

Examining the Impact of Organizational Culture on Employee Performance in an Islamic Higher Education Context

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ABSTRACT

This study examines the influence of organizational culture and work discipline on employee performance at Institut 'Aisyiyah Sulawesi Selatan. Using a quantitative correlational design with a saturated sample of 48 employees and lecturers, data were collected through questionnaires, observation, and documentation. Analysis using SPSS included validity, reliability, and regression tests. Findings show that organizational culture and work discipline significantly and positively affect employee performance. The study highlights the importance of fostering a culture-based discipline system to enhance professionalism and productivity in Islamic higher education institutions.

Keywords: *organizational culture, work discipline, employee performance.*

1) INTRODUCTION

Human resources play a fundamental role in sustaining and advancing the development of an organization. They are defined as the collective individuals engaged in operational activities within an institution, forming the most critical factor in achieving organizational objectives (Siregar, Harahap, & Aina, 2022). In the era of technological advancement and increasing global competition, organizations whether industrial, commercial, or service-based require more than just advanced technology, capital, and infrastructure. Ultimately, the success of any institution depends on its human resources who drive the organizational machinery and ensure the realization of shared goals (Boedhi Santoso, Fiernaningsih, & Murtiyanto, 2021).

Every organization strives to achieve its predetermined objectives through the effective performance of its employees. Employee performance represents the level of efficiency, effectiveness, and quality with which individuals carry out their responsibilities (Rivai, 2020). High individual performance contributes significantly to overall organizational productivity, making it imperative to understand the internal and external factors influencing employee performance. In educational institutions, this significance becomes more evident, as stated in the Indonesian Law No. 20 of 2003 on the National Education System, which emphasizes that educational staff are responsible for

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managing and supporting the educational process professionally (“Undang-Undang No. 20 Tahun 2003,” 2003). Thus, performance improvement among educational staff is a professional obligation and a key determinant of institutional excellence.

The importance of human labor and productivity is also underscored in the Qur’an, where Allah commands humankind to work diligently, as He, the Prophet, and believers will observe their deeds:

"And say, 'Do [as you will], for Allah will see your deeds, and [so will] His Messenger and the believers. And you will be returned to the Knower of the unseen and the witnessed, and He will inform you of what you used to do'" (Qur’an, At-Taubah 9:105; Kementerian Agama RI, 2022).

This verse emphasizes the moral and spiritual responsibility of every individual to perform their duties with integrity and sincerity, aligning professional conduct with divine accountability.

Despite this ideal, Indonesia continues to face challenges in developing high-quality human resources. Data from the Indonesian Central Bureau of Statistics (Badan Pusat Statistik [BPS], 2022) show that the workforce remains dominated by individuals with only elementary education (39.10%), while those with higher education (diploma or university degrees) represent merely 12.60%. Similarly, the Human Development Index (HDI) data reveal that Indonesia ranked 113th among 193 countries with a score of 0.728 in 2007 and slightly improved to 0.750 in 2022 (Putri et al., 2024; GoodStats, 2022). These statistics highlight that Indonesia’s human resource quality remains lower than many ASEAN countries, demonstrating an urgent need to strengthen educational quality, professional development, and institutional culture.

A preliminary observation at Institut ‘Aisyiyah Sulawesi Selatan (May 19–23, 2025) revealed several empirical issues affecting employee performance, including suboptimal organizational culture and weak work discipline. These problems are further aggravated by inadequate workload management and inconsistent performance monitoring, which collectively hinder the institution’s ability to achieve its goals. This situation indicates a clear discrepancy between the expected organizational culture and employees’ actual behavior (Observasi, Institut ‘Aisyiyah Sulawesi Selatan, 2025). Addressing this issue requires comprehensive analysis of human resource management practices, particularly those concerning performance, organizational culture, and work discipline.

Performance improvement depends not only on individual competence but also on organizational culture. Organizational culture reflects the shared assumptions, values, and beliefs that shape how employees perceive, think, and act within an organization (Schein, as cited in Dunggio,

2020). It guides members' behavior and promotes consistency in achieving common goals. A strong, positive culture fosters employee commitment, satisfaction, and motivation (Febriantina, Lutfiani, & Zein, 2018), while a weak or negative culture may divert employees from organizational vision and mission (Daeli et al., 2025). Therefore, cultivating a robust and adaptive culture is essential for improving employee engagement and productivity.

Organizational culture has been empirically linked to employee performance in numerous studies. Wahyudi and Tupti (2019) found that organizational culture, motivation, and job satisfaction significantly influence employee performance. Similarly, Hasibuan (2022) emphasized that leadership and organizational culture are strong determinants of teachers' performance in Islamic educational institutions. Imelda and Tirtayasa (2019) further revealed that leadership and motivation mediate the relationship between culture and performance, suggesting that organizational culture operates through complex psychological and managerial pathways. Thus, maintaining a positive and value-based organizational culture is a strategic imperative for institutional success.

In addition to organizational culture, work discipline also plays a crucial role in enhancing employee performance. Work discipline refers to the willingness and commitment of employees to adhere to organizational rules, norms, and procedures (Sutrisno, 2019). Employees with high discipline manage their time effectively and align their behavior with institutional expectations, resulting in optimal performance outcomes (Nugroho & Santoso, 2020). Conversely, a lack of discipline often leads to inefficiency, reduced productivity, and goal misalignment. Empirical evidence by Prawiro (2021) and Sarjono, Handayani, and Setiawan (2025) supports the notion that discipline has a significant and positive effect on employee performance across public and private sectors.

Nevertheless, the interaction between organizational culture and work discipline remains underexplored, particularly in educational settings within Indonesian Islamic institutions. While several studies (Siregar et al., 2022; Boedhi Santoso et al., 2021; Dunggio, 2020) have established the individual influence of culture or discipline on performance, limited attention has been given to their combined effect in faith-based educational contexts. This gap presents an opportunity to examine how cultural values and work discipline collectively shape employee performance in Islamic higher education institutions.

Therefore, this study seeks to investigate the influence of organizational culture and work discipline on employee performance at Institut 'Aisiyiah Sulawesi Selatan. By focusing on an Islamic

higher education institution, this research aims to contribute to the broader understanding of performance management within educational organizations that integrate religious and ethical values. The findings are expected to enrich the literature on organizational behavior in the Indonesian context, provide practical implications for human resource development, and support the creation of professional, committed, and high-performing educational staff.

The relationship between organizational culture, work discipline, and employee performance has been extensively examined in organizational and management studies. Empirical evidence consistently affirms that a strong and positive culture fosters commitment, enhances motivation, and ultimately improves employee performance (Riono, Syaifulloh, & Utami, 2020; Kurniawati, 2018; Andayani & Tirtayasa, 2019). However, recent scholarship emphasizes that the magnitude and mechanism of this relationship vary across institutional contexts, depending on mediating factors such as leadership style, organizational climate, competence, or discipline (Patimah, Nilawati, & Suta, 2024; Sarumaha, 2022).

Across various organizational settings, culture has been proven to play a decisive role in shaping employees' work behavior and productivity. Studies conducted in hospitals, corporations, and government institutions show that cultural values, communication patterns, and shared norms significantly determine employees' attitudes toward their work (Riono et al., 2020; Kurniawati, 2018). In particular, organizations with strong, coherent cultures tend to exhibit higher performance levels because members internalize institutional values and align their behavior with collective goals. Nonetheless, many of these investigations were conducted in non-academic and profit-oriented contexts, where performance is measured primarily in financial or output terms, leaving educational settings relatively underexplored.

Several scholars have extended this inquiry by incorporating work discipline as a behavioral dimension of organizational effectiveness. Patimah et al. (2024) found that both organizational culture and work discipline significantly influence performance, while leadership style did not, highlighting discipline as a behavioral manifestation of cultural strength. Similarly, Marpaung and Darmawan (2022) demonstrated that culture and discipline collectively explain substantial variance in performance, underscoring the synergistic interaction between institutional norms and individual responsibility. In contrast, Munawir Nasir et al. (2021) identified work discipline as a stronger predictor than culture, suggesting that behavioral compliance and punctuality may represent more immediate

drivers of performance outcomes. These findings collectively indicate that discipline serves as both a reflection and an operationalization of organizational culture.

Other studies have approached this relationship from different angles. Dinda Genta Wicara (2022), for instance, provided evidence that organizational culture exerts a significant influence on work discipline, implying that discipline may function as a mediating variable linking culture to performance. Daeli et al. (2024) and Ferine et al. (2021) further emphasized that leadership, culture, and motivation jointly determine employee outcomes, though discipline was often treated as a secondary or omitted factor. Moreover, Sarumaha (2022) demonstrated the combined effects of culture and competence, while Andayani and Tirtayasa (2019) underscored the importance of cultural values alongside motivational factors. Although these studies contribute to understanding the multidimensional nature of performance, they reveal conceptual fragmentation: culture, leadership, motivation, and discipline are often analyzed separately rather than as interdependent variables within an integrated behavioral framework.

Taken together, previous studies converge on three key insights. First, organizational culture consistently emerges as a significant determinant of employee performance across different institutional types, confirming its universal role in shaping workplace behavior. Second, work discipline acts as both a direct and indirect mechanism through which culture influences performance, yet its mediating role remains insufficiently theorized and empirically tested. Third, most prior research has been conducted in corporate, manufacturing, or governmental sectors, with limited exploration in higher-education institutions—particularly those grounded in Islamic values, where cultural and disciplinary dimensions intertwine with moral and spiritual orientations.

From these observations, a distinct research gap becomes evident. There is a paucity of studies examining how organizational culture and work discipline interact to influence employee performance in educational environments, especially within Islamic higher education institutions. Existing research tends to generalize corporate-based models to academic settings without considering the ethical and pedagogical missions that characterize educational organizations. Consequently, the mechanisms by which institutional culture fosters disciplined conduct and, in turn, enhances performance within a faith-based academic framework remain underexplored.

The present study seeks to fill these gaps by analyzing the influence of organizational culture and work discipline on employee performance at Institut ‘Aisyiyah Sulawesi Selatan. It aims to (1) extend

empirical evidence on the culture–discipline–performance nexus into a higher-education context, (2) examine the interaction between organizational culture and disciplinary behavior as co-determinants of performance, and (3) provide a model that integrates institutional, behavioral, and moral dimensions of employee effectiveness. This approach not only deepens theoretical understanding but also offers practical implications for improving human resource management and organizational development in Islamic educational institutions, where professionalism, accountability, and ethical discipline form the foundation of institutional excellence.

2) METHODS

This study applied a quantitative correlational design to examine the relationship between organizational culture, work discipline, and employee performance. The quantitative approach allowed for the systematic collection and analysis of numerical data to identify the degree of influence among the studied variables (Creswell, 2014). The research was conducted at Institut ‘Aisyiyah Sulawesi Selatan, Gowa Regency. The population comprised 48 employees and lecturers, including administrative and teaching staff. Given the small population, the study used a saturated sampling technique, involving all members as respondents to ensure comprehensive and unbiased results. Data were collected using three complementary techniques: Questionnaire – A Likert-scale instrument (1 = Strongly Disagree to 5 = Strongly Agree) measured perceptions of organizational culture, work discipline, and employee performance. Items were adapted from validated instruments used in previous studies. Observation – Non-participatory observation was employed to capture workplace behavior, punctuality, and compliance with institutional rules. Documentation – Institutional reports, attendance records, and photographs were analyzed to support and triangulate the quantitative data.

Instrument validity was assessed using the Pearson Product-Moment correlation, and reliability was tested using Cronbach’s Alpha ($\alpha > 0.60$) following Hair et al. (2010). Data were analyzed using SPSS software. Descriptive statistics summarized respondents’ characteristics and variable distributions. Simple linear regression analysis was then applied to determine the effect of

organizational culture and work discipline on employee performance. Significance was accepted at $p < 0.05$, and relationships were categorized based on correlation coefficients (r).

The hypothesis testing followed these criteria:

- If $t\text{-count} > t\text{-table}$ and $\text{Sig.} < 0.05$, the null hypothesis (H_0) is rejected, indicating a significant relationship between the independent and dependent variables.
- If $t\text{-count} < t\text{-table}$ and $\text{Sig.} > 0.05$, H_0 is accepted, indicating no significant effect.

The strength of the relationship between variables was interpreted using correlation coefficients (r): values between 0.00–0.19 indicate a very weak correlation, 0.20–0.39 weak, 0.40–0.59 moderate, 0.60–0.79 strong, and 0.80–1.00 very strong.

3) RESULTS AND DISCUSSION

The findings of this study, based on responses from 30 administrative staff and lecturers at the 'Aisiyiah Institute of South Sulawesi, indicate that the organizational culture is generally perceived at a moderate level. Descriptive statistical analysis revealed a maximum score of 175 and a minimum score of 127, with a mean score of 147 and a standard deviation of 10. Categorization results showed that 20% of respondents perceived organizational culture as low, 70% as moderate, and 10% as high. These results suggest that organizational culture has been established and recognized by most institutional members, although it has not yet reached an optimal or strongly internalized level.

The predominance of the moderate category implies that organizational values, norms, and practices are present but not consistently embedded in daily work behavior. Consequently, organizational culture has not fully functioned as a strategic mechanism for enhancing employee performance and work-related behavior. This condition highlights the need for continuous organizational development through systematic reinforcement of shared values, behavioral norms, and institutional practices to foster a more cohesive and performance-oriented culture.

These findings are consistent with previous empirical studies examining the relationship between organizational culture and employee performance. Yuliyanti and Hakim (2019), in their study on employees at KPKNL Surakarta, reported that organizational culture accounted for 55.3% of the variance in employee performance ($R^2 = 0.553$), indicating a moderate level of influence. Similarly,

Wardana, Aprii, and Thareq (2020) found that organizational culture explained 47.5% of employee performance variance ($R^2 = 0.475$) at the Central Katingan Sub-District Office, further supporting the categorization of a moderate effect.

Moreover, Sarumaha (2021) demonstrated through partial hypothesis testing that organizational culture had a positive and statistically significant effect on employee performance ($t = 2.195 > t_{table} = 1.694$; $p = 0.036$). Although this study did not report a specific coefficient of determination for organizational culture, the magnitude and significance of the effect suggest that its influence can be reasonably classified as moderate when evaluated using categorical criteria.

Qualitative and categorical evidence also supports this interpretation. Ferine et al. (2021), in their empirical investigation of Indonesia's education authority, found that leadership, organizational culture, and work ethic positively influenced employee performance, while conflict exerted a negative effect. When assessed using the influence-level categorization framework ($\mu \pm 1.0\sigma$), the effects of organizational culture—alongside leadership and work ethic—can likewise be classified as moderate. Collectively, these findings reinforce the conclusion that organizational culture plays a meaningful yet not dominant role in shaping employee performance, underscoring the importance of sustained cultural strengthening initiatives within educational institutions.

The result also indicate that organizational culture has a significant effect on the performance of administrative staff and lecturers at the 'Aisyiyah Institute of South Sulawesi. The coefficient of determination shows that organizational culture explains 17.2% of the variance in employee and lecturer performance, suggesting that while organizational culture plays a meaningful role, performance outcomes are also influenced by other unexamined factors.

The linearity test confirmed a linear relationship between organizational culture and performance, as evidenced by a significant Linearity value ($p = 0.004 < 0.05$) and a non-significant Deviation from Linearity ($p = 0.409 > 0.05$). This supports the appropriateness of applying simple linear regression analysis.

The regression analysis yielded the equation $Y = 84.900 + 0.319X$, indicating that an increase in organizational culture scores corresponds to an increase in performance levels. The effect was statistically significant ($t = 2.052 > t_{table} = 2.019$; $p = 0.05$). Consistently, correlation analysis revealed a moderate positive relationship between organizational culture and performance ($r = 0.362$, $p = 0.05$). This Pearsom correlation analysis reveals positive and statistically significant relationship between

organizational culture and employee performance. This indicates that improvement in organizational culture are associated with higher level of employee performance. This moderate correlation suggests that organizational culture contributes to performance enhancement but has not yet reached an optimal influence level.

These findings align with prior quantitative studies demonstrating the importance of organizational culture in shaping employee performance. For example, Riono, Syaifulloh, and Utami reported a substantially higher explanatory power (72.2%) when organizational culture was examined alongside organizational communication and organizational commitment. Similarly, Ely found that organizational culture and organizational climate jointly accounted for 53.2% of employee performance. Compared to these studies, the relatively lower contribution identified in the present research may be attributed to the use of a single independent variable and differences in institutional context.

Overall, the results suggest that organizational culture functions as a supportive but not dominant predictor of performance. Strengthening shared values, work norms, and positive behavioral practices within the organization may enhance its impact on employee and lecturer performance. Future studies are recommended to incorporate additional organizational and individual variables to achieve a more comprehensive understanding of performance determinants.

4) ETHICAL CONSIDERATIONS

All participants were informed about the research objectives and provided consent prior to data collection. The confidentiality of respondents' data was strictly maintained, and findings were reported only in aggregate form to protect participant identity.

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