

The Influence of Work Motivation and Organizational Culture Towards Employee Performance in the Post-Merger of Three State-Owned Enterprises Sharia Banks in Indonesia: A Case in Bank Syariah Indonesia

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Abstract - The prosperity of any organization relies generally on employee's qualities, capabilities, and skills, which can be measured by their performance. On February 1, 2021 Indonesia's three state-owned sharia banks, PT Bank Syariah Mandiri, PT Bank Negara Indonesia Syariah and PT BRISyariah officially merged their sharia banking unit to become a new entity, namely PT Bank Syariah Indonesia Tbk. Subsequent to the changes that have been made since the mergers, maintaining high employee performance is critical as well as understanding what factors that can boost employee's performance productivity. In this research, authors assume that work motivation and organizational culture can have a good impact on employee performance in the post-merger of three state-owned sharia banks. Therefore, to prove it, authors try to conduct research on work motivation and organizational culture to deepen the understanding of the impact of work motivation and organizational culture on Bank Syariah Indonesia as well understanding the impact of mergers and its implications on employees. Methodology used is quantitative by distributing questionnaires to collect the data of 100 employees which then analyzed with multiple linear regression.

Keywords - Employee Performance, Work Motivation, Organizational Culture, Bank Mergers

I. INTRODUCTION

Part of the government's efforts and commitment to develop its Islamic financial economy to become a new pillar of the national economic strength is to form the first largest Islamic bank in Indonesia. According to government's plans, Indonesia's three state-owned sharia banks, Bank Syariah Mandiri (BSM), Bank Negara Indonesia Syariah (BNI Syariah) and BRISyariah (BRIS) would merge their sharia banking units to create one in every of the country's biggest lenders^[1]. In letter Number.AHU-AH.01.10-0011384 on January 28, 2021 the Ministry of Law and Human Rights (Kemenkumham) has issued a notification receipt letter regarding the merger of three state-owned sharia banks, BNI Syariah, Bank Mandiri Syariah which will join the BRI Syariah. Effective February 1, 2021 to become a new entity, namely PT Bank Syariah Indonesia Tbk^[2].

Nevertheless, in the midst of mergers of Indonesia's three state-owned sharia banks, Bank Syariah Indonesia faces massive challenges with managing its human resources. The most reason of company mergers failure is

poor human capital management. The company fails to recognize and develop the needed skills, failed to optimize organizational capacities, failed to gain employee support, failed to support organizational changes, and failed to implement a new organizational culture that requires people to act in specific ways^[3]. Furthermore, according to Dessler^[4], organizational change may affect the company's strategy, structure, culture, as well the attitudes and performance of its employees. In research done by Sengar *et al.*^[5], the post-merger of two reputed banks in India, inflicts the high work stress among employees. The bank's aggressive policies to win the race have created a tense and stressful atmosphere for its workers, resulting in a decrease in employee productivity. Besides, with three different companies, it is more likely to have their own perspectives of organizational culture applied in the company. Organizational culture at BNI Syariah itself is found in Amanah, Jama'ah and Hasanah. In BRI Syariah, the organizational culture relies on seven shared values which apply in the company, including Professionals, Enthusiasts, *Tawakkal*, Appreciation for Human Resource, Integrity, Business Orientation and Customer Satisfaction. While Mandiri Syariah have shared values among its organization called AKHLAK, abbreviation of Amanah, *Kompeten* (Competent), Harmony, Loyal, Adaptive, and *Kolaboratif* (Collaborative)^{[6],[7],[8]}. Moreover, conflicting cultures may cause performance gaps that leads towards inefficiencies and it can affect the company profitability^[9].

The prosperity of any organization relies generally on the employee's qualities, capabilities, and skills, which can be measured by their performance. Hence, to mitigate all the potential risk that might occurs after the merger that will result in employee performance decreasing, Bank Syariah needs to understand what factors that can enhance their employee performance. It will help Bank Syariah Indonesia to deliver outstanding sharia financial products and services with its human resources and keep providing great beneficiaries to the public, though its better services and performance.

Motivation and culture are two aspects that can affect employee performance, according to Bernanthos^[10]. Understanding work motivations of employees help to boost the effectiveness of an organization's human capital management in terms of promoting performance, adjustment for individual growth, group, and at the organizational levels^[11]. Research done by Kalhoro, Jhatial

and Khokhar^[12] stated that well motivated employees are more committed, effective and efficient doing their work in the organization. The motivation becomes a driving force for employees to accomplish their tasks and responsibilities. While through organizational culture, synergic cooperation can be established within its human resources^[10]. The culture emphasizes the human aspect of organizational life, it underlines the significance of creating a system that suits and enables employees to achieve common goals^[13].

Therefore, this research aims to deepen the understanding of the impact of work motivation and organizational culture on Bank Syariah Indonesia as well as understanding the impact of mergers and its implications on employees.

A set of hypotheses was constructed based on the framework and used in this study.

H1: Work motivation has significant influence on employee performance of Bank Syariah Indonesia in post-merger of sharia bank in Indonesia.

H2: Organizational culture has significant influence on employee performance of Bank Syariah Indonesia in post-merger of sharia bank in Indonesia.

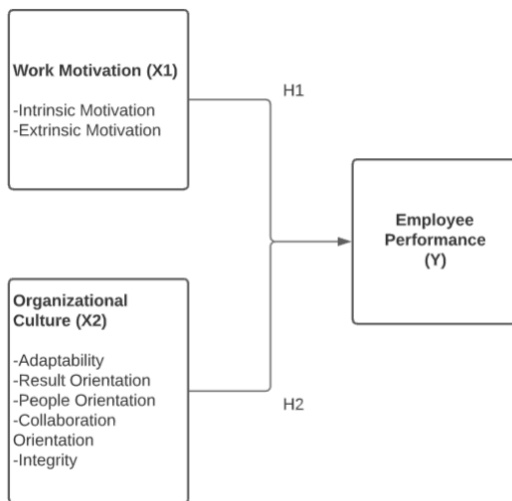


Figure 1. Conceptual Framework

II. METHODOLOGY

The researchers used a quantitative approach with collecting data from questionnaire to reach the objective of this research. Quantitative research is a method for investigating the relationship between variables in order to test objective theories^[14]. The target population of this research is Bank Syariah Indonesia headquarter office employees focusing on five group head namely, Syariah University, Human Capital Strategy & Planning, Compliance, Corporate Finance & Accounting, and Audit 1, with a total number of employee is 292. According to Slovin's formula, the sample size for this research is 75 people. Nevertheless, the researcher use 100 respondent data. The data will be analyzed using multiple linear regressions through SPSS (Statistical Package for the

Social Sciences) a software application. This approach used to examine the influence of work motivation and organizational culture towards employees of Bank Syariah Indonesia in the post-merger of sharia banks in Indonesia as well as understanding the effect of mergers and its implications on employees.

III. RESULTS

3.1 Validity Test

Based on the findings of the validity test, six question items out of 53 question items are regarded invalid because the Pearson Correlation is less than the R-table value. Subsequently, the six invalid question items are deleted from the calculation of the validity test and all the methodology of data analysis. Therefore, all question items are regarded as valid to measure a concept and the instrument is suitable for the research because the Pearson Correlation output is greater than the R-table value.

3.2 Reliability Test

If Cronbach alpha > 0.60, a construct or variable is said to be reliable^[15]. Based on data analysis, Work Motivation has Cronbach alpha of 0.868, Organizational Culture of 0.955, and Employee Performance 0.921. Thus, the data collected through the measurements using the questionnaires are regarded as reliable.

3.3 Classic Assumption Test

3.3.1 Normality Test

The data is normally distributed if the significance value of the Kolmogorov Smirnov test is greater than 0.05^[15]. Based on the table analysis below, with a total of 100 respondents, the significance 2 tailed value has a value of 0.20, which is greater than 0.05. Thus, the findings are normally distributed.

TABLE 3.1
 KOLMOGOROV SMIRNOV TEST

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	3.09488034
Most Extreme Differences	Absolute	.073
	Positive	.040
	Negative	-.073
Test Statistic		.073
Asymp. Sig. (2-tailed)		.200 ^{c,d}

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

3.3.2 Multicollinearity Test

The Variance Inflation Factor (VIF) measures how much multicollinearity increases the variances in regression estimations. The tolerance value must exceeds 0.1 and the VIF value must lower than 10 to indicate there is no multicollinearity^[15]. Higher VIF numbers than 10 indicate that multicollinearity is a problem^[16]. In the table

below, where X1 is represent as Work Motivation, X2 is represent as organizational Culture and Y is Employee Performance, the tolerance value for each variable shows that the number exceeds 0.10 also the calculated VIF value is less than 10, it can be concluded that the research data has passed the multicollinearity test.

TABLE 3.2
 MULTICOLLINEARITY TEST
 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	-1.272	2.676		-.475	.636		
	Total_X1	.215	.049	.324	4.383	.000	.514	1.945
	Total_X2	.338	.042	.595	8.047	.000	.514	1.945

a. Dependent Variable: Total_Y

3.3.3 Homoscedasticity Test

Glejser test is a method that will indicate the regression model does not have heteroscedasticity if the value of significance is higher than 0.05^[15]. In the table below, the significance value for the X1 (Work Motivation) and X2 (Organizational Culture) variables shows value that exceeds 0.1 thus, it can be said that the variable is free from heteroscedasticity symptoms or it can be said that the research data is homogeneous or homoscedastic.

TABLE 3.3
 HOMOSCEDASTICITY TEST
 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	2.278	1.578		1.443	.152
	Total_X1	-.001	.029	-.006	-.044	.965
	Total_X2	.004	.025	.023	.164	.870

3.3.4 Linearity Test

Based on the two ANOVA tables below, the deviation from linearity value shows a value that exceeds 0.1 thus, it can be said that the two independent variables (Work Motivation) and (Organizational Culture) have a linear relationship.

TABLE 3.4
 WORK MOTIVATION LINEARITY TEST
 ANOVA Table

Total_Y * Total_X1	Between Groups	(Combined)	Sum of	df	Mean	F	Sig.
			Squares		Square		
			2412.209	31	77.813	4.959	0.000
		Linearity	1897.913	1	1897.913	120.951	0.000
		Deviation from Linearity	514.296	30	17.143	1.093	0.372
	Within Groups		1067.031	68	15.692		
	Total		3479.240	99			

TABLE 3.5
 ORGANIZATION CULTURE LINEARITY TEST
 ANOVA Table

Total_Y * Total_X2	Between Groups	(Combined)	Sum of	df	Mean	F	Sig.
			Squares		Square		
			2586.459	28	92.374	7.346	0.000
		Linearity	2343.192	1	2343.192	186.346	0.000
		Deviation from Linearity	243.267	27	9.010	0.717	0.832
	Within Groups		892.781	71	12.574		
	Total		3479.240	99			

3.4 Multiple Linear Regression

3.4.1 F Significance Test

The goal of the F test is to show how all of the independent factors interact to affect the dependent variable. As shown in the table below, the F value is 126.838 and the significance value is 0.000, lower than 0.1. Thus, it can be concluded that the variables X1 (Work Motivation) and X2 (Organizational Culture) simultaneously have a significant effect on Y (Employee Performance).

TABLE 3.6
 F-TEST
 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2516.855	2	1258.427	126.838	.000 ^b
	Residual	962.385	97	9.921		
	Total	3479.240	99			

a. Dependent Variable: Total_Y

b. Predictors: (Constant), Total_X2, Total_X1

3.4.2 R Square Test

In the table below, the adjusted R Square value shows a value of 0.722, meaning that the X1 (Work Motivation) and X2 (Organizational Culture) variables have an influence of 72.2% on the Y (Employee Performance) variable.

TABLE 3.7
 R-SQUARE TEST

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.853 ^a	.727	.722	3.127

a. Predictors: (Constant), Total_X2, Total_X1

3.4.3 Regression Coefficients (T-Test)

The T-test determines how important each independent variable is in explaining the variation in the dependent variable^[15].

TABLE 3.8
 R-SQUARE TEST

Model	Coefficients ^a			t	Sig.	
	Unstandardized Coefficients		Standardized Coefficients			
	B	Std. Error	Beta			
1	(Constant)	-1.272	2.676		-.475	.636
	Total_X1	.215	.049	.324	4.383	.000
	Total_X2	.338	.042	.596	8.047	.000

a. Dependent Variable: Total_Y

The multiple linear regression equation is as follows:

$$Y = a + B1X1 + B2X2 + e$$

$$Y = -1,272a + 0,215X1 + 0,338X2 + e$$

For each variable, the description are:

Y: Employee Performance

X1: Work Motivation

X2: Organizational Culture

a: Constant or the value of Y when all of the independent variable is zero

B: Coefficient regression

e: Error

The B value in the amount of -1.272 is the constant coefficient value where if the value of X1 (Work Motivation) and X2 (Organizational Culture) is zero, then the value of Y (Employee Performance) will be -1.272 or -127%.

The coefficient value (B1) on Work Motivation has a sig value of 0.000 < 0.1 and also has a B coefficient of 0.215. Thus, if work motivation has increased by one point and the organizational culture variable remains constant, employee performance will increase by 0.215 or 21.5%.

The coefficient value (B2) on Organizational Culture has a sig value of 0.000 < 0.1 and also has a B coefficient of 0.338. Thus, if work motivation has increased by one point and the work motivation variable remains constant, employee performance will increase by 0.338 or 33.8%.

Based on the multiple linear regression, the hypothesis statements are accepted.

TABLE 3.9
 HYPOTHESIS DEVELOPMENT

	Hypotheses Statement	Result
H1	Work motivation has significant influence on employee performance of Bank Syariah Indonesia in post-merger of sharia bank in Indonesia	Accepted
H2	Organizational culture has significant influence on employee performance of Bank Syariah Indonesia in post-merger of sharia bank in Indonesia	Accepted

IV. DISCUSSION

From 100 data respondents that the researcher has collected, those data are being analysed using multiple linear regression to identify the influence of work motivation and organizational culture towards employee performance. The B value in the amount of -1.272 is the constant coefficient value where if the value of X1 (Work Motivation) and X2 (Organizational Culture) is zero, then the value of Y (Employee Performance) will be -127%. For their employee performance does not decrease, it shows that Bank Syariah Indonesia needs to consider work motivation and organizational culture in order to increase their employee performance.

The result shows that work motivation and organizational culture have an influence of 72.2% on the employee performance. Thus, the post-merger of three state-owned sharia banks, work motivation and organizational culture are two factors that significantly influence of Bank Syariah Indonesia's employee performance approximately 72.2%.

The positive regression coefficient for X1 (Work Motivation) concluded that increasing one unit of Work Motivation will result in a 21.5% boost in employee performance. Thus, this research supports the hypothesis that work motivation has a significant influence on employee performance of Bank Syariah Indonesia in post-merger of sharia bank in Indonesia. Motivation is attainable when there is a clearly perceived and valuable relationship within the performance and the results, where the results are shown as a means of meeting the needs^[3]. The findings in this research shows work motivation, emphasizing on intrinsic motivation where employees feel enjoyment and challenged while doing the work as well as the extrinsic motivation where employees feel motivated by the external incentives also including the orientation towards recognition from other people are creating significant influence on their performance. Furthermore, the findings of this research are also consistent with the previous research which states that work motivation has a positive impact on employee performance^[17].

The research question items investigated the affiliation between five primary characteristics of organizational culture aspects based on Robbins and Judge^[18], Adaptability, Results Orientation, People Orientation, Collaboration Orientation, and Integrity to the employee performance. The results show the positive regression coefficient for X2 (Organizational Culture) concluded that increasing one unit of Organizational Culture will result in a 33.8% boost in employee performance of Bank Syariah Indonesia. Thus, based on the multiple linear regression results, this research also supports the hypothesis organizational culture has significant influence on employee performance of Bank Syariah Indonesia in post-

merger of sharia bank in Indonesia.

The recommendation would be that the future researcher can include more independent variables that will explain the rest of 27.8% of employee performance also to include qualitative methodology mixed with quantitative to get the deeper understanding about the influence between the independent variable and dependent variable. Furthermore, reach a greater respondent sample to strengthen the accuracy level.

V. CONCLUSION

This research entitled *The Influence of Work Motivation and Organizational Culture Towards Employee Performance in The Post-Merger of Three State-Owned Enterprises Sharia Banks in Indonesia : A Case in Bank Syariah Indonesia*, concluded that work motivation and organizational culture has significant influence on employee performance of Bank Syariah Indonesia in the post-merger. As work motivation and organizational culture has 72.2% influence on employee performance thus, in order to maintain the motivation of employees, management of Bank Syariah Indonesia needs to understand the employee's work motivation either their intrinsic motivation or extrinsic motivation to minimize the high work stress among employees that will resulting in a decrease in employee performance productivity. Henceforth, in order to build a strong culture, Bank Syariah Indonesia can generate value from their common vision, missions, and their objective goals of the employees work performance. It is very important for Bank Syariah Indonesia to create and implement their new organizational culture that will integrate and unifies all of the values to their employees. The employee will embrace the values and it will affect their commitment to the organization. Thus, there will be a synergistic cooperation within the organization because employees will have a sense of belonging, identity, and cohesiveness that will result in organizational growth.

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