

The Influences of Corporate Culture toward Team Performance: Case Study at PT. Jasa Marga (Indonesia)

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Abstract

In response to rapid changes in business environment, PT. JasaMarga must develop organizational capability in order to make decisions quickly. The organizational capability requires a dynamic and innovative teamwork. One way to build this capability is to conduct engineering process on the corporate cultures. This research aims to analyze the influence of corporate culture towards team performance. The models of corporate culture are based on the Competing Values Framework, while the team performance uses the dynamic model of work roles. To find the relationship between the corporate culture and the team performance, the multiple linear regression analysis is used. The independent variable in this research is the types of corporate culture, while the dependent variables is the team performance. The data retrieval is done by spreading the questionnaire and then processing it using the multiple linear regression analysis. In data processing the assumptions to fulfill the requirements of multiple linear regression is also tested. This research shows that market and adhocracy culture provide significant influence on the team performance.

Key words: corporate culture, team performance, adhocracy, multiple linier regression

1. Introduction

Organization is a system with human resources as the main factor to reach effectiveness and efficiency (Rad and Yarmahommadian 2006). Organization is a very complex system that connects many individuals, working teams, structures, systems, and regulations which has been approved and done by all organization's members (Von Bertalanffy 1975 and Beer 1980 in Senior and Swiles 2004). Organising is a process to regulate human and other resources to work together in achieving company's goal (Schermerhorn 2008).

The principles of departmentalization and formalization in mechanistic organization structure are described with the existence of working units, while in organic organization it is with the form of working teams (Schermerhorn 2008). The choice to apply organic organization is one of the step that can be taken by the company (Goh 1998 and Pham 2009). It is aimed to achieve the flexibility and agility in decision making process and also to catalyse the company's human resources empowerment process so that the competitiveness of the company will be increased.

A work team in a company can be defined as a group of people that interacts each other, psychologically has connection feeling one another and work together as group (Schein 2004). Just like an individual performance, performance of work team also has a very significant role in a company's improvement. Team performance is a main determining factor and oftenly used as company's success indicator (Stashevsky and Koslowsky 2006).

To gain effective result for a working team, each team's member should have his/her own task and role. Task role is an effort that is done by each member of the group so that all activities can be well-coordinated. Besides, through a clear task role new ideas will be gained and problems will be solved well (Chong 2007).

In a team the existance of different opinions among team's members is a positive, valuable, and necessary thing. It will create an effective solution for the problem and also a creative strategy. An opinions changing in a team can encapsulate some potensial new chances. With such differences in a team, an improving and existing company will be formed, only if those

differences are openly showed and solved (Guttman 2005).

There are many factors that can affect team performance, such as organization culture (Senior and Swailes 2004). Organization culture gives influences on team performance through work satisfactory forming process and commitment on organization. Deal and Kennedy (2000) inferred that organization culture can be used to affect certain important factors in organization such as commitment and performance. It is strengthened by a research conducted by Lok and Crawford (2004) that showed that organization culture has a very significant impact towards work satisfactory and commitment to organization.

2. Problem Formulation

PT Jasa Marga (Persero) is a state-owned company that becomes one of operator and also pioneer of toll undertaking in Indonesia. PT. Jasa Marga is still becoming main toll operator by operating 76.2% out of the whole toll's length in Indonesia. This company operates toll network in Indonesia and keeps all the toll road under its corporation functioning well. PT Jasa Marga cooperates with other parties in building new toll road, increasing toll facilities, and other things that can maximalize its utilities to the toll users.

The ratification of the laws no. 38 year 2004 opens the chance to private companies to be involved in the development and operation of toll. It increases the competition in Indonesia's toll undertaking. This improvement should certainly be able to be responded fastly by PT. Jasa Marga. Company should be able to compete by increasing its competitiveness. The efforts in winning the tender process of that toll building must be supported not only by company's financial ability but also the data of technical ability and the operation of toll undertaking. Related to the operation of toll undertaking, company should refer to Minimal Service Standard (MSS) that is determined by Badan Pengelola Jalan Tol (BPJT). The components of MSS cover: (1) the quality of toll's condition; (2) the average velocity; (3) the accessibility; (4) the mobility; and (5) the safety. If company is not capable of fulfilling those MSS then the lowest

consequence inside the company is the decrease of company's KPI. And the highest consequence is the cut off of temporary toll operational license in the lane that can not fulfill those MSS, by BPJT.

Those challenges make company always empower the resources it has including the human resources. The company management in long term mapping in organization and human resources department stated that the company paid attention highly on dynamic and flexible organization, with high learning skill in each of its employee and companies. The long term plan of this company means a process to empower the human resource that is scoped in work units as a work team.

Company's management realizes the effect of company's culture toward team performance. Therefore company also has improvement programs for corporate culture in its long term plan mapping. Corporate culture gives influences on team performance through work satisfactory forming process and commitment on organization. Deal and Kennedy (2000) inferred that organization culture can be used to affect certain important factors in organization such as commitment and performance.

This research aims to help company in formulating the type of corporate culture that is proper to be developed in PT. Jasa Marga. The indicator of influence of the corporate culture toward team performance is becoming a standard in giving recommendation corporate culture that are supposed to be developed by company. Team performance itself is a function of work role completion based on Belbin (1993).

3. Research Methodology

Problem solving uses linear approachment in the form of *Multiple Linier Regression*. Hair *et al.* (2006) states that multiple linear regression analysis is used to estimate the relation between one dependent variable and one set of independent variables. Regression analysis will result an equation/a regression model. The result of multiple linear regression in the end can answer the arranged hypothesis.

In the team performance improvement this research considers two variables, which are corporate culture as a independent variables and

accomplishment on the task role as a dependent variable. Corporate culture variable takes the types of corporate culture according to Cameron and Quinn (1999) who divide it into four types, which are clan, adhocracy, market, and hierarchy. While accomplishment on the task role variable takes the type of task role according to Belbin (1993). The next Table 1 shows research's variables with team performance as dependent variable and corporate culture as independent variable.

The research is located in Surabaya Branch Office, Padaleunyi (Bandung) Branch Office, Jagorawi (Jakarta) Branch Office, Cikampek (Jakarta) Branch Office, Balmera (Medan) Branch Office, Palikanci (Cirebon) Branch Office and Central Office (Jakarta). These locations are chosen so that it can represent company's branch office (branch office type A and B), and also accommodate environment

diversity and the culture of local community (location).

4. Data and Analysis

The total number of spread questionnaires in data collecting period is 400, with the number of return 257 questionnaires. Then it is processed and giving a result that is shown in the next Table 2. It shows that Colinearity Statistics value approaches 1, so that it is concluded that amongst independent variables from regression model there is no multicollinearity or in other words this model fulfills multicollinearity assumption. Multicollinearity is a situation where there is high degree correlation, if one independent variable is a regression of other independent variables (Hair et al., 2006).

Table 1. Research Variables

Factors	Variables	Definition
Corporate culture (Cameron dan Quinn 1999)	Clan	Share each other, people-oriented development and decision making that involves everyone
	Adhocracy	Very dynamic with people who dare to take risks implementing decisions and actions that are creative and innovative (dare to try new things)
	Market	Work program that is competitive with high targets and always managed to achieve the job perfectly
	Hierarchy	Each program is done with the principle of efficiency in accordance with strict control procedures
Team Performance (Belbin 1993)	<i>Plant (PL)</i>	Creative and be able to solve complex problem.
	<i>Resource Investigator (RI)</i>	Openness and be able to take opportunities. He/she is able to build relationship
	<i>Co-ordinator (CO)</i>	Self confidence, good communicator. He/ she is able to make a plan and to lead others
	<i>Shaper (SH)</i>	Dynamics and be able to work under pressure.
	<i>Monitor Evaluator (ME)</i>	Wise, strategic thinking, and be able to make decision accurately.
	<i>Team Worker (TW)</i>	Can work together, intelligent, Good listeners, and to avoid disputes.
	<i>Implementer (IMP)</i>	Disciplined, reliable, conservative and efficient. Able to implement these ideas into action.
	<i>Completer-Finisher (CF)</i>	Conscientious, earnest, anxious, and perfectionist. Able to work on time.
	<i>Specialist (SP)</i>	Working on his own thinking and dedicated. Able to apply theory to every conditions.

Table 2. The Resulting Collinearity Test

Var	Unstandardized Coefficients		Sig.	Collinearity Statistics	
	B	Std. Error		Tol	VIF
(Constant)	18.802	3.666	.000		
MarketTar	2.563	.852	.005	.862	1.160
AdhoChall	1.715	.789	.037	.862	1.160

A linear model should predict the value of dependent variable in a straight line whose value change is constant towards the change of independent variable's values. The testing of the relation between dependent and independent variable can be gotten from ANOVA test, or in other words linearity assumption can be checked with variance analysis technique. If the table's significance value is smaller than level of significance (alpha) 0.05, then the model is to be stated as fulfilling linearity assumption. The resulting ANOVA test shows that multiple linear regression model fulfills the linearity assumption since the level of significance (alpha) is less than 0.05 (Table 3).

Table 3. The Resulting Anova Test

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	296.205	2	148.103	10.800	.000(a)
Residual	452.545	33	13.713		
Total	748.750	35			

a Predictors: (Constant), AdhoChall, MarketTarget

b Dependent Variable: TeamDinam

A model of multiple linear regression should also fulfill the normality assumption. The data plot in this research shows that the residual follows a straight line (there is no significant deviation towards normal plot) so that it is concluded that the residual normality assumption is fulfilled (Figure 1). So does this model fulfill *homoscedasticity* assumption, that is shown by scattered plot thus it is able to be said that the residual is well distributed.

The predicted dependent variable should be independent one another. There is no relation between a dependent variable value's prediction result with other predictions. To detect it Durbin-Watson statistical test can be undergone (*d*). The result of that test is shown in the next Table 4.

Normal P-P Plot of Regression Standardized Residual

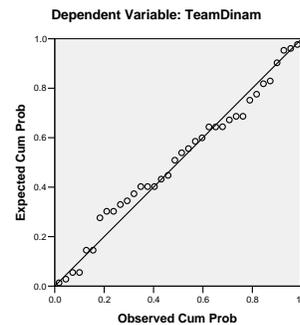


Figure-1. Normal Plot of Residual

The analytical *d*-value will be compared with Durbin-Watson's table *d*-value. If the analytical *d* (on Model Summary table) is included to the range of *d* that indicates no autocorrelation, it can be concluded that the residual autocorrelation does not happen or the residual independence assumption is fulfilled. The above table 3 shows that the Durbin-Watson value is 1.793 which is in the interval of -2 to 2, thus it is concluded that the data from regression model is free from autocorrelation (there is no autocorrelation).

Table 4. The Resulting Durbin-Watson's Test

R	R Square	Adjusted R Square	Durbin-Watson
.629(a)	.396	.359	1.641

Based on the previous assumption tests it is concluded that all model assumption has fulfilled the criteria thus can be statistically relied on. Therefore the multiple linear regression model is in the formula of:

$$TP = 18.802 + 2.563MarketTarget + 1.715AdhoChall$$

with:

$$TP = Team\ Performance$$

$$MarketTarget = Market\ Culture$$

$$AdhoChall = Adhocracy\ Culture$$

This result shows team performance is effected significantly by market's corporate culture and adhocracy's corporate culture. It's mean that the company should develop market culture as the main priority and adhocracy culture as the second priority to achieve team performance. The company's management

should focus on the corporate culture's values in these following issues:

1. The courage of taking risk to make decision and creative and innovative conducts (dare to try new things).
2. The competitive working program with the high target and always capable of achieving perfect working result based on the defined target.

The questionnaire result also shows the average condition of satisfactory level towards each types of current corporate cultures as described in Figure 2.

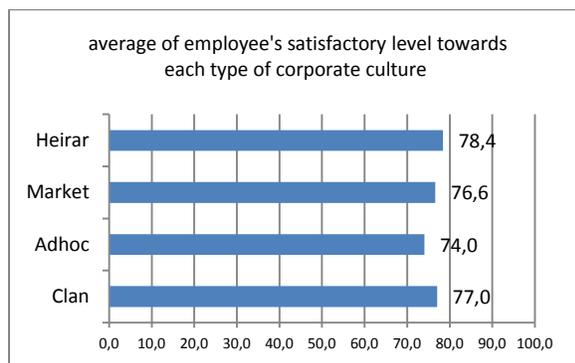


Figure 2 The Average Employee's Satisfactory Level towards Each Types of Current Corporate Culture

Figure 2 shows quite high satisfactory level even though averagely it has not reached 80 or still in the category of satisfied enough. Therefore the company's management still has to work hard to firstly formulate the corporate culture, culture internalization and apply the change management to apply that corporate culture's type proportionally.

5. Conclusion

This research shows that out of four types of corporate cultures, two types of cultures give significant influence toward team performance, which are market culture and adhocracy culture. The managerial implication from this research result is the management of PT JasaMarga should give priority of corporate culture development toward those two types of cultures. It is along with the competitive business development so that it is necessary to have work team that is creative, innovative, daring to set

challenging working targets, and daring to take risk in corporate's business development.

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