work organizations. It encompasses the presence of self-assurance in the values and objectives of the work organization, a genuine willingness to exert sincere efforts for the betterment of the organization, and a profound inclination to maintain an enduring affiliation with the work organization. In this scenario, individuals establish their affiliation with a specific organization in which they are employed. Over time, the individual assimilates into the organizational structure and actively works to achieve the objectives set forth by the organization. According to Porter et al. (1976), organizational commitment is an individual’s awareness of and participation in an organization. Organizational commitment refers to an individual’s profound endorsement of the company’s objectives and principles, which motivates the individual to exert effort, maintain employment, and exhibit a strong inclination to remain inside the organization (Eliyana et al., 2019). Organizational commitment consists of a high level of effort for the organization and a firm belief in embracing its values.

Additionally, commitment to the organization addresses employees’ intimacy, reflecting the intensity of employee involvement and loyalty (Na-Nan et al., 2021). Their allegiance to the organization exemplifies employees’ commitment, dedication to its goals, and desire to maintain membership. High commitment entails the employee’s partiality (loyalty) to the employer (Robbins & Judge, 2015).

According to Allen and Meyer (1990), the form of organizational commitment is as follows:

1. Affective commitment is where employees’ emotional relationship to the organization is interrelated. Moreover, this indicator is viewed from the respondents’ perception regarding the feeling of pride in being a part of the organization so that they are not burdened with problems. Instead, they are faced and entirely spent on the organization.

2. Continuance commitment. In this case, continuance commitment is based on employees who will suffer losses if they leave the organization. This indicator is measured from the perspective pattern of the respondents who find it difficult to leave the organization and have no other options.

3. Normative commitment describes feelings of attachment to the organization, and this indicator is measured from the respondents’ perspective so that it creates a feeling of being unethical when moving or switching to another organization.

Internal control is a policy of specification procedures designed to assure management that essential goals and objectives for company management can be met. Internal control is significant in developing company operations because the problems are complex. Therefore, good and adequate internal control is needed. Internal control consists of procedural policies to assure management that the company achieves its goals and objectives (Wang & Hooper, 2017). Monteiro et al. (2022) define internal control as the organizational framework, methodologies, and coordinated actions implemented to safeguard organizational assets, ensure the integrity and reliability of accounting information, enhance operational efficiency, and foster compliance with management directives.

The principle of internal control is to secure assets and improve the accuracy and reliability of accounting records (information). Companies will usually apply certain five principles of internal control. Of course, the size and extent of internal control are adjusted to the size of the company’s business, the nature or type of the company’s business, including the company’s management philosophy. Internal control principles include determining responsibility, separating duties, documentation, physical, mechanical, and electronic control, and independent checking or internal verification (Alawiye-Adams & Afolabi, 2014). In achieving a sound internal control system, several main elements must exist in the company to achieve its goals. The following are the elements of the internal control system that must be met (Mulyadi, 2017):
1. An organizational framework that delineates functional duties.

2. System of authority and recordkeeping procedures adequately protect assets, liabilities, income, and expenditures.

3. A healthy approach to carrying out the duties and responsibilities of each unit organization.

4. Employees whose quality is following their responsibilities.

There are five internal control components. They describe the company’s management style and organize it into management process activities (Mulyadi, 2017).

Organizational culture regulates interactions between members of an organization and external entities, including suppliers and members of the community, through a set of guiding principles (Lam et al., 2021). The formation of organizational culture is influenced by the collective behavior and values of individuals inside the organization, their adherence to the established ethical standards, the rights granted to employees, and the specific organizational structure (Graham et al., 2022). Organizational culture is a longstanding practice utilized and implemented in professional settings to enhance the performance and productivity of employees and managers within a firm (Metz et al., 2020). Organizational culture refers to a comprehensive framework of shared significance collectively embraced by people inside an organization, setting it apart from similar entities (Shin & Park, 2019). It is to a collection of principles and beliefs that govern the way members of an organization interact with each other and with external groups.

Consequently, the interaction between individuals within and outside the company is driven by a mutual agreement and guides the organization’s decisions and behavior (Kaur Bagga et al., 2023). Factors that influence organizational culture are 1) external factors, or everything outside the organization that has a significant impact on its culture, are also known as external influences; 2) internal factors, namely the organization, besides being supported by the necessary resources, the most critical role is organizational culture adopted by all human resources in the organization (Lapiña et al., 2015). Organizational culture indicators are as follows: ability, distance from management, extroverts, regularity of employees, and employee trust (Almutairi et al., 2022).

This study analyses the effect of good corporate governance, organizational commitment, and internal control on employee performance at public hospitals in North Sumatra, Indonesia, with a moderated organizational culture. This study aims to discover specific areas in which significant variables enhance employee performance through a comprehensive understanding of the interrelationships among these variables (Figure 1). The hypotheses proposed are as follows:

H1: Good corporate governance affects employee performance.
H2: Organizational commitment affects employee performance.

H3: Internal control affects employee performance.

H4: Good corporate governance affects employee performance moderated by organizational culture.

H5: Organizational commitment affects employee performance moderated by organizational culture.

H6: Internal control affects employee performance moderated by organizational culture.

2. METHODOLOGY

This study finds a link between two or more variables using an associative research method and statistical methods to test the theory. This study utilizes quantitative data as its primary form of information. The population and sample in this study are employees at public hospitals in North Sumatra, Indonesia, with 102 employees. In this study, the method used to collect data is a questionnaire. The selection of the questionnaire technique in this study is to obtain accurate data directly from the people who are asked for data. The Likert scale measures indicators in queries and statements posed to respondents. The paper uses weighting criteria ranging from firmly agree to disagree to evaluate respondents’ responses.

The methodology employed in this study is partial least squares (PLS). Partial least squares (PLS) is a statistical technique within the structural equation modeling (SEM) framework employed to estimate and analyze the relationships between intricate variables. The partial least squares (PLS) model is employed when a causal relationship exists between the control and dependent variables. Additionally, at least one of the control variables possesses indicator elements that can be used to evaluate the dependent variable. The SEM-PLS analysis consists of two distinct steps: the construction of the outer model, which focuses on model measurement, and the development of the inner model, which focuses on model structure (Hair et al., 2014).

3. RESULTS

In order to assess the discriminant validity, one might employ the Average Variance Extracted (AVE) approach for each construct or latent variable. The discriminant validity of the model is enhanced when the AVE square root for each construct exceeds the correlation between the two constructs inside the model (Henseler et al., 2015). The AVE metric measures the extent to which the items under consideration may account for variance relative to the variance attributable to measurement error. The condition is deemed default if the AVE value exceeds 0.5 (Hair et al., 2019). Convergent validity is exceptionally high for the construct. This means that, on average, the concealed variable can account for over fifty percent of the observed variation in the indicators.

Table 1. Average variance extracted

<table>
<thead>
<tr>
<th>Variable</th>
<th>Average Variance Extracted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Corporate Governance</td>
<td>0.520</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>0.510</td>
</tr>
<tr>
<td>Internal Control</td>
<td>0.513</td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>0.533</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>0.516</td>
</tr>
</tbody>
</table>

Table 1 shows the AVE value of good corporate governance at 0.520, organizational commitment at 0.510, internal control at 0.513, organizational culture at 0.533, and employee performance at 0.516. The AVE of the five variables exceeds 0.50. Hence, the model under examination does not exhibit any issues related to convergent validity.

The statistical measures employed in assessing composite reliability or reliability constructs encompassed Cronbach’s alpha and DG rho (PCA). Cronbach’s alpha is a statistical measure that estimates the minimum reliability value for a given construct. In contrast, composite reliability is a measure that estimates the actual reliability value for the same construct (Hair et al., 2021). The reliability of the construct is considered excellent when the measurements yield a value greater than 0.60.
Table 2. Composite reliability

<table>
<thead>
<tr>
<th>Variable</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Corporate Governance</td>
<td>0.915</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>0.862</td>
</tr>
<tr>
<td>Internal Control</td>
<td>0.913</td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>0.901</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>0.894</td>
</tr>
</tbody>
</table>

Table 2 shows that the value is composite reliability for good corporate governance of 0.915, organizational commitment of 0.862, internal control of 0.913, organizational culture of 0.901, and employee performance of 0.894. All five latent components’ composite reliability values are above 0.6, suggesting good measuring instrument reliability.

Discriminant validity is employed to ascertain if each notion within a given model is distinct from other variables. Table 3 presents the findings of the discriminant validity analysis conducted on the research model, explicitly focusing on the cross-loading values (Rönkkö & Cho, 2022).

Table 3. Cross-loadings

<table>
<thead>
<tr>
<th>Indicator</th>
<th>GCG</th>
<th>CO</th>
<th>IC</th>
<th>OC</th>
<th>EP</th>
</tr>
</thead>
<tbody>
<tr>
<td>GC.1</td>
<td>0.724</td>
<td>0.368</td>
<td>0.403</td>
<td>0.446</td>
<td>0.448</td>
</tr>
<tr>
<td>GC.2</td>
<td>0.805</td>
<td>0.464</td>
<td>0.564</td>
<td>0.497</td>
<td>0.524</td>
</tr>
<tr>
<td>GC.3</td>
<td>0.622</td>
<td>0.288</td>
<td>0.351</td>
<td>0.431</td>
<td>0.419</td>
</tr>
<tr>
<td>GC.4</td>
<td>0.732</td>
<td>0.339</td>
<td>0.509</td>
<td>0.434</td>
<td>0.409</td>
</tr>
<tr>
<td>GC.5</td>
<td>0.640</td>
<td>0.220</td>
<td>0.400</td>
<td>0.322</td>
<td>0.314</td>
</tr>
<tr>
<td>GC.6</td>
<td>0.764</td>
<td>0.423</td>
<td>0.519</td>
<td>0.490</td>
<td>0.518</td>
</tr>
<tr>
<td>GC.7</td>
<td>0.722</td>
<td>0.374</td>
<td>0.425</td>
<td>0.478</td>
<td>0.543</td>
</tr>
<tr>
<td>GC.8</td>
<td>0.667</td>
<td>0.326</td>
<td>0.430</td>
<td>0.402</td>
<td>0.399</td>
</tr>
<tr>
<td>GC.9</td>
<td>0.780</td>
<td>0.421</td>
<td>0.474</td>
<td>0.512</td>
<td>0.522</td>
</tr>
<tr>
<td>GC.10</td>
<td>0.734</td>
<td>0.324</td>
<td>0.492</td>
<td>0.435</td>
<td>0.524</td>
</tr>
<tr>
<td>CO.1</td>
<td>0.270</td>
<td>0.673</td>
<td>0.380</td>
<td>0.543</td>
<td>0.409</td>
</tr>
<tr>
<td>CO.2</td>
<td>0.340</td>
<td>0.716</td>
<td>0.456</td>
<td>0.621</td>
<td>0.543</td>
</tr>
<tr>
<td>CO.3</td>
<td>0.292</td>
<td>0.734</td>
<td>0.554</td>
<td>0.567</td>
<td>0.449</td>
</tr>
<tr>
<td>CO.4</td>
<td>0.429</td>
<td>0.751</td>
<td>0.498</td>
<td>0.707</td>
<td>0.710</td>
</tr>
<tr>
<td>CO.5</td>
<td>0.296</td>
<td>0.687</td>
<td>0.613</td>
<td>0.573</td>
<td>0.576</td>
</tr>
<tr>
<td>CO.6</td>
<td>0.466</td>
<td>0.723</td>
<td>0.644</td>
<td>0.681</td>
<td>0.660</td>
</tr>
<tr>
<td>IC.1</td>
<td>0.506</td>
<td>0.599</td>
<td>0.694</td>
<td>0.597</td>
<td>0.686</td>
</tr>
<tr>
<td>IC.2</td>
<td>0.418</td>
<td>0.577</td>
<td>0.735</td>
<td>0.656</td>
<td>0.560</td>
</tr>
<tr>
<td>IC.3</td>
<td>0.383</td>
<td>0.543</td>
<td>0.729</td>
<td>0.560</td>
<td>0.644</td>
</tr>
<tr>
<td>IC.4</td>
<td>0.509</td>
<td>0.471</td>
<td>0.695</td>
<td>0.539</td>
<td>0.491</td>
</tr>
<tr>
<td>IC.5</td>
<td>0.399</td>
<td>0.539</td>
<td>0.721</td>
<td>0.579</td>
<td>0.517</td>
</tr>
<tr>
<td>IC.6</td>
<td>0.543</td>
<td>0.443</td>
<td>0.684</td>
<td>0.441</td>
<td>0.452</td>
</tr>
<tr>
<td>IC.7</td>
<td>0.471</td>
<td>0.462</td>
<td>0.662</td>
<td>0.506</td>
<td>0.540</td>
</tr>
<tr>
<td>IC.8</td>
<td>0.510</td>
<td>0.533</td>
<td>0.752</td>
<td>0.598</td>
<td>0.507</td>
</tr>
<tr>
<td>IC.9</td>
<td>0.392</td>
<td>0.521</td>
<td>0.775</td>
<td>0.529</td>
<td>0.532</td>
</tr>
<tr>
<td>IC.10</td>
<td>0.448</td>
<td>0.565</td>
<td>0.711</td>
<td>0.616</td>
<td>0.609</td>
</tr>
<tr>
<td>OC.1</td>
<td>0.315</td>
<td>0.662</td>
<td>0.609</td>
<td>0.738</td>
<td>0.615</td>
</tr>
<tr>
<td>OC.2</td>
<td>0.523</td>
<td>0.598</td>
<td>0.579</td>
<td>0.687</td>
<td>0.533</td>
</tr>
</tbody>
</table>

Note: GCG = Good Corporate Governance; CO = Organizational Commitment; IC = Internal Control; OC = Organizational Culture; EP = Employee Performance.

Table 3 demonstrates that each indicator of the research variable has a superior cross-loading value on the variable it represents compared to the other variables. The results indicate that the hands used in this study have sufficient discriminant validity to accurately represent the characteristics of their respective variables.

R-squared is another name for the coefficient of determination. This analysis will determine the proportion of endogenous construct variability attributed to exogenous construct variability. This analysis also aims to assess the validity of the structural equation model. The greater the exogenous variable’s ability to explain the endogenous variable, and thus the superiority of the structural equation, the higher the R-square value (Dash & Paul, 2021).

Table 4. R-Square

<table>
<thead>
<tr>
<th>Variable</th>
<th>R-Square</th>
<th>R-Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Performance</td>
<td>0.801</td>
<td>0.790</td>
</tr>
</tbody>
</table>

The R-squared value obtained from the analysis is 0.79, indicating that the influence of effective corporate governance, organizational commitment, internal control, and organizational culture on employee performance accounts for 79% of the variation in the dependent variable. These results suggest that the model is exceptionally robust.

Direct effect analysis proves to be advantageous in examining the hypothesis about the direct impact of a particular variable on the impacted variable (Hair et al., 2016).
Table 5. Direct effects

<table>
<thead>
<tr>
<th>Path</th>
<th>Original Sample</th>
<th>P-Values</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>GCG → EP</td>
<td>0.171</td>
<td>0.029</td>
<td>Supported</td>
</tr>
<tr>
<td>OC → EP</td>
<td>0.215</td>
<td>0.021</td>
<td>Supported</td>
</tr>
<tr>
<td>IC → EP</td>
<td>0.180</td>
<td>0.011</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Note: GCG = Good Corporate Governance; IC = Internal Control; OC = Organizational Culture; EP = Employee Performance.

Table 5 shows that good corporate governance, organizational commitment, and internal control influence employee performance (p < 0.05), and this influence is statistically significant.

The path coefficient of moderation reveals the significance of the influence between the constructs moderated by organizational culture variables. The results of testing the moderating effect of organizational culture, both the interior and outer models, are provided in Table 6.

Table 6. Moderation effects

<table>
<thead>
<tr>
<th>Path</th>
<th>Original Sample</th>
<th>P-Values</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moderating Effect 1 → EP</td>
<td>0.061</td>
<td>0.049</td>
<td>Supported</td>
</tr>
<tr>
<td>Moderating Effect 2 → EP</td>
<td>0.108</td>
<td>0.001</td>
<td>Supported</td>
</tr>
<tr>
<td>Moderating Effect 3 → EP</td>
<td>0.011</td>
<td>0.038</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Note: EP = Employee Performance.

Table 6 shows that organizational culture moderates the relationship between good corporate governance, organizational commitment, and internal control with employee performance (p < 0.05); this means the relationship is statistically significant.

4. DISCUSSION

The findings of the tests indicate a positive correlation between good corporate governance and employee performance at public hospitals in North Sumatra, Indonesia. The findings suggest that effective corporate governance has a favorable and statistically significant impact on the performance of employees. Good governance is a measuring tool to assess employee performance, emphasizing public health and public services. Understanding the principles of good governance by strong employees will positively impact employee performance. The results are consistent with Haliah and Nirwana (2019) concerning the relationship between implementing good corporate governance and an organization’s performance. Good corporate governance implementation is related to organizational performance. Implementing good corporate governance in government will significantly enhance the performance of an organization. If corporate governance is excellent, so will the performance, resulting in proper output. This demonstrates that a government should be required to implement good corporate governance. Handayani et al. (2023), Bhagat and Bolton (2008), and Aryanti et al. (2021) assert that good corporate governance improves performance.

The impact of organizational commitment on employee performance at the public hospitals in North Sumatra, Indonesia, is proven. These research findings suggest a favorable and statistically significant relationship between organizational commitment and employee performance. This means that a strong employee organizational commitment to the institution where he works will improve employee performance. Employees with a strong sense of organizational commitment exhibit heightened effort, effectively utilize their strengths and skills, and actively contribute to attaining the agency’s objectives, aligning their actions with the agency’s interests. According to Goswami (2020), organizational commitment refers to how an individual aligns with a specific organization and its objectives. The primary objective is to foster employee engagement and commitment to the organization, cultivating a sense of readiness and eagerness to contribute and remain a part of it. According to Mueller and Straatmann (2014), commitment to an organization is a psychological construct that pertains to the connection between members and the organization itself. It carries significance for individuals when making decisions regarding their ongoing organizational participation. Jufrizen et al. (2021), Imamoglu et al. (2019), Jufrizen et al. (2017), and Jufrizen et al. (2022) indicate that organizational commitment has a significant and positive effect on employee performance.

The impact of internal control on performance is observed in the public hospitals in North Sumatra, Indonesia. This paper suggests a notable and favorable relationship between internal control and employee performance. This means that internal
controls that run effectively and efficiently will positively impact employee performance to produce better performance. Testing internal control variables on the performance of government organizations, Hoai et al. (2022), Li (2020), and Hong et al. (2018) state that internal control has a positive effect on performance.

Good corporate governance, with a moderate organizational culture, affects employees’ performance at public hospitals in North Sumatra, Indonesia. The results of this investigation suggest that good corporate governance influences performance, as moderated by organizational culture. Organizational culture can positively impact the performance of employees properly and can have a negative impact if organizational culture hinders and conflicts with organizational goals (Lam et al., 2021). Public service is the prime mover and is considered important as an element of good corporate governance to increase government apparatus and performance. The findings of this investigation are consistent with AbuSen and Saad (2023), who state that good corporate governance influences employee performance moderated by organizational culture.

Organizational commitment affects the performance of employees with organizational culture at public hospitals in North Sumatra, Indonesia. The findings of this investigation indicate that organizational commitment influences performance moderated by the organizational culture. Organizational culture is a social and moral norm in behavior that each individual owns in achieving the goals of government organizations (Huda et al., 2014). Meanwhile, organizational commitment acts as a link between the individual and the organization. Applying organizational culture is also necessary for commitment, so it will improve performance in achieving organizational goals. Ariantini and Widhiyani (2017) and Hendharsa (2020) state that organizational culture can moderate the effect of organizational commitment on performance.

Organizational culture is essential in implementing development and services in a public organization. This is due to a strong organizational culture in public hospitals in North Sumatra, Indonesia, in implementing an internal control system to increase employee performance. Therefore, after the interaction between organizational culture variables and the internal control system occurred, employee performance increased more significantly than before the interaction occurred. Wulandari et al. (2021) state that internal control affects the performance moderated by organizational culture.

CONCLUSION

This study analyzes the effect of good corporate governance, organizational commitment, and internal control’s influence on employee performance at public hospitals in North Sumatra, Indonesia, with a moderated organizational culture. Based on the results of research and discussion, good corporate governance has an effect on employee performance, organizational commitment has an effect on employee performance, and internal control has an effect on employee performance. Good corporate governance influences employee performance moderated by organizational culture; organizational commitment influences employee performance moderated by organizational culture; and internal control influences employee performance moderated by organizational culture.

Based on the findings of previously conducted studies in business to improve employee performance at public hospitals in North Sumatra, Indonesia, it is vital to pay attention to factors of good corporate governance, organizational commitment and internal control, and organizational culture. Employees who encounter challenges in performing their responsibilities are expected to receive assistance from the organization to maintain employee performance. For the company’s progress, employees should actively provide constructive suggestions or ideas, thereby increasing employee and company perfor-
Building employee organizational commitment at public hospitals in North Sumatra, Indonesia should be done with an emotional approach toward employees to foster an organizational commitment to continue carrying out their work and continue to persist or be committed to it. Future researchers are expected to use other moderating variables besides organizational culture, which can moderate the influence of good corporate governance, organizational commitment, and internal control on employee performance.

This study has several limitations, including the data collection method used (a questionnaire). Employee answers in filling out the questionnaire cannot be controlled, so they do not show the actual situation. Apart from that, questionnaires can also provide the possibility of bias caused by differences in perceptions between researchers and respondents regarding the statements conveyed. In addition, the participants were restricted to administrative staff employed at public hospitals in North Sumatra, Indonesia. Future studies need to improve the applicability of the findings. An additional constraint of this study is that the variables employed fail to encompass the entirety of the determinants that impact employee performance.

AUTHOR CONTRIBUTIONS

Conceptualization: Maya Sari.
Data curation: Maya Sari, Dahrani, Nurul Aprilyani Sagala.
Formal analysis: Maya Sari, Dahrani.
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Supervision: Maya Sari, Dahrani.
Validation: Dahrani.
Visualization: Maya Sari, Nurul Aprilyani Sagala.
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