

Good Corporate Governance Principles act as Mediators of The Influence of Organizational Commitment, Leadership, and Organizational Culture on Employee Performance

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ABSTRACT

Purpose – This study aimed to determine the influence of good corporate governance principles as an intervening variable on organizational commitment, leadership, and organizational culture on employee performance.

Methodology/approach – The population includes all employees of one of Pertamina's subsidiaries, namely PT Pertamina Training and Consulting, located at DKI Jakarta. Probabilistic sampling technique with simple random sampling was used, obtaining a sample of 162 employees. The method of data analysis used is the partial least squares structural equation (SEM-PLS).

Findings – The research results show that the variables of organizational commitment, leadership and organizational culture have a positive and significant impact on employee performance and on good corporate governance principles. In addition, good corporate governance principles partially mitigated the significant positive effects of organizational commitment, leadership, and organizational culture on employee performance.

Novelty/value – Companies should increase employee commitment to the business by focusing on employee results, enhancing professionalism in corporate governance and implementing employee promotion programs. The relationships in the concepts of this study and potential avenues for further development in future research may involve exploring associations with employee performance and looking at variables related to behavior, attitudes, or other factors that affect employee performance.

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INTRODUCTION

Quality human resources are essential for any business. As a business grows and accumulates more human resources, it requires additional efforts to manage them effectively. Therefore, businesses need a human resource management system that maintains balance and uses its resources optimally to support productivity. To improve the company's productivity and human resources, the company's organizational commitment to this goal is very important. In addition, effective leadership helps achieve business goals. Through organizational commitment and leadership, organizational culture is established as a business continuum, enabling employees to improve their performance.

As economic entities, state-owned enterprises (BUMNs) have essentially similarities with the private sector, in that they are primarily state-owned. As an integral part of BUMN, Pertamina affiliates must prioritize the principle of precaution in maintaining professionalism, as there are various factors that affect BUMN's performance and distinguish BUMN from the region. private. Therefore, SOEs must comply with the provisions of the law in conducting their business activities. These regulations aim to establish a governance system based on efficiency and productivity principles to enhance the performance and value of SOEs, while preventing SOEs. deviating from the principles of good corporate governance (GCG). The results of the previous survey showed that the normative commitment trend was 29%, which was assessed as non-existent; ongoing commitment aspect at 31%, assessed as none; and the aspect of emotional commitment at 23%, which is assessed as non-existent, the lowest is in the aspect of continuous commitment at 31%.

The results of the previous survey showed that the objective dimension was 28%, which was evaluated as none; legal aspect at 38%, rated as none; and influence aspect at 11%, assessed as non-present, weakest aspect of legitimacy at 38%.

Preliminary survey results show that the stability dimension is 6%, which is assessed as none; aggressive attitude dimension at 4%, assessed as absent; teamwork dimension at 1%, rated as none; the human aspect at 12%, assessed as absent; Result-oriented trend at 9%, judged to be absent; attention to detail is 0%, rated as none; and innovation and risk taking aspect at 22%, rated as none, the lowest in innovation and risk taking aspect at 22%.

Preliminary survey results showed that the equity aspect achieved a score of 5%, rated as none; the independent aspect achieved a score of 8%, also rated as none; responsibility aspect reached 12%, also assessed as absent; accountability aspect reached 7%, again assessed as absent; and transparency aspect reached 15%, got the lowest score and was also rated as none.

Based on the data collected in the 2019-2021 annual report, another perspective emerges. The assessment of the implementation of good corporate governance gave a score of 85.61, good grade. However, during the previous survey conducted by the researcher, some areas related to good corporate governance variables were still assessed as not available. In addition, considering PTC's performance from 2019 to 2021, the company has shown commendable performance. Given the concerns about the study and the shortcomings of previous research, the researcher says there are still gaps in previous findings. Therefore, an intermediate variable – good corporate governance – is considered necessary to deepen the relationship between the independent variable and the dependent variable. Furthermore, this intermediate variable is used in this study to illustrate how the association between variables can weaken or strengthen. Another aspect of the research gap in this study is highlighted by previous research. According to Safrina et al. (2022), there is no obvious effect of good corporate governance on employee performance. Andri (2020) asserts that organizational culture and commitment to the organization do not affect employee performance. Furthermore, the study conducted by Raina and Mahendra (2019) indicates that the leadership variable has no significant influence on employee performance.

LITERATURE REVIEW

A. ORGANIZATIONAL COMMITMENT

This discussion will cover the main theories of this study, which are the concepts that serve as the variables in this study: commitment to the organization, leadership, organizational culture, good corporate governance, and employee performance. Kreitner and Kinicki (2014) define organizational commitment as the degree to which an individual is attached to an organization and to its goals. Allen and Meyer (2013) developed a measure of organizational commitment consisting of three scales corresponding to the affective, continuous, and normative components of commitment. An employee's

commitment to an organization is determined by a number of factors. According to Steers (2015), three factors affect employee commitment to the organization: 1) Job-related characteristics, including seniority in the organization as well as the different needs and wants of each employee; 2) The characteristics of the position, such as the nature of the task and the ability to interact with colleagues; and 3) work experience, such as the organization's past credibility and how other employees express their feelings about the organization. Employee commitment to the organization is influenced by various factors. According to Steers (2015), three factors affect employee commitment to the organization: 1) Job-related characteristics, including seniority in the organization as well as the different needs and wants of each employee; 2) The characteristics of the position, such as the nature of the task and the ability to interact with colleagues; and 3) work experience, such as the organization's past credibility and how other employees express their feelings about the organization. Mayer and Allen (2013) in Kaswan (2015) reveal that organizational commitment has three dimensions: 1) Emotional commitment, showing the employee's emotionally desired strength in alignment with existing values so that their goals and intentions to stay in the organization can be realized; 2) Ongoing commitment, based on an individual's concern about losing something gained in the organization, such as wages, facilities and the like; and 3) normative commitment, demonstrating an employee's ethical responsibility while remaining in the organization.

B. LEADERSHIP

According to Amirullah (2015), leadership refers to a person with the authority to assign tasks, possessing the ability to persuade or influence others through positive relationship patterns to achieve predetermined goals. Additionally, according to Tisnawati (2015), leadership entails an individual's capacity to influence the behavior of others without employing force, leading to people under their guidance accepting them as a figure deserving of leadership. Amirullah (2015) outlines five genuine functions of leadership: 1) Direction Setting Function, where the limitations of organizational resources necessitate effective management by leaders, ensuring that the direction towards the organizational goal is optimized through the utilization of all available targets and feelings; 2) Spokesperson Function, which requires leaders to act as intermediaries between the organization and external stakeholders like shareholders, suppliers, distributors, financial institutions, and relevant government agencies; 3) Communicator Function, which emphasizes a leader's ability to communicate the goals, strategies, and actions that subordinates need to undertake; 4) Mediator Function, addressing conflicts or differences of interest within an organization and necessitating a leader's presence to resolve existing issues; and 5) Integrator Function, considering task division, allocation of resources and energy, and the need for specialized knowledge and skills, which can lead to compartmentalized attitudes, behaviors, and actions, which should not be allowed to persist continuously. Samsudin (2016) states that leaders must possess the following attributes: 1) Willingness to assume responsibility, indicating that leaders who accept the obligation to achieve a goal are ready to be held accountable by superiors for all actions of their subordinates; 2) Ability to be perceptive, denoting the capacity to observe or perceive the reality of a given environment; 3) Objective attitude, representing the ability to view an event, which extends from the ability of perception; 4) Ability to prioritize, an essential skill since problems to be solved don't arise one by one, but simultaneously and interconnectedly; and 5) Communication skills, as the ability to give and receive information is crucial for a leader. Setiawan and Muhith (2013) identify several factors that have relevance or a positive influence on leadership processes within organizations, including: 1) Personality, past experiences, and the expectations of a leader, encompassing values, background, and experiences that affect leadership style choices; 2) Expectations and behaviors of superiors; 3) Characteristics, expectations, and behaviors of subordinates that impact leadership style; 4) Task requirements, as each subordinate's task can affect leadership style; 5) Organizational climate and policies that influence subordinates' expectations and behaviors; and 6) Expectations and behaviors of peers. Soekarso (2015) describes the dimensions and indicators of leadership as follows: 1) Influence, including: a) Good relationship between leaders and employees; b) the leader's daily attitude; and c) exemplary in compliance with company regulations. 2) Legality, including: a) The fairness of the leader in sanctioning employees; b) Effective decentralization of the head; and c) Recognition of employee performance. 3) Purpose, including: a) Responsibility for the task; b) Consulting, guiding and motivating employees; c) Allow employees to express opinions.

C. ORGANIZATIONAL CULTURE

According to Darsono and Siswandoko (2013), organizational culture encompasses values, morals, beliefs, and rules known to each member of an organization (or to any stakeholders associated with a specific organization) to guide behavior in achieving organizational goals and objectives. Susanto in Uha (2013) defines organizational culture as the values that guide human resources in fulfilling their obligations and conduct within the organization. Robbins and Judge (2015) highlight seven main characteristics that summarize organizational culture: 1) Innovation and risk-taking: Encouraging employees to be innovative and take risks; 2) Attention to detail: Expecting precision, analysis, and attention to detail from employees; 3) Outcome orientation: Management emphasizes results rather than the techniques and processes used to achieve them; 4) People orientation: Decision-making by management considers the effects of outcomes on individuals within the organization; 5) Team orientation: Work activities are organized in teams rather than individually; 6) Aggressiveness: Individuals display competitiveness and aggression rather than passivity; 7) Stability: Organizational activities prioritize maintaining stability. According to Pabundu Tika in Izrah (2013), factors influencing organizational culture include both internal (within the company) and external (outside the company) factors. Elements contained within organizational culture include: 1) Basic assumptions, serving as guidelines for members or groups within the organization to behave; 2) Embraced beliefs, containing values that can take the form of slogans, basic assumptions, general goals, business philosophies, or operational principles; 3) Leader or group creators and developers of organizational culture, needing to be created and nurtured by organizational leaders or specific groups; 4) Guidelines for addressing issues, dealing with external adaptation and internal integration issues using shared basic assumptions and beliefs; 5) Shared values, necessitating a shared appreciation of what is desired, better, or valuable to individuals; 6) Heritage, requiring transmission to new members as guidelines for action and behavior within the organization; 7) Adjustment, needing group members to adhere to group or organizational norms and regulations, and the organization or company to adapt to environmental changes. Robbins & Coulter (2012) identified seven indicators of organizational culture: 1) Innovation and taking risks; 2) Attention to detail; 3) Results oriented; 4) People-oriented; 5) Group orientation; 6) Aggression; 7) Stability.

According to Suprayitno (2013), good corporate governance includes the structures, systems and processes used by a company for the purpose of continuously adding long-term value while taking into account the interests of other stakeholders. on the basis of laws and standards in force. Mahrani & Soewarno (2018) classify the factors affecting good corporate governance into two categories: 1. External factors are beyond the control of management and affect the implementation of management practices and GCG in public enterprises (BUMN). Including: a) Rapid technological progress; b) Economic and political conditions affecting the purchasing power of the public; c) Coordinate with financial institutions and banks to conduct business activities; and (d) Regulations and laws relating to banking and financial institutions. 2. Internal Factors, which can be controlled by management and influence the application of management practices and GCG, including: a) Company vision, mission, and strategy; b) Organizational culture; c) Company regulations; d) Risk-based management; e) Effective audits (internal and external audits); and f) Accurate and transparent accounting and disclosure. Arief and Kumroni (2019) categorize the principles of good corporate governance into dimensions: transparency, accountability, responsibility, independence, and fairness. These principles are further explained as follows: 1) Transparency, involving openness in decision-making and disclosing relevant information about the company; 2) Accountability, clarifying the functions, structures, systems, and responsibilities within the organization to ensure effective management; 3) Responsibility, aligning company management with healthy corporate principles and applicable regulations; 4) Independence, maintaining professional management without conflicts of interest, influences, or pressures that contradict legal regulations and healthy corporate principles; and 5) Equity

and Fairness, ensuring equitable and just treatment of stakeholders' rights based on agreements and applicable regulations. Sulaiman et al (2018) define indicators of good corporate governance as follows: 1. Transparency, including a) Accurate information; b) Accessible information; c) Complaint mechanisms; and d) Information flow through media cooperation. 2. Accountability, including a) written decisions; b) Clear objectives; c) Appropriate objectives; d) Disseminate information on the mass media; and e) Information management system. 3. Accountability, including a) clear accountability; b) Commitment to responsibility; c) Human resource management; d) Financial management; d) Infrastructure management; f) Policy on working methods. 4. Independence, including a) Ability to take initiative; b) Problem solving ability; c) Perseverance; d) Satisfaction with the organization's performance results; and e) Ability to act independently. 5. Fairness, including a) absence of arbitrariness; b) Act with standards; c) Respect the legitimate rights of others; d) Do not act unilaterally; and e) Knowledge of rights and obligations.

Hasrun (2022) conducted a study examining the effect of organizational commitment on employee performance with salary as a moderating variable. The study concluded that organizational commitment has a positive and significant impact on employee performance, compensation has a positive and significant impact on employee performance, and when organizational commitment is regulated by compensation, it does not affect employee performance (Adula & Kant, 2022; Hidayat & Muh. Abdul Aziz, 2022; Iskanto, 2022b, 2022a, p. 202, 2023; Munaty et al., 2022; Syihhabudin et al., 2023). Yani et al (2022) conducted a study on the partial and simultaneous impact of organizational culture and organizational commitment on employee performance. The results indicate that organizational culture has a significant influence on employee performance, commitment to the organization has a positive and significant impact on employee performance and at the same time, organizational culture and commitment. association with the organization affects employee performance. Reska and Rini (2022) studied the influence of good corporate governance principles and organizational culture on employee performance. Hypothesis test results show that good corporate governance and good organizational culture have an impact on employee performance. Safrina et al (2022) conducted research on the impact of good corporate governance, leadership style and organizational culture on employee performance. Regression analysis using SPSS with a sample of 111 people shows that good corporate governance does not affect employee performance, leadership style affects employee performance, and organizational culture affects performance. of employee. Dewi (2022) conducted a study on the effects of organizational commitment and organizational culture on employee performance in a local residential area in Depok city. Research results demonstrate that organizational commitment and organizational culture, whether considered separately or simultaneously, have a significant effect on employee performance.

HYPOTHESIS DEVELOPMENT

H1: Organizational commitment has a significant and positive impact on employee performance.

H2: Leadership has a significant and positive impact on employee performance.

H3: Organizational culture has a significant and positive impact on employee performance.

H4: Organizational commitment has a significant and positive impact on good corporate governance.

H5: Leadership has a significant and positive impact on good corporate governance.

H6: Organizational culture has a significant and positive impact on good corporate governance.

H7: Good corporate governance has a significant and positive impact on employee performance.

H8: Organizational commitment can significantly and positively modulate the impact of good corporate governance on employee performance.

H9: Leadership can significantly and positively moderate the impact of good corporate governance on employee performance.

H10: Organizational culture can significantly and positively modulate the influence of good corporate governance on employee performance.

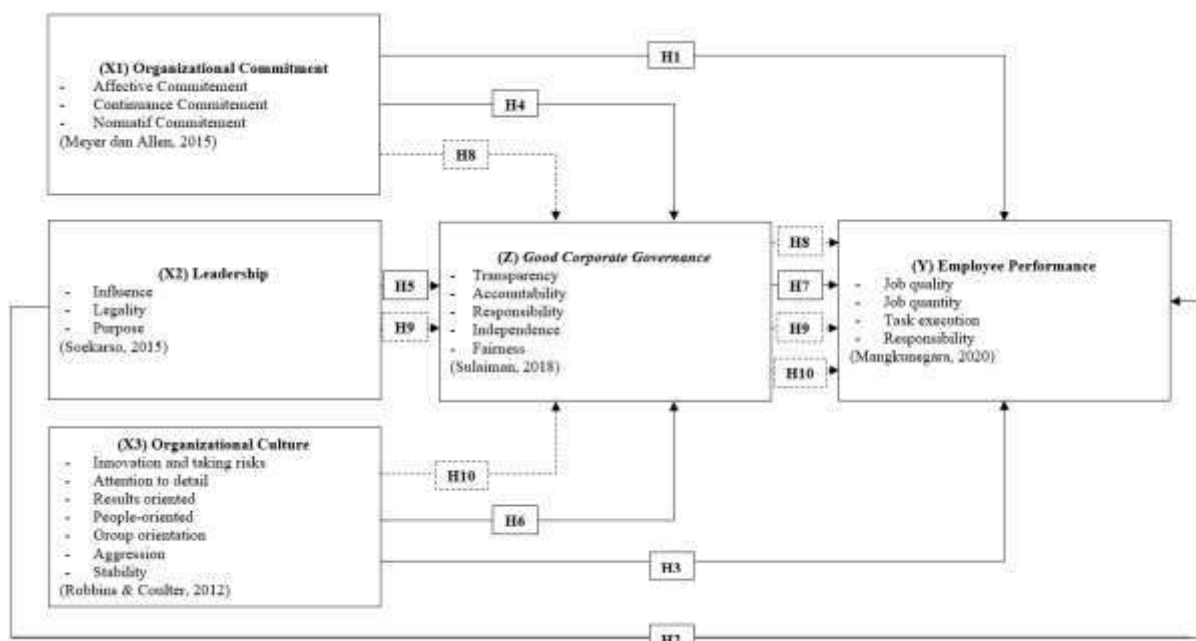


Fig.1. Research Framework

METHOD

The population consists of all employees in one of Pertamina's subsidiaries, namely PT Pertamina Training and Consulting, located in DKI Jakarta. The sampling technique employed is probability sampling with simple random sampling, resulting in a sample size of 162 employees. The data analysis method utilized is Structural Equation Model-Partial Least Square (SEM-PLS). Structural Equation Modeling - Partial Least Squares (SEM-PLS) is an analytical method within the framework of structural equation modeling based on composition or variance. PLS serves as an alternative to covariance-based SEM. SEM-PLS is designed for predictive causal analysis in situations characterized by high complexity and weak theoretical support. The goal of SEM-PLS is to identify optimal predictive linear relationships in the data. SEM-PLS can also be used for theory validation purposes.

RESULT AND DISCUSSION

A. DESCRIPTIVE ANALYSIS OF RESPONDENTS

The total number of respondents is 162 employees. By gender, the majority are female with 89 employees (54.94%). In terms of age, the largest age group is 21-30 (42.59%). In terms of educational attainment, the highest percentage has a baccalaureate degree (83.95%). Regarding employment status, the majority are permanent employees (70.99%). Finally, in terms of work experience, the largest group had less than 1 year of experience (29.01%).

Table 1. Respondent Characteristics

Respondent Characteristics	Frequency	Percentage
Gender	162	100%
Male	73	45,06%
Female	89	54,94%
Age	162	100%
< 20 Years	0	0,00%
21-30 Years	69	42,59%
31-40 Years	45	27,78%
41-50 Years	35	21,60%
> 50 Years	13	8,02%
Education	162	100%
Diploma (D3)	14	8,64%
Bachelor's Degree (S1)	136	83,95%
Master's Degree (S2)	12	7,41%
Employment Status	162	100%
Contract Employee	47	29,01%
Permanent Employee	115	70,99%
Work Experience	162	100%
< 1 Year	47	29,01%
1-2 Years	12	7,41%
3-5 Years	26	16,05%
5-10 Years	33	20,37%
10 Years	44	27,16%

B. VALIDATING THE MEASURING MODEL (OUTER MODEL)

Convergence analysis, as observed from the load factors in this study, used a standard criterion greater than 0.70. Therefore, this study represents an enhanced research phase compared to previous studies. The final load factor results show that all indices have values greater than 0.70, in agreement with the standard used. Furthermore, these results show that the instrument readings are valid, allowing for further analysis. Alternatively, the convergence value can be evaluated through the extracted mean variance (AVE) values, with the criterion being values greater than 0.50. In this study, the reliability of the PLS-SEM structure is measured by SmartPLS application through two methods: Cronbach's Alpha (standard value > 0.60) and composite reliability (standard value > 0.70). The following explanation provides values of all variables according to Cronbach's alpha and composite reliability measures, which exceed all criteria, thus allowing structural models to be tested.

Table 2. Loading Factor, AVE, & CR

Variabel	Item	Loading Factor	AVE	CR
Komitmen Organisasi	X1.1.1	0,850	0,570	0,949
	X1.1.2	0,936		
	X1.1.3	0,939		
	X1.1.4	0,940		
	X1.1.5	0,947		
	X1.2.2	0,930		
	X1.2.3	0,932		
	X1.2.4	0,933		
	X1.2.5	0,804		
	X1.3.1	0,931		

Variabel	Item	Loading Factor	AVE	CR
Kepemimpinan	X1.3.2	0,935	0,887	0,986
	X1.3.3	0,951		
	X1.3.4	0,886		
	X1.3.5	0,933		
	X1.3.6	0,920		
	X2.1.1	0,960		
	X2.1.2	0,964		
	X2.1.3	0,971		
	X2.2.1	0,967		
	X2.2.2	0,967		
Budaya Organisasi	X2.2.3	0,955	0,626	0,972
	X2.3.1	0,962		
	X2.3.2	0,965		
	X2.3.3	0,964		
	X3.1.1	0,940		
	X3.1.2	0,963		
	X3.1.3	0,958		
	X3.2.1	0,982		
	X3.2.2	0,955		
	X3.2.3	0,952		
	X3.3.1	0,965		
	X3.3.2	0,968		
	X3.3.3	0,957		
	X3.4.1	0,964		
	X3.4.2	0,967		
	X3.4.3	0,959		
	X3.5.1	0,972		
	X3.5.2	0,963		
	X3.5.3	0,957		
	X3.6.1	0,926		
	X3.6.2	0,933		
	X3.6.3	0,942		
	X3.7.1	0,952		
	X3.7.2	0,957		
	X3.7.3	0,953		
Kinerja Karyawan	Y.1.1	0,953	0,806	0,982
	Y.1.2	0,953		
	Y.1.3	0,955		
	Y.2.1	0,933		
	Y.2.2	0,946		
	Y.2.3	0,947		
	Y.3.1	0,951		

Variabel	Item	Loading Factor	AVE	CR
	Y.3.2	0,917		
	Y.3.3	0,940		
	Y.4.1	0,929		
	Y.4.2	0,949		
	Y.4.3	0,956		
	Y.4.4	0,970		
Good Corporate Governance	Z.1.1	0,963	0,695	0,983
	Z.1.2	0,960		
	Z.1.3	0,949		
	Z.1.4	0,940		
	Z.2.1	0,823		
	Z.2.2	0,863		
	Z.2.3	0,887		
	Z.2.4	0,907		
	Z.2.5	0,895		
	Z.3.1	0,939		
	Z.3.2	0,921		
	Z.3.3	0,924		
	Z.3.4	0,932		
	Z.3.5	0,925		
	Z.3.6	0,922		
	Z.4.1	0,919		
	Z.4.2	0,925		
	Z.4.3	0,923		
	Z.4.4	0,878		
	Z.4.5	0,881		
	Z.5.1	0,793		
	Z.5.2	0,939		
	Z.5.3	0,929		
	Z.5.4	0,945		
	Z.5.5	0,933		

External model validation of the measurement model Convergent and discriminant validity tests are used to assess the validity of the study.

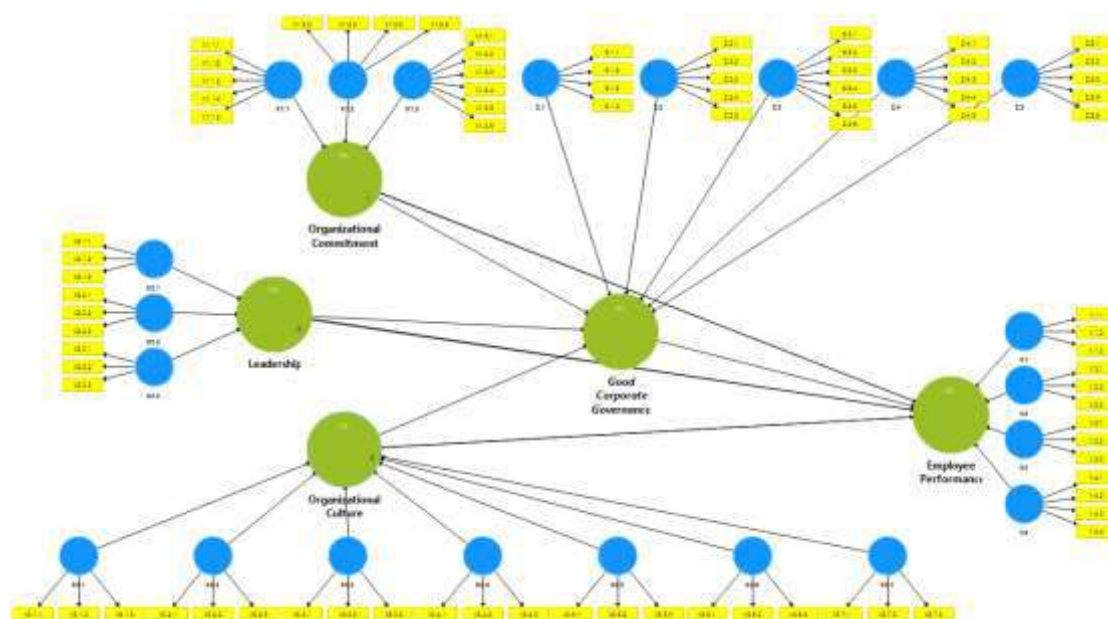


Fig.2. Path Model

This study measured the reliability of a construct in PLS-SEM using the SmartPLS application through two methods, namely Cronbach's Alpha (Standard value > 0.60) and Composite Reliability (Standard value > 0.70).

Table 3. Construct Reliability

Variable	Cronbach's Alpha	Composite Reliability
Organizational Commitment	0,942	0,949
Leadership	0,984	0,986
Organizational Culture	0,970	0,972
Employee Performance	0,980	0,982
Good Corporate Governance	0,982	0,983

C. STRUCTURAL MODEL EVALUATION (INNER MODEL)

Hypothesis testing in this study uses the t value compared with the t table. The hypothesis is accepted if the t value > table t, while if the t value < table t, the hypothesis is rejected. The data presented represent the results of the preparation for direct effects (path coefficient) and indirect effects (specific indirect effects). The results of hypothesis testing are detailed in the following table.

Table 4. The Results of Hypothesis Testing

Hypothesis	Path	t-value	t-table	Decision
Hypothesis 1	X1 -> Y	1,999	1,658	Accepted
Hypothesis 2	X2 -> Y	3,068	1,658	Accepted
Hypothesis 3	X3 -> Y	2,321	1,658	Accepted
Hypothesis 4	X1 -> Z	2,129	1,658	Accepted
Hypothesis 5	X2 -> Z	2,103	1,658	Accepted
Hypothesis 6	X3 -> Z	4,206	1,658	Accepted
Hypothesis 7	Z -> Y	18,035	1,658	Accepted
Hypothesis 8	X1 -> Z -> Y	3,17	1,658	Accepted

Hypothesis 9	X2 -> Z -> Y	3,121	1,658	Accepted
Hypothesis 10	X3 -> Z -> Y	3,83	1,658	Accepted

Hypothesis 1 (H1): Organizational commitment has a positive and significant relationship with employee performance. Hypothesis test results show that organizational commitment has a positive and significant effect on employee performance. The t-value obtained from the internal model evaluation of this relationship is 1.999, which is greater than 1.658. Therefore, this hypothesis is accepted. The test results also show that the organizational commitment of the employees of the Pertamina subsidiary has an impact on the performance of the employees of this subsidiary.

Hypothesis 2 (H2): Leadership has a positive and meaningful relationship with employee performance. Hypothesis test results show that leadership has a positive and significant influence on employee performance. The t-value obtained from the internal model evaluation of this relationship is 3,068, which is greater than 1,658. Therefore, this hypothesis is accepted. The test results also show that the leadership ability of the employees of the Pertamina subsidiary has an influence on the performance of the employees of this subsidiary.

Hypothesis 3 (H3): Organizational culture has a positive and significant relationship with employee performance. The results of hypothesis testing show that organizational culture has a positive and significant influence on employee performance. The t-value obtained from the internal model evaluation of this relationship is 2,321, which is greater than 1.658. Therefore, this hypothesis is accepted. The test results also show that the organizational culture of the employees of the Pertamina subsidiary affects the performance of the employees of this subsidiary.

Hypothesis 4 (H4): Organizational commitment has a positive and meaningful relationship with good corporate governance. The results of hypothesis testing show that organizational commitment has a positive and significant influence on good corporate governance. The t-value obtained from the internal model evaluation of this relationship is 2.129, which is greater than 1.658. Therefore, this hypothesis is accepted. The experimental results also show that the organizational commitment of the employees of the Pertamina subsidiary affects the good corporate governance of this subsidiary.

Hypothesis 5 (H5): Leadership has a positive and meaningful relationship with good corporate governance. Hypothesis testing results show that leadership has a positive and significant influence on good corporate governance. The t-value obtained from the internal model evaluation of this relationship is 2,103, which is greater than 1.658. Therefore, this hypothesis is accepted. The test results also show that the leadership ability of the employees of the Pertamina subsidiary affects the good corporate governance of this subsidiary.

Hypothesis 6 (H6): Organizational culture has a positive and meaningful relationship with good corporate governance. The results of hypothesis testing show that organizational culture has a positive and significant influence on good corporate governance. The t-value obtained from the internal model evaluation of this relationship is 4,206, which is greater than 1.658. Therefore, this hypothesis is accepted. The test results also show that the organizational culture of the employees of the Pertamina subsidiary affects the good corporate governance of this subsidiary.

Hypothesis 7 (H7): Good corporate governance has a positive and significant relationship with employee performance. Hypothesis testing results show that good corporate governance has a positive and significant effect on employee performance. The t-value obtained from the internal model evaluation of this relationship is 18,035, which is greater than 1.658. Therefore, this hypothesis is accepted. The test results also show that the good corporate governance practiced by the employees of the Pertamina subsidiary has an influence on the performance of the employees of this subsidiary.

Hypothesis 8 (H8): Good corporate governance has a positive and significant effect on the relationship between organizational commitment and employee performance. Hypothesis testing results show that

good corporate governance positively and significantly affects the relationship between organizational commitment and employee performance. The t-value obtained from the internal model evaluation of this mediation is 3.17, which is greater than 1.658. Therefore, this hypothesis is accepted. The experimental results also show that good corporate governance practiced by employees of the Pertamina subsidiary supports the effect of organizational commitment on employee performance. Thus, good corporate governance represents a partial mediator between organizational commitment and employee performance.

Hypothesis 9 (H9): Good corporate governance has a positive and significant influence on the relationship between leadership and employee performance. Hypothesis testing results show that good corporate governance has a positive and significant influence on the relationship between leadership and employee performance. The t-value obtained from the internal model evaluation of this mediation is 3.121, which is greater than 1.658. Therefore, this hypothesis is accepted. The test results also show that good corporate governance practiced by employees of the Pertamina subsidiary supports the impact of leadership on employee performance. Thus, good corporate governance represents a partial mediator between leadership and employee performance.

Hypothesis 10 (H10): Good corporate governance has a positive and significant influence on the relationship between organizational culture and employee performance. Hypothesis testing results show that good corporate governance positively and significantly affects the relationship between organizational culture and employee performance. The t-value obtained from the internal model evaluation of this mediation is 3.83, which is greater than 1.658. Therefore, this hypothesis is accepted. The test results also show that good corporate governance practiced by employees of the Pertamina subsidiary supports the influence of organizational culture on employee performance. Thus, good corporate governance represents a partial mediator between organizational culture and employee performance.

DISCUSSION

The results of testing hypothesis H1 show that H1 is accepted, showing that commitment to the organization has a positive and significant effect on employee performance. The inspection of the load factor results shows that the high impact dimension is the X1.3 dimension related to the "Standard Commitment". Indeed, employees have a strong ethical responsibility to the company because of its ability to create positive employee experiences. Furthermore, the load factor results indicate that the high impact indicator X1.3.3 is associated with feelings of regret leaving the world of work of the organization from the perspective of "Regulatory Commitment". Indeed, the Company is able to establish solid relationships with employees of Pertamina subsidiaries and provide good career opportunities to employees. On the other hand, the low impact dimension is the X1.1 dimension related to "Emotional commitment". This is because the company has not optimally nurtured employees' emotional attachment to the company's mission. In addition, the low impact index is the index X1.2.5 related to workplace sacrifice of the "Continuous commitment" aspect. Indeed, the company has not fully developed employee loyalty to the company. These results show that the organizational commitment of Pertamina subsidiaries is effectively implemented, which in turn positively affects employee performance.

The results of testing hypothesis H2 show that H2 is accepted, showing that leadership has a positive and significant influence on employee performance. Checking the load factor results shows that the dimension with a large impact is the X2.1 dimension related to "Effect". Indeed, company leaders can

make a positive impact on employee performance. Moreover, the results of the load factor show that the index with a high impact is the index X2.1.3 which is related to the good example of managers in respecting the company's regulations in the aspect of "Influence". Indeed, company leaders can act as role models for employees in complying with regulations. On the other hand, the low impact dimension is the X2.2 dimension related to "Legality". Indeed, the management of the company did not bring optimal legitimacy to the employees. In addition, the low impact index is the index X2.2.3 related to rewarding employees' performance in the aspect of "Legitimateness". Indeed, company leaders have not really excelled in rewarding employees' achievements. These results demonstrate that leadership of Pertamina subsidiaries is effectively implemented, which has a positive impact on employee performance.

The results of testing hypothesis H3 show that H3 is accepted, showing that organizational culture has a positive and significant influence on employee performance. Checking the load factor results shows that the high impact dimension is the X3.7 dimension related to "Stability". This is because the business maintains a consistent operation and employees can adapt to this consistency. Furthermore, the load factor results show that the high-impact index X3.2.1 is related to the attention to detail of the "Attention to detail" dimension. Indeed, the Company has established a nice meticulous work culture for the employees of the Pertamina subsidiaries. On the other hand, the low impact dimension is the X3.3 dimension related to "Result Orientation". This is because the company has not optimally developed a results-oriented work culture for its employees. Moreover, the low impact index is the index X3.6.1 which is related to competition in the aspect of "Aggressive attitude". This is because the company has not fully established a culture of fairness for all employees. These results show that the organizational culture of Pertamina subsidiaries is effectively implemented, thereby positively contributing to employee performance.

The results of testing hypothesis H4 show that H4 is accepted, showing that commitment to the organization has a positive and significant influence on good corporate governance. The inspection of the load factor results shows that the high impact dimension is the X1.3 dimension related to the "Standard Commitment". Indeed, employees' strong commitment to good corporate governance is motivated by their ethical responsibility to the company. Furthermore, the results of the load factor show that the high impact index X1.3.3 is associated with feelings of regret when leaving the world of work of the organization from the perspective of "Regulatory commitment". In fact, the Company has effectively implemented corporate governance in accordance with current regulations. On the other hand, the low impact dimension is the X1.1 dimension related to "Emotional commitment". In fact, the Company has not maximized the emotional attachment of employees with the implementation of good corporate governance. In addition, the low impact index is the index X1.2.5 related to workplace sacrifice of the "Continuous commitment" aspect. In fact, the Company has not been able to retain enough employees to effectively implement good corporate governance. These results highlight that the organizational commitment of the Pertamina subsidiaries is effectively realized, thus positively influencing good corporate governance.

The results of testing hypothesis H5 show that H5 is accepted, showing that leadership has a positive and significant influence on good corporate governance. Checking the load factor results shows that the dimension with a large impact is the X2.1 dimension related to "Effect". Indeed, corporate leadership effectively contributes to the implementation of good corporate governance. Moreover, the results of the load factor show that the index with a high impact is the index X2.1.3 which is related to the good example of managers in respecting the company's regulations in the aspect of "Influence". Indeed, company leaders effectively demonstrate compliance with good corporate governance through their actions. On the other hand, the low impact dimension is the X2.2 dimension related to "Legality". Indeed, the company's managers did not give optimal legitimacy to employees in performing good

corporate governance. In addition, the low impact index is the index X2.2.3 related to rewarding employees' performance in the aspect of "Legitimateness". Indeed, company managers have not really excelled in rewarding employees' achievements within the framework of good corporate governance. These results emphasize that the leadership of the Pertamina subsidiaries is effectively exercised, thus contributing positively to good corporate governance.

The results of testing hypothesis H6 show that H6 is accepted, confirming that organizational culture has a positive and significant influence on good corporate governance. Checking the load factor results shows that the high impact dimension is the X3.7 dimension related to "Stability". Indeed, the Company maintains consistency in good corporate governance. Furthermore, the load factor results show that the high-impact index is the index X3.2.1 which relates to the attention to detail of the "Attention to detail" aspect. Indeed, the Group has built a culture associated with good corporate governance in its working practices. On the other hand, the low impact dimension is the X3.3 dimension related to "Result Orientation". This is because the Company has not optimally nurtured a culture among employees in line with good results-oriented corporate governance practices. Moreover, the low impact index is the index X3.6.1 related to competition in the aspect of "Aggressive attitude". In fact, the Company has not fully built a culture of fairness based on the principles of good corporate governance for all employees. These results emphasize that the organizational culture of Pertamina subsidiaries is effectively implemented, which in turn contributes positively to good corporate governance.

The results of testing hypothesis H7 show that H7 is accepted, confirming that good corporate governance has a positive and significant effect on employee performance. The cross-load test results show that the dimension with high impact is the Z.3 dimension related to "Responsibility". Indeed, the Company adheres to sound business principles as well as applicable regulations in its management. In addition, the cross-load results show that the high impact indicator Z.1.1 is linked with accurate information from the "Transparency" aspect. Indeed, the Company may provide accurate and necessary information. On the other hand, the low impact dimension is the Z.4 dimension related to "Independence". In fact, the Company did not manage its operations professionally and optimally, without conflict of interest, influence or pressure from any party. Furthermore, the low impact indicator Z.5.1 is related to the absence of arbitrariness in the aspect of "Fairness". In fact, there are still cases of unfair and unequal treatment of related parties' interests. These results show that good corporate governance of Pertamina subsidiaries is effectively implemented, thereby positively affecting employee performance.

The results of testing hypothesis H8 show that H8 is accepted, confirming that good corporate governance has a positive and significant impact and can mediate positively the relationship between organizational commitment and performance of employee. This shows that the organizational commitment made by the Pertamina subsidiaries can support the good corporate governance of the Pertamina subsidiaries, thereby positively influencing employee performance. Therefore, the intermediate variable of good corporate governance represents a partial conciliation.

The results of testing hypothesis H9 show that H9 is accepted, confirming that good corporate governance has a positive and significant impact and can mediate positively the relationship between leadership and corporate performance. This shows that leadership exercised by Pertamina subsidiaries can support good corporate governance of Pertamina subsidiaries, thereby positively influencing employee performance. Therefore, the intermediate variable of good corporate governance represents a partial conciliation.

The results of hypothesis testing H10 show that H10 is accepted, confirming that good corporate governance has a positive and significant impact and can mediate positively the relationship between organizational culture and corporate performance. This shows that the organizational culture implemented by Pertamina subsidiaries can support good corporate governance of Pertamina subsidiaries, thereby positively influencing employee performance. Therefore, the intermediate variable of good corporate governance represents a partial conciliation.

CONCLUSION

The research findings and discussion on the Principles of Good Corporate Governance as an Intervening Variable on the Influence of Organizational Commitment, Leadership, and Organizational Culture on Employee Performance can be summarized as follows: 1) Organizational Commitment has a positive and significant influence on Employee Performance in Pertamina Subsidiaries; 2) Leadership has a positive and significant influence on Employee Performance in Pertamina Subsidiaries; 3) Organizational Culture has a positive and significant influence on Employee Performance in Pertamina Subsidiaries; 4) Organizational Commitment has a positive and significant influence on Good Corporate Governance in Pertamina Subsidiaries; 5) Leadership has a positive and significant influence on Good Corporate Governance in Pertamina Subsidiaries; 6) Organizational Culture has a positive and significant influence on Good Corporate Governance in Pertamina Subsidiaries; 7) Good Corporate Governance has a positive and significant influence on Employee Performance in Pertamina Subsidiaries; 8) Good Corporate Governance has a positive and significant influence and is capable of intervening in the relationship between Organizational Commitment and Employee Performance in Pertamina Subsidiaries; 9) Good Corporate Governance has a positive and significant influence and is capable of intervening in the relationship between Leadership and Employee Performance in Pertamina Subsidiaries; and 10) Good Corporate Governance has a positive and significant influence and is capable of intervening in the relationship between Organizational Culture and Employee Performance in Pertamina Subsidiaries.

SUGGESTIONS

Based on the analysis of the discussions and conclusions, recommendations for further research are as follows: First, for businesses: The results of this research analysis show a positive and significant influence of organizational commitment, leadership, and organizational culture on employee performance, both directly and through good corporate governance. Second, for future research: This study has limitations in terms of the influence of employee performance variables in general and has not specifically addressed other relevant variables. Therefore, this study has not fully demonstrated the influence of the variables in general. Accordingly, the following recommendations are made for future researchers: a) The relationship between the constructs in this study and the directions may be further developed in future research on the relationship with employee performance. This study focuses on the relationship between organizational commitment, leadership, organizational culture, employee performance, and good corporate governance. b) There are variables that do and others that do not affect good corporate governance. Behavioral, behavioral or other factors can affect employee performance.

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