The Role of Organizational Commitment on Mediating the Relationship Between Leadership and Tri Hita Karana Culture with Subak Performance in Bali

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Abstract

Economic deceleration during recent times, has added empirical proves that agricultural sector was stronger compared with modern sector in term of facing global development challenge. Elongated and continuous economic deceleration, not only causing unbalance on social economy and political, and worse causing the depletion of supply needed by people including the farmers in Subak organization. The purpose of this study was to explore the role of organizational commitment on mediating the relationship between leadership and Tri Hita Karana culture with Subak performance in Bali. More specifically to test the role of leadership value and organizational commitment on mediating the relationship Tri Hita Karana culture on performance. This study design used surveillance method with data collection by purposive sampling with questionnaire, which was: Subak on Balinese rice field is agriculture field to grow rice and some other crops as their main plant. The analysis unit is Subak organization in Bali Province. The respondents which then included as sample was 90 people including Pekaseh, Prajuru, and members of organization. The data analysis technique which was used to test the hypothesis was Partial Least Square (PLS). The result of the study showed that good implementation of leadership values asta dasa paramiteng prabhu and Tri Hita Karana culture can increase Subak performance directly or by organizational commitment mediation on Subak in Bali Province. Good implementation of Tri Hita Karana culture can increase leadership quality, organizational commitment, and also the performance itself. But a good value of leadership cannot take effect on organizational commitment as mediation. The originality of this study provide the fundamental of configuration on model development with PLS method and prove that the conceptual model of leadership values and Tri Hita Karana (THK) culture as well as the role of organizational commitment mediation which prove to have effect on performance increase on Subak in Bali Province. Theoretically this study has been able to build theoretic model about Bali local leadership value (asta dasa paramiteng prabhu) on Bali local culture (Tri Hita Karana) as well as the role of organizational commitment mediation on performance increase on Subak in Bali Province. Practical implication of this study can provide knowledge and understanding to stakeholder on implicating local values which is THK culture and leadership in performance increase through organizational commitment.

Keywords: Tri Hita Karana culture, asta dasa paramiteng prabhu leadership, Organizational commitment and performance.

1. Introduction

Economic deceleration during recent times, has added empirical proves that agricultural sector was stronger compared with modern sector in term of facing global development challenge. Elongated and continuous economic deceleration, not only causing unbalance on social economy and political, and worse causing the depletion of supply needed by people including the farmers in Subak organization. (Sollahudin 1999)

More effect on elongated economic deceleration is that almost all of economic sector which rely on imported staple component fall on severe contraction especially industrial and manufactural sector. That alarming condition, supposedly alert the policy maker concerning the importance of agricultural sector as the pillar of national economy. The consideration that can be made into the fundamental of the importance of agriculture as the mainstay that can restore the national economy (Sollahudin, 1999), are (1) rooted on resource based which is national power; (2) hold the characteristic to create relatively more working chances; (3) produce foreign exchange; and (4) become main income of the people especially in rural area.

Important role of subak system related with the powers of its system such as: 1) the simplicity of the organizational structure; 2) cooperative work system; 3) responsible and continuous implementation of Tri Hita Karana (THK) philosophy (Windia dan Wiguna, 2013). Based on secondary data of 1,601 Subak rice field in Bali province as many as 22% have low performance. From those number, around 13% of subak do not have optimal water irrigation. These conditions will take effect on the subak performance. Moreover, around this time Subak has run tumpang sari planting system by the term of “Babe” which means after the rice had been harvested then subak will plant onion and chili to get better performance. Almost 70 percent subak do not go
that way so it is regarded as low performance, moreover in many Subak the program of organic plantation has not been effectively run to increase subak performance, such as rice and other crops. Because of the diversity, scale and management regarding these matter is different from the past, so it is needed the conducive strategy to reserve subak’s continuity. Subak’s continuity must be kept because subak has noble idioms, which is Tri Hita Karana (THK), a concept of harmony and togetherness and become main horseblock of Bali’s culture.

In this study, the variable which more likely to be dominantly effecting subak performance was leadership value, THK culture and organizational commitment. Leadership role on increasing organizational performance effectivity, based on Yulk (2007) Robbin and Jugde (2007), stated that leadership success is a triumph of running organization performance, individually or as a whole organization. The study conducted by O’regan dan Ghobadian (2004) Shao, Webber (2004), Montes (2005), Aragon (2007), stated that leadership related to organizational performance. Theoretically, there was a relation between leadership and performance which was supported by previously conducted study. Even Aydugda (2011), stated that transformational leadership behavior had significant and positive relationship on organization culture such as short term/long term goals, leadership range, individualism and avoidance of uncertainty.

In this study, Asta Dasa Parameting Prabhu or eighteen main principles of leadership model was used. Based on these 18 (astadasa), the principles can be classified into three dimension, which are spiritual, moral, and managerial. Those three principle as part of the culture and synchronized into Balinese daily living and not apart from transformational leadership adopted by Bass (2007), because this model was also related to leadership model in Subak.

Specifically, leadership concept which was used in this study was a combination of transformational leadership by Bass (1985) and Tri Hita Karana philosophy, which obligate every leader to understand the leadership concepts which is socio-religious like Asta Brata concept (Windia, 2013: 82). Meanwhile, subak as agriculture organization have the socio-cultural quality to fulfil those leadership aspects. In Hindu’s teaching there are some teachings or leadership principle which emphasize on a leader behavior.

Organizational commitment also affects organization performance. Robbins (2006) stated that organizational commitment was one of working behavior. One will reflect their sentiment (like or dislike) toward the organization they work on. Luthans (2006) stated that organizational commitments were 1) strong urge to stay as a member of specific organization, 2) urge to work hard as expected by the organization, 3) specific belief, and the acceptance toward organization value and goal. Those were behavior that reflect loyalty toward organization and its continuous process where the members show their affection to organization and the success as well as continuous development.

Another factor that affect the organization performance was organization culture. Ojo (2009), found that organization culture had positive effect on organizational performance. Ahmad (2012), stated that organization culture had positive effect on practical management performance. Culture in organization were values or norms which lead the members’ behavior toward action that profitable to the organization (Luthan, 1998).

Tienne (2014), stated that organization culture played important role in involvement of organization, belief and incentive which indicated that organization culture take effect on non-profit organization including subak. Lokk’s study (2004: 23) stated that the effect of organization culture and leadership manner had positive and significant effect on working satisfaction and organizational commitment.

Meanwhile, study conducted by Yying, et al (2009: 53) revealed that moderating effect of organization culture, found inversely proportional relation which was organization culture had negative relation on leadership manner and organizational commitment. Raka (2003), stated that there was no direct effect of organization culture on organizational performance. The effect of those both variable will happen if there was mediation by the members’ working behavior. The same thing stated by Ghani (2006), the result of the study found that organization culture had positive but not significant effect on the members’ performance. Other studies that relate organization culture with organizational performance supported by Ritchei (2000), Kee and Yu (2004), Regan and Ghobadian (2004), Shao, Webber (2004), who stated that there was a correlation between organization culture and organizational performance.

This study refers to organization culture theory (Schein, 2004 and Koentjaraningrat, 2005) by using values inside the THK culture in organization culture practice. As a system, furthermore Koentjaraningrat (2005) divided culture into three basic elements which were value subsystem, social subsystem, and material subsystem. Schien (2004) divided culture into three levels which were artifice, belief and value, and basic assumptions which also explained those three level contained value and practical order. Riana (2010) has run a contemplated study between THK culture and some of organization culture theory. It was found that dimension of parahyangan analog with value subsystem, pawongan analog with social, and palemahan analog with artifact subsystem.

Organization culture combined with THK concept especially from the aspect of relation between human (Palemahan) was a gap of this study so this dissertation more focused on attempt to fix the gap. The inconsistency of the relation between human in organization as a gap of the study in the form of uncertainty of
the role of cultural values in subak activity because there wasn’t any explanation from previous study.

To fill in the gap of the study, the attempt started with how to strategically build a bridge to manage subak by using harmonic value from local culture which is THK which consisted of three elements in organization culture practice. Those three elements were parahyangan (the harmonic relation between human and God), pawongan (the harmonic relation amongst human), and palemahan (the harmonic relation between human and environment). This study started from the gap which was a failure of attempt to determine the relation between leadership value, local culture, and commitment and performance of subak in Bali has not been related to national culture.

Finally this study is directed to develop a certain form of study to integrate organizational performance values related to leadership value and THK culture on organizational commitment as well as the effect on subak performance in Bali.

2. Literature Review

2.1 Organization Performance
Performance is defined as the work that is produced by an individual worker or the level of work performed (Cash and Fishcher 1987 : Baron and Greenberg, 1990 : Hellriger and Slocum, 1992). Performance is also associated with human output that could be measured with productivity, absence, turnover, citizenship and satisfaction. Tika (2006 : 121) defines performance as the function of activity done by an individual or group, inside an organization that is influenced by several factors, in order to attain the goal of the organization in a restricted period of time.

Furthermore, Robbins (2009) defines performance as a function of the interaction between ability, motivation, and obsession or as an equation = f (A x M x O). Thus it could be explained that organization performance is the result of concrete work of an individual or group in form of quality or quantity within an organization in accordance to the obligation given and affected by several factors in order to attain the company’s goal.

2.2 Organization Commitment
One factor that influences organization performance is organization commitment. Robbins and Judge (2007) define organization commitment as a situation where a worker is in line with a certain organization and its goal. The worker tends to maintain his membership. Involvement in high organization works means that an individual has involved himself inside the organization activity, whereas a high organization commitment will lead to high trust of workers and eventual increase in organization performance.

Steers and Kuntjoro (2002) defines organization commitment as a feeling of identification (trust towards the value or the organization), involvement (willingness to perform best for the company), and loyalty (willingness to maintain membership) expressed by a worker towards the organization. Thus organization commitment is the degree in which the worker trust and accept the goals of the organization and will maintain membership, involve in obligation, and take full responsibility on the obligation.

2.3 Organization Culture
Several definitions of organization culture have been explained in context with anthropology, organization psychology and management theory. Deal and Kennedy (1982) explains organization culture as a dominant value upheld by the organization. Kotter and Heskett (1997) elaborate organization culture as a behaviour or style that enforces novel members to adhere. Frost et al (1985) stresses the importance of organization culture for novel member. Organization culture includes symbols, rituals, myths, stories, and legends, interpretation of events, ideas and experience that is influenced by groups of people who interact with each other.

Hofstede (2001) defines culture as a pattern of thought, feeling, and action from a group of social organization, which differentiates it with other social group. Organization culture is a systematic structure of beliefs and values that thrives within an organization and guides the behaviour of its member. In business, these system are often considered as corporete cultur. As no individual are identically similar, no two organization culture are the same.

2.4 Leadership
Leadership is the accumulation of all activity that influences people to work together to attain one designated goal (Martoyo 200:176). Refering to Weilrich and Koontz (1994 :490) “Leadership is defined as influence, that is the art or process of influencing people so that they will strive willingly and enthusiastically toward the achievement of group goals”. Leadership is the ability, in any means to influence other people to do or not do in order to obtain the designated goal.
2.5 The influence of Leadership Towards Subak performance in Bali province

Leadership conducted properly will reach its follower; one of the aspects mentioned is about the result of the work. Leadership is found to be related with worker performance directly and indirectly. Chi et al (2004) in his study had shown that leadership have an influence towards organization culture and worker performance. This is similar to results from Aditi (2010) and Nurwati (2010), that also found that leadership will affect culture and worker performance.

A Study related to leadership, culture, commitment, and performance had been conducted by Ogbonna and Haris (2000). The result of the study had shown that there is a relationship between leadership style and performance, that is mediated by the natural characteristic of the organization culture. Chi et al (2004) had shown that leadership influences organization culture and performance. Similar to findings from a studies conducted by Sharma and Aditi (2010), Nurwati (2010) that found that leadership influences culture and worker performance. In contrary, a study conducted by Puni et al (2014) stated that leadership does not have any significant influence towards performance. Meanwhile several other studies report varying results. Maharani et al (2013) found positive relation between leadership and performance, Tahir and Munil (2014) also found positive significant relationship. Igbal et al (2015) also found that leadership significantly influences performance.

**Hypothesis 1:** Leadership values have positive and significant effect towards Subak work performance in Bali province

2.6 Influence of leadership values towards organization commitment in Subak, Bali province

Leadership is capable of growing commitment in the heart of those involved in the organization. Previous studies have proven that leadership have a role on constructing organization commitment. Yeh and Hong (2012) and Ahmadi et al (2012) had shown that leadership has positive and significant influence towards organization commitment. This study is in accordance with results found by Savas and Toprak (2014). A study by John and Taylor (1999) found that organization commitment will be higher under a more flexible leadership style. This depicts that flexible leadership will provide a more comfortable working environment, thus raising the commitment of workers towards their job. Several other studies had shown varying results. Savas and Toprak (2014), Sarwar et al (2015), Yates (2014) found that organization style had positive and significant influence towards organization commitment. Meanwhile Ngadiman et al (2013) found that organization commitment is not significantly affected by leadership style. Based on the explanation above, a hypothesis could be generated:

**Hypothesis 2:** Leadership values have positive and significant effect towards organization commitment in Subak, Bali province

2.7 The effect of THK culture towards organization commitment in Subak in Bali province

Cultures are norms, habits that are established within an organization that influences behaviours and commitments of people working within the organization. Several studies had proven an influence of culture towards organization commitment. Shoaib et al (2013) found that organization culture have positive and significant effect on organization commitment. This is in similar with a study conducted by Hakim (2015) and Putrana (2015). Several other studies also found that organization culture have positive and significant effect towards organization commitment, including Momoni et al (2012), Mappamiring (2015), Habib et al (2014), Handoko et al (2011), Patulak et al (2013). Based on the explanation above a hypothesis could be formed:

**Hypothesis 3:** THK cultures have positive and significant influence towards organization commitment on Subak in Bali Province.

2.8 The effect of THK culture on Subak performance in Bali province

Several studies address the relationship between THK cultures and performance including ojo (2010), Illie and Gavrea (2002), Webster and Sundaram (1999). Study result found a strong positive result between THK cultures and performance. Halim et al (2014) found that local culture have positive and significant influence on performance. Aldolaimi (2015) also found that organization cultures have positive and significant effect on organization effectivity. Several other studies also found the positive correlation including : Aluko (2003), Awadh et al (2013), Ahmed and Shafiq (2014), Sengke (2016), Al-bahussin SA and El-garaiby WH (2013), Hilman and Siam (2014). Based on the description above it, a hypothesis could be conjugated:

**Hypothesis 4:** THK cultures have positive and significant effect on Subak work performance in Bali province

2.9 Influence of organization commitment towards Subak work performance in Bali province

Commitment will establish a more productive and profitable organization (Luthan 2006). For individuals with high organization commitment, the aim of the organization is an important matter; on the contrary workers with low organization commitment will have low appeal towards the organization goal and tend to fulfil individual goals. Suzzana (2005) stated that organization commitment variabel influences performance variabel.

Several studies have proven significant influence of organization commitment and organization
performance (Sudiro 2009). Meanwhile, a study conducted by Shaw et al (2003) on the local and newcomer workers in Saudi Arabia, which observe the effect of organization commitment on organization performance, found that organization commitment influences organization performance. Positive organization commitment will enforce high work ethos, low absence rate, and lower rate of workers to abandon the organization. Based on the explanation above a hypothesis could be created:

**Hypothesis 5:** Organization commitments have positive and significant effect on Subak work performance in Bali Province

### 2.10 The role of organization commitment on mediating Leadership Values towards Subak work performance in Bali province

Study conducted by Sugihartono (2012) found that organization commitment have positive effect on organization performance but did not prove that organization commitment mediates leadership values towards performance. One Factor that influences organization performance is organization commitment because commitment encourages faith and strong support towards the values and goals of the organization (Mowday et al 1982). Organization commitment could thrive only because individual workers have emotional attachment towards the organization that includes moral support and acceptance of values and the spirit to dedicate for the sake of organization (porter et al. 1985). Meanwhile according to Wiener (1982) organization commitment is the willingness of an individual from within to act in such way for the sake of the achievement of the organization, placing the organization’s goal higher than one’s individual goal.

Several previous studies had observed the relationship between organization commitment and organization performance. Rashid et al (2006) found positive correlation between organization commitment and organization performance. Somers (1995), Kamaliah (2011), Koensmono (2011), Syuta (2012) through identification of affective, continuous, and normative variable of organization commitment found that all variables affect organization performance. The study of organization commitment as a full mediation between leadership towards performance was conducted by Mappamiring (2015). Yeh and Hong (2012) found organization commitment as partial pre-mediation between leadership and performance. Based on the explanation above, a hypothesis could be generated as the following:

**Hypothesis 6:** Organization commitment mediates the influence between leadership values towards Subak work performance in Bali

### 2.11 The role of organization commitment on mediating THK culture on Subak performance in Bali

Robbins (2002:52) identified several function of organization culture including; establishing a border between companies, meaning that culture creates significant difference between one company with the other, culture could be the identity for its member, culture could ease general commitment towards company goals, moving aside individual goal. Finally culture could increase the ability of the social system.

Moeljono (2005) in context with human resource utility stated that, in order to produce professional workers with high integrity, a company needs a standard guideline. The guideline is the organization culture that systematically enforces workers to increase their commitment for the company. Organization commitment could mediate organization culture towards organization performance (Patulak 2013). Putri Ana (2015) stated organization commitment as a full mediation between organization cultures with performance. Organization commitment significantly mediates organization culture towards performance (handoko et al 2011). Widianingrum ME (2011) stated organization commitment as a partial pre-mediation between organization cultures with performance. Sriekearningsih and Setiadi (2015) found that organization commitment was not a significant pre-mediation between organization culture and performance. Organizational commitment significantly pre-mediates organization culture with performance (Hakim 2015). Organization culture is significantly mediated by organization commitment towards performance (Syauta et al. 2012). Based on the explanation above, the following hypothesis could be generated:

**Hypothesis 7:** organization commitment mediates THK culture’s influence towards Subak working performance in Bali

### 3. Research Methodology

#### 3.1 Location

This study was performed in Subak in Bali. Location selection was determined based on some considerations: (1) the rate of participation of subak group in subak competition held by Bali Province Government. (2) Selection was also based on Subak which is still active. Data were collected by direct field observation at certain time. Questioneir and indepth interview methods were used to obtain all pertain data.

#### 3.2 Population

The population of this study was subak sawah organization, with total 1601 Subak were distributed across area
of Bali Province. Regarding to the huge number of the population, hence selected subak were considered to represent all Regencies and Cities in Bali, therefore we decided to choose 4 Regencies/Cities according to UNESCO acknowledgment, including Subak Jatiluwih Tabanan, Pura Batur Bangli, Tukad Pakerisan Gianyar, dan Mengwi Badung.

As previously defined, the population of this study was as follow (Tabel 3.1):

<table>
<thead>
<tr>
<th>No</th>
<th>Regency</th>
<th>Jumlah</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Badung</td>
<td>119</td>
</tr>
<tr>
<td>2</td>
<td>Tabanan</td>
<td>228</td>
</tr>
<tr>
<td>3</td>
<td>Bangli</td>
<td>108</td>
</tr>
<tr>
<td>4</td>
<td>Gianyar</td>
<td>508</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>963</td>
</tr>
</tbody>
</table>

Source: Department of Culture Bali Province 2014

3.3 Sample and Sampling Technic

Sample size was calculated using Slovin formulation (in Umar, 2000:147). According to this formulation, we obtained that the total sample size was 90 respondents. The respondents were classified further as Leader/Pekaseh, Secretary/Prajuru, and subak member who have sufficient comprehension and knowledge about Subak itself.

4. Result and Discussion

4.1 Result of Validity and Reliability Tests

(a) Discriminant validity

Discriminant validity is a tool to measure validity of particular indicator of variable, which is performed by comparing square root average roof of variance extracted coefficient (√AVE) of each latent variable with correlation coefficient between other variables latent in model. The recommended AVE value was more than 0.50. The result of discriminant validity measurements in this study are shown in Table 1.

<table>
<thead>
<tr>
<th>Variable</th>
<th>AVE</th>
<th>√AVE*</th>
<th>Correlation coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>X1</td>
</tr>
<tr>
<td>Leadership (X1)</td>
<td>0.5542</td>
<td>0.7445</td>
<td>1.0000</td>
</tr>
<tr>
<td>THK Culture (X2)</td>
<td>0.3810</td>
<td>0.6173</td>
<td>0.3598</td>
</tr>
<tr>
<td>Commitment (Y1)</td>
<td>0.4024</td>
<td>0.6344</td>
<td>0.4970</td>
</tr>
<tr>
<td>Performance (Y2)</td>
<td>0.4279</td>
<td>0.6541</td>
<td>0.3950</td>
</tr>
</tbody>
</table>

As described in Table 2, square root average roof of variance extracted coefficients (√AVE) for each variable were higher than correlation coefficient between variables in model, which were 0.3598, 0.4970, and 0.3950, respectively.

(b) Composite Reliability and Cronbach Alpha

Composite reliability and Cronbach Alpha are measurement of reliability between block indicators of consisting variables. Composite reliability and Cronbach Alpha results were considered as good, if the value were higher than 0.70. The calculation of composite reliability and Cronbach Alpha measurement using SmartPLS 2.0 were showed in Table 2.
Table 3

<table>
<thead>
<tr>
<th>Variable/ Dimension</th>
<th>Composite Reliability</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leadership (X1)</strong></td>
<td>0.9567</td>
<td>0.9513</td>
</tr>
<tr>
<td>Spirit (X11)</td>
<td>0.8495</td>
<td>0.7334</td>
</tr>
<tr>
<td>Moral (X12)</td>
<td>0.9121</td>
<td>0.8821</td>
</tr>
<tr>
<td>Managerial (X13)</td>
<td>0.9492</td>
<td>0.9394</td>
</tr>
<tr>
<td><strong>THK Culture (X2)</strong></td>
<td><strong>0.9294</strong></td>
<td><strong>0.9197</strong></td>
</tr>
<tr>
<td>Parahyangan Culture(X21)</td>
<td>0.9501</td>
<td>0.9402</td>
</tr>
<tr>
<td>Pawongan Culture (X22)</td>
<td>0.8877</td>
<td>0.8519</td>
</tr>
<tr>
<td>Palemahan Culture (X23)</td>
<td>0.9000</td>
<td>0.8567</td>
</tr>
<tr>
<td><strong>Commitment(Y1)</strong></td>
<td><strong>0.9225</strong></td>
<td><strong>0.9102</strong></td>
</tr>
<tr>
<td>Affective Commitment (Y11)</td>
<td>0.8801</td>
<td>0.8363</td>
</tr>
<tr>
<td>Continue Commitment (Y12)</td>
<td>0.9174</td>
<td>0.8911</td>
</tr>
<tr>
<td>Normative Commitment(Y13)</td>
<td>0.8606</td>
<td>0.8015</td>
</tr>
<tr>
<td><strong>Performance (Y2)</strong></td>
<td><strong>0.9172</strong></td>
<td><strong>0.9026</strong></td>
</tr>
<tr>
<td>Economic (Y21)</td>
<td>0.8335</td>
<td>0.7517</td>
</tr>
<tr>
<td>Efficient (Y22)</td>
<td>0.8472</td>
<td>0.7740</td>
</tr>
<tr>
<td>Effective (Y23)</td>
<td>0.8528</td>
<td>0.7836</td>
</tr>
</tbody>
</table>

As mentioned in table 3, the results of composite reliability and Cronbach Alpha calculations demonstrated that each variable had composite reliability coefficient value ranged from 0.8335 to 0.9567 (>0.70), therefore according to composite reliability provision, indicators composing this study variables were reliable. Cronbach Alpha coefficient in Table 3 showed value that ranged between 0.7334 – 0.913 (>0.70), thus as followed cronbach alpha certainty, indicators in this study were reliable.

4.2 Hypothesis Testing

Hypothesis testing in this study would be performed through 2 steps, directly and indirectly analyzing the effect between exogenous latent variable and endogenous latent variable. Direct effect is an effect happened between exogenous latent variable and endogenous latent variable directly, and inversely, indirect effect is effect happened between exogenous latent variable and endogenous latent variable by means of mediation latent variable.

Direct effect analysis was supported by Figure in Appendix 1 and Table 2.

Figure 1. Direct Effect of Leadership and THK Culture on Commitment and Performance (source appendix 1 and 2)
Table 4

<table>
<thead>
<tr>
<th>Effect between Variables</th>
<th>Path Coefficient</th>
<th>t-statistics</th>
<th>Sig. (5%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership (X₁) → Commitment (Y₁)</td>
<td>0.3912</td>
<td>6.3519</td>
<td>1.96</td>
</tr>
<tr>
<td>Leadership (X₁) → Performance (Y₂)</td>
<td>0.0245</td>
<td>0.2796</td>
<td>1.96</td>
</tr>
<tr>
<td>THK Culture (X₂) → Commitment (Y₁)</td>
<td>0.2941</td>
<td>4.3569</td>
<td>1.96</td>
</tr>
<tr>
<td>THK Culture (X₂) → Performance (Y₂)</td>
<td>0.3774</td>
<td>5.2978</td>
<td>1.96</td>
</tr>
<tr>
<td>Commitment (Y₁) → Performance (Y₂)</td>
<td>0.4723</td>
<td>7.3174</td>
<td>1.96</td>
</tr>
</tbody>
</table>

4.3 Analysis of Direct Effect, Indirect Effect and Total Effect

The analysis of relationship between variables in model directly, could be ascertained using coefficient path of associations between variables, with significance level based on T-statistic. Direct associations between variable are further described in detailed way in Table 5. Analysis of indirect effect between leadership and THK culture variables on performance and organizational commitment are shown in Table 5.

Table 5

<table>
<thead>
<tr>
<th>Association between Variables</th>
<th>Effect</th>
<th>Total Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct X₁ → Y2</td>
<td>0.0245</td>
<td>0.0245</td>
</tr>
<tr>
<td>Indirect X₁ → Y₁→Y₂</td>
<td>0.3912 x 0.4723 = 0.1848</td>
<td>0.0245 + 0.1848 = 0.2093</td>
</tr>
<tr>
<td>Direct X₂ → Y2</td>
<td>0.3774</td>
<td>0.3774</td>
</tr>
<tr>
<td>Indirect X₂ → Y₁→Y₂</td>
<td>0.2941 x 0.4723 = 0.1389</td>
<td>0.3774 + 0.1388 = 0.5162</td>
</tr>
</tbody>
</table>

4.3.1 Role of Organizational Commitment in Mediating the Effect of Leadership Toward Performance

As demonstrated in table 4, it could be suggested that leadership not significantly had positive direct effect toward performance, that coefficient path showed value as high as 0.0245 with t value = 0.2796, meanwhile the value for indirect effect of leadership on performance through organizational commitment was 0.1848 (0.3912 X 0.4723) as shown in Table 4. Based on these findings, total direct effect was 0.0245 lower than total indirect effect which was 0.2093; thus could be concluded that organizational commitment play a role as mediator of leadership effect on performance at Subak in Bali. Due to non-significant result of direct effect of leadership on performance, and inversely the effect of leadership on organizational commitment and effect of organizational commitment on subak’s performance were found to be significant, thus the mediation effect was classified as full mediation.

4.3.2 Role of Organizational Commitment in Mediating the Effect of THK Culture on Performance

Analysis of organizational commitment as a mediator of the effect of THK culture on performance was performed by comparing THK culture’s direct effect and indirect effects to performance, respectively, through organizational commitment. From this trial we would find that organizational commitment act as full mediation, partial mediation or not as mediation variable of THK culture effect on performance. Meanwhile, the value of THK culture’s indirect effect on performance through organizational commitment was 0.1387 (0.2946 X 0.4723), as shown in Table 4. According to these, total indirect effect was 0.5162 higher than total direct effect which was 0.3774, hence it could be concluded that organizational commitment pay a role mediator leadership effect on performance in Subak in Bali. Due to direct effect of organizational commitment on culture and effect of culture on performance, therefore by mediating effect-induced, organizational commitment could be served as partial mediation.

4.4 Discussions of the Study Result

Based on the results of the data processing above, some of the study discussions that can be presented are: (1) the effect of leadership value on performance, (2) the effect of leadership value on organizational commitment, (3) the effect of THK culture on organizational commitment, (4) the effect of THK culture on performance, (5) the effect of organizational commitment on performance, (6) the effect of leadership on performance through organizational commitment, and (7) the effect of THK culture on performance through organizational commitment.

4.4.1 The Effect of Leadership Value on Performance

Analysis result regarding the effect of leadership on performance demonstrated that leadership had a positive but non-significant effect on the subak performance in Bali. This result indicates that an increase in the leadership value does not positively affect the increase in performance. This result is consistent with the research conducted by Puni et al. (2014) which stated that leadership does not significantly affect performance, but contrary to the
study results by Bycio et al (1995), Sharma and Aditi (2010), and Nurwati (2010). This could occur because all this time, the performance of subak has been running in a way that makes the leadership role becomes very small even ignored by the members of subak, moreover, the performance of subak has been supported by the culture and the local wisdom which in reality have been implemented consistently.

4.4.2 The Effect of Leadership Value on Organizational Commitment
The analysis regarding the effect of leadership value on organizational commitment showed that leadership had a positive but non-significant effect on organizational commitment. This result indicates that an increase in the leadership value does not significantly affect the performance of subak in Bali. This result is contrary to the study results conducted by Yeh and Hong (2012), Faraz and Fatimah (2014), Ali et al. (2014). The study results found that leadership had a significant positive effect on the organizational commitment, as practiced by Savas and Toprak (2014).

4.4.3 The Effect of THK Culture on Organizational Commitment
The analysis regarding the effect of THK culture on organizational commitment demonstrated that THK culture had a positive and significant effect on organizational commitment. This result indicates that an increase in THK culture will significantly increase the organizational commitment of subak in Bali. This result is consistent with the study results conducted by Sheetab et al., (2013), which concluded that the organization’s culture had a significant positive effect on the organizational commitment. Another consistent study results were also found by Hakim (2015); Putriana (2015); Porrashidi and Biglari (2015).

4.4.4 The Effect of THK Culture on Performance
The test regarding the effect of THK culture on performance demonstrated that THK culture had a positive and significant effect on the performance of subak in Bali. This result indicates that an increase in THK culture will significantly increase the performance of subak in Bali. This result is consistent with the study results conducted by Awadh et al., (2013), Najafí and Kasrai (2015), which stated that culture had a significant positive effect on performance.

4.4.5 The Effect of Organizational Commitment on Performance
The test regarding the effect of organizational commitment on performance demonstrated that organizational commitment had a positive and significant effect on the performance of subak in Bali. This result indicates that an increase in the organizational commitment will significantly increase the performance of subak in Bali. This result is consistent with the study results conducted by Suzzana (2005), Sudiro (2009), Shaw et al., (2003), Yiling et al., (2009).

4.4.6 The Role of Organizational Commitment Mediating the Effect of Leadership Value on Performance
The test result regarding the indirect effect of leadership value on performance through organizational commitment demonstrated that leadership had a significant positive effect on performance. On the other hand, the leadership value does not significantly affect organizational commitment, so it can be concluded that organizational commitment does not show its role as the mediator concerning the effect of leadership value on subak performance in Bali. Based on the comparison between the direct effect of leadership value on performance and the indirect effect of leadership value on performance through organizational commitment, where the direct effect was greater than the indirect effect, hence it can be concluded that organizational commitment does not act as a mediator.

4.4.7 The Effect of THK Culture on Performance through the Organizational Commitment
The test result regarding the indirect effect of THK culture on performance through organizational commitment demonstrated that THK culture had a significant positive effect on performance. The THK culture also had a significant positive effect on organizational commitment. Based on the comparison between the direct effect of THK culture on performance and the indirect effect of THK culture on performance through organizational commitment, where the direct effect was greater than the indirect effect, hence it can be concluded that organizational commitment does not act as a mediator.

5. Conclusion And Implications For Research
5.1 Conclusion
Based on the analysis and discussion, we can conclude the following matters:
1. The leadership value provided no significant effect on performance, and an increase in the leadership value was not capable of providing a significant improvement to the performance of subak in Bali. This was due to the spiritual leadership, moral leadership and managerial leadership. The leaderships as mentioned above if applied in the current subak organization, are no longer relevant for the development and improvement of the subak performance in Bali.
2. Organizational commitment turned out to be mediating the leadership value in the improvement of subak performance. This indicates that the power and reliability of the leadership value was able to fully and completely affect the improvement of subak performance. This was due to the leadership values such as spiritual, moral, and managerial when fully mediated by organizational commitment turned out to be viewed
as the decisive variables in improving the performance of subak.

3. Similarly, the organizational commitment was apparently able to partially mediate the THK culture variable on the performance of subak. This indicates that the power and reliability of the THK culture was able to affect the improvement of subak performance. This was due to the THK culture such as Parahyangan, Pawongan and Palemahan when mediated by organizational commitment turned out to be viewed as the decisive variables in improving the performance of subak.

5.2 Research Implications

Based on all of the discussions above, some of the theoretical implications that can be presented are:

1. Theoretically, this research has been able to develop a theoretical model concerning the roles of the values embodied in the leadership itself, which is associated with the organizational commitment with its consequences lies in the performance of subak. The results of the theoretical model explain that the values embodied in the leadership does not directly affect the performance of subak and indirectly affect the performance of subak through organizational commitment.

2. This research emphasizes on the importance of the local cultural values in the implementation of the subak performance which means that the THK culture values have the ability to affect the success rate in increasing the commitments as well as improving the performance of Subak.

5.3 Research Limitations

This study has tried to build an integrated model pertaining to the role of leadership values and THK culture on the organizational commitment and its consequences to the performance of Subak in Bali. However we realize that there are still many limitations encountered thereby making the results of this study have not been as perfect as expected by all parties involved, the problems encountered are as follows:

1. The use of leadership values in local cultural practices and associating it with THK culture could have an impact on the comprehensive reasoning of the research pertaining to the performance of subak.

2. About the measurement of study variables, just by looking at the variables above it would become obvious that there are other variables that have not been included in the structural equation model, those variables are actually have a lot of effect on the performance of subak in Bali.

5.4 Research Recommendations

Based on the research findings and limitations, some of the research recommendations that can be presented are:

1. The organizational commitment should take a role as a full-fledged mediator in mediating the leadership value towards the organizational performance while acting as a partial mediator in mediating the THK culture. This indicates that the role of organizational commitment in mediating the leadership values will provide a full contribution to the performance of subak in Bali. As for the organizational commitment’s role as the mediator for THK culture, it will provide a partial contribution to the subak performance. In future studies, the organizational commitment variable can be used as an exogenous variable in improving the performance of subak in Bali and even in Indonesia.

2. In the future studies, it is necessary to separate the leadership value and the THK culture and conducting analysis in the same form to determine whether such separation can actually paint a different picture or can actually provide a considerable effect on the role of organizational commitment in mediating the performance of subak in Bali.

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**Figure 1**

The relationship between leadership, THK Culture, Commitment and Performance (before bootstrapping)
Figure 2

The relationship between leadership, THK Culture, Commitment and Performance (after bootstrapping)