

The Effect of Organizational Culture and Employee Engagement on Job Performance of Healthcare Industry in Province of Jakarta, Indonesia

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Abstract

Nowadays the healthcare industry is facing tight competition and big expectation from patient to the service given, for answering the competition a good human resources performance is needed. Employees' contributions are very important to the success of business organization. The study was conducted in 23 hospitals located in the province of Jakarta. From a preliminary survey of 1000 patients using 15 questions to measure patients' perceptions of the performance of employees working in the hospital, in this case doctors, nurses and administrative staff, it was concluded that 61% of respondents rated the performance of hospital employees in the province of Jakarta is still poor and needs to be improved. The purpose of this study is to examine the factors that affect Job Performance of human resources working in healthcare industry in Jakarta by using Employee Engagement as a mediating variable between Organizational Culture and Job Performance. The study examined the effect of both partially and simultaneously from 2 exogenous variables to Job Performance.

Keywords: healthcare industry; organizational culture; employee engagement; job performance.

1. Introduction

The world is changing rapidly and the level of organizations is also changing due to technological advancements which have affected their human resource developments programmes. Moreover, organizations differ in their cultural content in terms of the relative ordering of beliefs, values and assumptions (Adewale & Anthonia, 2013).

Employees' contributions are very important to the success of business organization (Acar, A.Z. & Acar, P., 2012). In innovation-based strategies, it has a great importance for employees to work with endeavor by combining their own personal goals and organizational goals. Today, continuous innovation is becoming a necessity if firms want to stay competitive. Due to rapid and continuous environmental changes and intense competition, planner perspective to strategic management left the place to strategic orientations (Berthon et. al., 2004).

According to Tannady & Sitorus (2017) human resources are a central and important component within an organization. The higher performance of human resources, will give higher performance of the organization. Therefore it is important for every organization to be supported by employees who have good ability in work and contribute to the organization or company where he works. There have been many previous studies that discuss how Employee Engagement is proven to

affect job performance of employees in various industry sectors and organizations, such as banking industry in Egypt (Dajani, 2015), retail industry (Kazimoto, 2016), public sector organization (Sibanda, et. al., 2014), telecommunication industry (Kaliannan & Adjovu, 2015), hospitality industry (Kalia & Verma, 2017) and healthcare industry (Lowe, 2012).

There are various factors that can affect employee engagement of an employee in contributing to the company. One of the factors is organization culture. Research conducted by Suharti & Suliyanto (2012) shows that organizational culture has a role in influencing employee engagement. Al-Tit & Hunitie (2015) who studied 250 respondents at college in Jordan also concluded that organizational culture is one of the variables that affect Employee Engagement. These two studies are also reinforced by research conducted by Saks (2006) which concludes that employee engagement is influenced by organizational culture.

Today the healthcare industry is facing a tight competition and higher expectations from patients for better service (Hee & Kamaludin, 2016). According to Central Bureau of Statistics (BPS) data until 2013 there are 150 hospitals in Jakarta, Indonesia. The study was conducted in 23 hospitals located in the province of Jakarta. From a preliminary survey of 1000 patients using 15 questions to measure patients' perceptions of the performance of employees working in the hospital, in this