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The Effect of Work Climate, Job Promotion, and Organizational Culture on the Performance of Batam **Authority Employees**

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Keyword: Work Climate, Position Promotion, Organizational Culture, **Employee** Performance.

Abstract: The purpose of this study is to analyze the Work Climate, Promotion of Positions, and Organizational Culture on the Employee Performance of Batam Authority partially and simultaneously. This research is quantitative from primary sources collected through questionnaires. The data collection technique is Random Sampling. The data analysis used was instrument testing, which was carried out through validity and reliability testing, while the data analysis technique used was descriptive analysis method and quantitative analysis using multiple linear regression analysis techniques. The results showed that partially the work climate variable was significant in employee performance. The promotion variable had a significant effect on employee performance. Organizational culture variables had a significant effect on employee performance. The results of simultaneous testing of the variables of Work Climate, Promotion of Position, and Organizational Culture had a significant effect on the Employees Performance of Batam Authority.

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INTRODUCTION

In a period marked by budget constraints, layoffs, and frequent reorganizations, where increased emphasis is placed on cost efficiency and effectiveness, public organizations need to implement human resource (HR) practices that enhance employee engagement and commitment to achieve performance improvement (Albrecht et al., 2015; Giauque et al., 2013). This should go beyond recent evolutions such as New Public Management or the application of private sector managerial practices and HR management policies with specific attitudes and behaviours for public employees.

An organization will also not thrive if its human resources do not have a healthy work climate to work in a good atmosphere. Quality work climate becomes an added value for the organization and supports its human resources to contribute to its competitive advantage. According to previous research, work climate can affect employee motivation (Sugralis et al., 2020), so government organizations must be aware of the importance of paying attention to the work climate faced by employees.

A study by Al-Hakim et al. (2019) showed that job promotion has a dominant influence on employee job performance. Companies need to create clear selection and career advancement programs so that employees are willing to work to improve their job performance. In addition to work climate and job promotion, governments or organizations motivate employees to work with enthusiasm and produce optimal work as expected by the organization (Hermawan, 2020; Nardo, Evanita, & Syahrizal, 2019;

Sapta et al., 2020). HR relationships must instill noble values so that a sense of unity and trust is created, and avoid a sense of mutual suspicion so that conflicts can be reduced. This organizational culture plays a vital role in supporting the success factors of an organization (Nurkholis et al., 2020; Sapta et al., 2020).

The characteristics of an organization guide it and differentiate it from other organizations. Organizational culture is a set of behavioral norms and values that are understood and accepted by all members of an organization and used as the basis for behavior rules within the organization (Cram et al., 2017). The function of organizational culture is to foster a sense of ownership and increase employee loyalty to the company (Belias & Koustelios, 2014). Employee performance can have an impact on the economy, and the indirect application of organizational culture can influence the strategic goals of a company or organization (Sihombing et al., 2018).

The construct model of previous research did not use the four variables described below, and to add exploration in the related field of study, the purpose of this study is to determine the direct and simultaneous relationship of work climate, job promotion, organizational culture, on employee performance in the Batam Authority. This study contributes to the literature on employee performance in government organizations and provides input on how to improve employee performance. It is hoped that this will inspire further research.

Performance requires evaluation to provide the right opportunity for employees to develop their career plans, identify their strengths and weaknesses, and determine their salary, promotion, and evaluate employee behavior (Kehoe & Wright, 2013). Employees feel comfortable in a culture of the work environment. When employees feel they can solve job problems, job competence and job autonomy will have an impact on job performance (Hewagama et al., 2019).

Work climate is a state related to the thoughts, feelings, and behaviors of organizational members. Work climate can also be defined as the characteristics of an organization that can be seen from employees' perceptions of policies, practices, and conditions that apply in the work environment. Some researchers have paid special attention to the differences between climate and organizational culture. Laypeople cannot separate the understanding of the concept of climate from organizational culture.

The concept of work ethic has a different meaning from organizational culture, although they are interrelated. The cultural structure of an organization is based on its values, norms, beliefs, and assumptions. On the other hand, the work climate describes the internal environment of the organization and is rooted in its organizational culture. While organizational culture tends to be relatively stable over the long term, the work climate is relatively temporary and can change quickly. Managers and supervisors can usually easily control the work environment. At the same time, developing and changing organizational culture requires systematic work, significant resources, and a long time (Sugralis et al., 2020).

According to Widyani & Putra (2020), job promotion occurs when an employee is transferred from one position to another with a higher level of reward, responsibility, and status within the organization. Meanwhile, Robbins & Judge (2009) state that job

promotion provides opportunities for personal growth, greater responsibility, and increased social status. If job promotion is good, it provides satisfaction to employees. Job promotion is an increase in workforce or employees in a better job, compared to higher responsibility, achievement, facilities, higher status demands, higher skills, and additional wages or other benefits (Neck et al., 2018). According to Kinicki & Fugate (2016), job promotion occurs when an employee moves from one job to another, which is higher in payment, responsibility, and level. Job promotion is one way to motivate employees to work. Work motivation is generally seen as a reward, a prize for past efforts and achievements.

Organizational culture is defined as a cognitive framework that contains the attitudes, values, norms, and mutual respect held by members of the organization (Kadir & Amalia, 2017). Organizational culture, or corporate culture, is often interpreted as the values, understood symbols displayed by an organization so that members feel like part of one family and create a condition where members feel different from other organizations (Bisbey et al., 2021). Patterns of belief, values, and methods are learned from experiences developed throughout the organization's history, which is embodied in the management of materials and the behavior of organizational members (Huragu & Chuma, 2019). Culture is the assumption that a group learns through problem-solving external adaptation and internal integration (Nurkholis et al., 2020). An organized group of people who have the same goals, beliefs, and values that can be measured by their influence on organizational culture positively impacts building motivation (Ayalew et al., 2019; Rubel et al., 2021).

RESEARCH METHODS

The design of this study is a cross-sectional design, which discusses the results of a survey through descriptive quantitative analysis to see the relationship between independent variables and dependent variables. This research was conducted in the Batam Authority. The population of this study was 120 Batam Authority employees. The sampling technique was purposive sampling, with a minimum work experience of one year and a minimum education of high school or equivalent. From these criteria, 51 samples were obtained.

The variables discussed in this study correspond to the conceptual framework namely, the dependent variable is employee performance (Y) and the independent variables are work climate (X1), job promotion (X2), and organizational culture (X3). To see the relationship that occurs descriptively, a questionnaire was created. The questionnaire was personally administered, where the researcher directly interacts with the respondents. The questionnaire consists of 30 questions with answers using a five-point Likert scale. The obtained data underwent data quality testing and classical assumption testing (such as Normality Test, Multicollinearity Test, Autocorrelation Test, and Heteroscedasticity Test). The data analysis technique in this study uses descriptive analysis and quantitative analysis using multiple linear regression analysis technique. The results of the data analysis are presented, discussed, and systematically concluded.

RESULTS AND DISCUSSION

Data Quality Test

The data quality of this research was tested for reliability and validity. Reliability testing aims to determine the extent to which a measurement result is relatively consistent if the measurement is repeated two or more times, while validity testing aims to determine the extent to which the measuring instrument can measure what is being measured. A construct or variable is said to be reliable if it has a Cronbach alpha value > 0.6 (Hayati, et al., 2022).

Table 1. Results of Reliability Test

Variable	Cronbach Alpha	Information
Work Climate	0,874	Reliable
Job Promotion	0,845	Reliable
Organizational culture	0,812	Reliable
Employee Performance	0,840	Reliable

Based on the reliability test analysis, it was found that all constructs or variables were reliable (Cronbach alpha > 0.6). Meanwhile, the validity test was conducted by calculating the correlation between the score of each question item and the total score with a significance level of 5%. If the resulting r is positive and greater than the r table, then the item or variable is considered valid. Conversely, if the resulting r is not positive and smaller than the r table, then the item or variable is considered invalid (M et al., 2021). Validity can also be seen from the sig. value, if the resulting sig. is the same or smaller than 0.05, then it is considered valid. Conversely, if the resulting sig. is greater than 0.05, then it is considered invalid (Windasari et al., 2022).

Table 2. Validity Test Results

Variable	Sig.	Information	
Work Climate	0,000-0,000	Valid	
Job Promotion	0,000-0,002	Valid	
Organizational culture	0,000-0,002	Valid	
Employee Performance	0,000-0,000	Valid	

Based on the validity test analysis, all statements in the variable were declared valid, with significance values less than 0.05. The results of the reliable and valid data quality test indicate that the statements in the variable can be used for measurement.

Classical Assumption Test

Classical assumption test needs to be done before hypothesis testing, with the aim of ensuring whether multiple regression can be used or not. If the classical assumption test has been met, then statistical testing with multiple regression can be continued.

Table 3. Classical Assumption Test Results

Classic Assumption	Indicator	Results	Information
Normality test	Graphic Shapes and	Symmetrical and	Normal
	Diagonal Lines	follow the diagonal	
		line	
Multicollinearity Test	tolerances and VIF	All variables have	There is no
		Tolerance <1 and VIF	multicollinearity and
		<5	can be tolerated
Autocorrelation Test	Durbin Watson	1.950 (dl = 1.54 and du	There is no
		= 1.66)	autocorrelation

Heteroscedasticity Test	Scatter plots	The dots spread	There is no
		randomly/do not form	heteroscedasticity
		a pattern	

Based on the results obtained (Table 3), it is stated that the data obtained is normal, there is no multicollinearity, no autocorrelation, and no heteroscedasticity.

Hypothesis Testing

Here are the results of multiple linear regression and hypothesis testing:

Tabel 4. Hasil Uji Regresi Linear Berganda dan Uji Hipotesis

Variable	Coefficient (B)	t-count	Sig.	Information
Constanta	4,063	1,154	0,254	
Work Climate	0,672	4,804	0,004	Ho Rejected
Job Promotion	0,493	5,136	0,004	Ho Rejected
Organizational culture	0,392	2,879	0,006	Ho Rejected

Based on Table 4, it can be determined that the multiple linear regression equation model for this study is as follows:

$$Y = 4,063 + 0,672 X1 + 0,493 X2 + 0,392 X3$$

The constant value is 4.063, meaning that assuming the independent variable is constant, the performance of employees in Otoitid Batam is 4.063 units. If there is an increase of 1 unit in the working climate variable (X1), it will increase the employee performance value by 0.672 units, assuming other variables remain constant. If there is an increase of 1 unit in the promotion variable (X2), it will increase the employee performance value by 0.493 units, assuming other variables remain constant. Similarly, if there is an increase of 1 unit in the organizational culture variable (X3), it will increase the employee performance value by 0.392 units, assuming other variables remain constant. Based on the positive coefficient values (B) of each variable, it can be interpreted that there is a positive relationship. The sig. value of each variable is less than 0.05, which means that Ho is rejected, or Ha is accepted.

Test of Determinant and Test of F

Here are the results of the determinant test:

Table 5. Determinant TestRR SquareAdjust R Square0,8280,6850,665

The magnitude of the relationship between variables can be seen by using the correlation coefficient (R). The table shows that R = 0.828. This result means that the relationship between the variables of working climate, job promotion, and organizational culture towards employee performance is positive and strong. In this case, the value of R Square (coefficient of determination) indicates the magnitude of the contribution of independent variables to the dependent variable in the model (Sugralis et al., 2020). The calculation results shown in the table above indicate that R2 = 0.685. This means that 68.5% of the increase in employee performance at Otorita Batam is determined or influenced by working climate, job promotion, and organizational culture variables. The

remaining 31.5% is influenced by other variables that have not been studied or are not included in this model.

 Table 6. Test F

 F-hitung
 F-tabel
 Sig.

 34,136
 2,79
 0,000

Based on the simultaneous testing (F-test) of the influence of independent variables on the dependent variable, the result shows that the F value (34.136) is greater than the F table (2.79) at a significance level of 0.05 and a confidence level of 95%. Thus, it can be concluded that the independent variables (work climate, job promotion, and organizational culture) have a significant influence on employee performance.

The study found that work climate has a positive and significant influence on employee performance, which supports the first hypothesis (H1). The results of this study are in line with previous studies that also confirmed the positive relationship between work climate and employee performance. Therefore, creating a good work climate can have a significant impact on employee performance. This can be achieved by encouraging employee motivation, mutual respect, and interactions that do not discriminate based on race or religion.

Furthermore, the study found that job promotion has a positive and significant influence on employee performance, which supports the second hypothesis (H2). The results of this study are also consistent with previous studies that confirmed the positive relationship between job promotion and employee performance. Therefore, job promotion can motivate employees to work better because their performance has been recognized. It can also motivate other employees who have not been promoted yet to perform better to achieve the same recognition.

Lastly, the study found that organizational culture has a positive and significant influence on employee performance, which supports the third hypothesis (H3). The results of this study are consistent with previous studies that confirmed the positive relationship between organizational culture and employee performance. Therefore, a good organizational culture can increase employee performance. Creating a good organizational culture that controls conditions, interactions, and habits that create a conducive environment is essential to enhance employee performance.

This study found that a conducive work climate can encourage employees to perform at their maximum potential. Furthermore, the job promotion system applied at Batam Authority can provide an increase in performance for both promoted and non-promoted employees. Finally, the organizational culture at Batam Authority also has a positive impact on the performance of its employees.

The simultaneous relationship formed by the variables of work climate, job promotion, and organizational culture has a positive impact on employee performance in Otorita Batam. This means that with an improvement in work climate, job promotion, and organizational culture, employee performance can also be improved. The results of this study suggest that Otorita Batam should continue to maintain a positive work climate, job promotion, and organizational culture by creating positive policies. With positive policies in place, it is hoped that employee performance in Otorita Batam can be improved.

In the context of Otorita Batam, good organizational performance is crucial to achieve the goal of advancing the city of Batam. To achieve this, the study shows that work

climate, job promotion, and organizational culture have a positive influence on employee performance in Otorita Batam.

In this study, it was found that a conducive work climate can encourage employees to perform at their best. Additionally, job promotion applied in Otorita Batam can also improve the performance of promoted and non-promoted employees. Finally, the organizational culture in Otorita Batam also has a positive impact on the performance of its employees.

Simultaneous relationship between the variables of work climate, job promotion, and organizational culture have a positive impact on employee performance in Otorita Batam, meaning that by improving work climate, job promotion, and organizational culture, employee performance can also be improved. This research suggests that Otorita Batam must maintain a positive work climate, job promotion, and organizational culture by implementing positive policies. With these policies in place, it is hoped that employee performance in Otorita Batam can be improved.

In the context of Otorita Batam, good organizational performance is crucial for achieving the goal of advancing the city of Batam. To achieve this, research shows that work climate, job promotion, and organizational culture have a positive influence on employee performance in Otorita Batam. The study found that a conducive work climate can motivate employees to perform at their best. Additionally, job promotions implemented in Otorita Batam can improve the performance of both promoted and non-promoted employees. Lastly, the organizational culture in Otorita Batam also has a positive impact on the performance of its employees

Overall, the study suggests the need for creating a conducive work environment through a good work climate, job promotion, and organizational culture to improve employee performance.

CONCLUSION

Batam Authority is a government agency with the goal of advancing the city of Batam. To achieve this goal, good organizational performance is necessary, which comes from the support of its employees' performance. Based on the results and discussions, it was found that the work climate affects employee performance at Batam Authority. The conducive work climate at Batam Authority can encourage its employees to perform at their maximum potential. Additionally, job promotion relationships also have a positive influence on employee performance. The job promotion system applied at Batam Authority can provide an increase in performance for both promoted and non-promoted employees. Furthermore, the results of the relationship test between organizational culture and employee performance also have a positive correlation. The organizational culture at Batam Authority can have a positive impact on the performance of its employees.

The simultaneous relationship formed by the variables of work climate, job promotion, and organizational culture has a positive impact on employee performance at Batam Authority. This means that with an improvement in work climate, job promotion, and organizational culture, employee performance can also be enhanced. This study

suggests that Batam Authority must maintain a positive work climate, job promotion system, and organizational culture by creating positive policies. With positive policies in place, it is hoped that employee performance at Batam Authority can improve.

In the context of Batam Authority, good organizational performance is essential in achieving the goal of advancing the city of Batam. To achieve this, research shows that work climate, job promotion, and organizational culture have a positive influence on employee performance at Batam Authority.

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