

## The Effect of Organizational Culture on Employee Performance, with Collectivism as a Mediating Variable and Power Distance as a Moderating Variable at the Darul Fikri Foundation in Makassar

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*Organizational Culture, Collectivism, Employee Performance*

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**ABSTRACT**

Employee performance is a critical factor in determining organizational success, particularly in educational institutions where teacher and staff performance directly impacts the quality of educational services and public trust. However, performance variations among employees at the Darul Fikri Foundation in Makassar indicate that performance is not yet fully optimal and consistent, suggesting the need to examine broader organizational factors beyond individual capabilities. This research aims to analyze the influence of organizational culture on employee performance with collectivism as a mediating variable at the Darul Fikri Foundation in Makassar. The research approach uses a quantitative method with regression-based data analysis techniques and mediation tests to examine the direct and indirect relationships between variables. The results show that organizational culture has a positive and significant effect on employee performance, and has a strong influence on collectivism. Collectivism is also proven to have a positive influence on employee performance and acts as a mediating variable in the relationship between organizational culture and performance. These findings indicate that organizational cultural values that emphasize togetherness, cooperation, and collective responsibility can increase employee collective orientation, which ultimately has an impact on improved performance. Thus, strengthening a consistent organizational culture oriented towards collective values is an important factor in creating optimal and sustainable employee performance, especially in the context of educational institutions.

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### INTRODUCTION

Employee performance is a key factor in determining organizational success, including in the context of educational institutions. Performance not only reflects an individual's ability to perform tasks but also reflects the extent to which an organization is able to create work systems, values, and an environment that support the achievement of shared goals. In educational institutions, teacher and employee performance has direct implications for the quality of educational services, program sustainability, and public trust in the institution (Asngari, M. S., Kurniawati, D. T., & Handrito, 2024).

At the Darul Fikri Foundation in Makassar, employee performance is an important issue that warrants further examination. Based on personnel data, teacher performance evaluation results indicate that performance is not yet optimal and consistent. Although some teachers fall into the good category, there is still variation in achievement in aspects such as lesson planning, task implementation, work discipline, and professional responsibility. This condition suggests that employee performance at the Darul Fikri Foundation is not solely an individual issue but is also related to broader organizational factors. Thus, employee performance constitutes the main research problem in this study, as it is directly related to the institution's effectiveness in achieving educational and organizational goals.

Based on the available data, teacher performance is generally in the excellent category. Most teachers received an A+ grade, with average scores ranging from 95 to 98. This achievement indicates that teachers have carried out their duties and responsibilities well in accordance with applicable assessment standards. However, when compared to the target set by the foundation's management—namely a maximum score of 100—this achievement does not fully meet expectations. This indicates that although teacher performance is high, there is still a gap between actual conditions and the organization's ideal standards. Furthermore, there is also a notable variation in scores among teachers, with some even falling into the D category. This indicates that performance levels are not yet evenly distributed and are not fully stable. Therefore, teacher performance still has room for improvement. Efforts to understand the factors influencing performance are essential so that the organization can achieve more optimal outcomes. In this study, organizational culture, collectivism, and power distance are considered relevant variables for further analysis as factors that may influence employee performance.

Various previous studies have shown that employee performance is influenced by several factors, including leadership, work motivation, job satisfaction, organizational commitment, reward systems, and organizational culture. However, research findings regarding these factors—particularly organizational culture—have been inconsistent. Some studies report that organizational culture has a positive and significant effect on performance, while others show weak or insignificant effects. These inconsistencies indicate a research gap that requires further exploration, particularly in the context of educational organizations in Indonesia.

In this study, organizational culture was selected as the primary antecedent of employee performance, in line with previous studies that position it as a fundamental factor explaining performance variation, particularly in educational institutions. Research by Hutabarat, (2015) showed that organizational culture had a positive and significant effect on the performance of public high school teachers in Medan City. Similar findings were reported by (Suriansyah, 2014), who emphasized that school culture has both direct and indirect relationships with teacher performance through internal organizational mechanisms. Furthermore, research by (Ramadista & Kismono, 2020) strengthened the argument that organizational culture is a strategic context that determines the effectiveness of work behavior and performance outcomes, even when examined at different organizational levels.

The selection of organizational culture as the primary variable is based on the view that culture is a system of shared values, norms, and work practices that guide the thinking, attitudes, and actions of organizational members. Culture is not only reflected in written rules but is also manifested in daily work habits, communication patterns, leadership decision-making, and employee interactions. Thus, organizational culture serves as a “frame of

reference” that shapes standards of work behavior and determines how performance is formed and evaluated in practice.

In a values-based educational institution such as the Darul Fikri Foundation in Makassar, organizational culture plays a crucial role, functioning not only as an administrative guideline but also as a moral and social reference that influences work ethic, discipline, responsibility, and the quality of interpersonal relationships among employees. A strong and consistent culture is believed to foster harmonious work behavior, strengthen solidarity, and enhance collective commitment to institutional goals. In this study, organizational culture is not only examined for its direct effect on employee performance but also through internal mechanisms, namely collectivism as a mediating variable. Collectivism reflects an orientation toward togetherness, cooperation, and shared responsibility, which theoretically serves as a bridge between cultural values and improved performance. Thus, organizational culture first shapes a collective orientation, which in turn encourages more cooperative, disciplined, and achievement-oriented behavior.

Furthermore, this study includes power distance as a moderating variable to understand how hierarchical relationships within an organization influence the relationships among variables. In the context of Indonesian organizations, which generally exhibit strong hierarchical structures, differences in perceptions of power distance may affect how employees interpret and implement organizational values. Employees with high acceptance of power distance tend to be more compliant with leadership directives but are not necessarily more proactive or initiative-driven in their work. Therefore, power distance is considered important in examining whether it strengthens or weakens the influence of organizational culture on employee performance. By including this variable, the study aims to capture organizational reality more comprehensively, recognizing that organizational culture does not operate in isolation but is shaped by power dynamics within the organizational structure.

This research is relevant as it is based on empirical conditions at the Darul Fikri Foundation in Makassar, where employee performance is generally good but still requires improvement. The selection of this foundation as the research site is based on the clarity of its organizational system, accessibility for research, and its representative characteristics as a religious-based educational institution. In terms of novelty, this study integrates organizational culture, collectivism, and power distance into a comprehensive conceptual model to explain employee performance. Thus, this research is expected to contribute theoretically to the development of human resource management and organizational behavior studies, as well as provide practical benefits for the foundation in strengthening work culture, enhancing collectivism, and managing leadership relationships more effectively.

## **METHOD**

### **Types of research**

This study employed a quantitative explanatory research design to examine the relationships among organizational culture, collectivism, power distance, and employee performance. Data were collected in numerical form through questionnaires and analyzed using statistical techniques to test the proposed hypotheses. The analysis focused on assessing both direct and indirect effects among the variables, where organizational culture served as the independent variable, collectivism as the mediating variable, power distance as the moderating

variable, and employee performance as the dependent variable. The study aimed to provide an empirical explanation of the dynamics influencing employee performance within the context of a religious-based educational institution, specifically the Darul Fikri Foundation in Makassar.

### **Population and Sample**

The population in this study is all employees under the auspices of the Darul Fikri Makassar Foundation, consisting of teachers, administrative staff, educational staff, and foundation administrators with a total of 300 people. This population was chosen because it is considered capable of representing the actual conditions of the organization in terms of work culture, level of collectivism, and hierarchical relationships that occur in the work environment. Given the large population, this study uses a sampling technique with the proportionate stratified random sampling method, namely random sampling by considering the proportion of each work unit and type of position, so that each group has an equal opportunity to be represented. Determination of the number of samples using the Slovin formula with a 5% error rate, resulting in a sample of 171 respondents. This sample was then distributed proportionally to each educational unit so that the research results are more representative, objective, and able to describe the condition of the entire population accurately.

### **Data collection technique**

The data collection techniques in this study were carried out through two main methods, namely questionnaires and documentation. The questionnaire was the main instrument used to obtain primary data, which was compiled based on indicators from each research variable and used a five-point Likert scale, ranging from strongly disagree to strongly agree. This questionnaire was distributed directly to respondents consisting of teachers and staff at the Darul Fikri Foundation Makassar, with the aim of measuring their perceptions, attitudes, and experiences related to organizational culture, collectivism, power distance, and employee performance. In addition, the documentation method was used as a complement to obtain secondary data, such as the foundation's profile, organizational structure, personnel data, and activity reports relevant to the study. The use of these two techniques aims to obtain more complete and accurate data, while strengthening the validity of the findings through triangulation of data sources, so that the research results are not only quantitative but also have a deeper context.

### **Data Analysis Techniques**

Data analysis in this study was conducted in stages, starting from the editing, coding, and tabulation process, to statistical analysis using the Structural Equation Modeling approach based on Partial Least Squares (SEM-PLS) with the help of SmartPLS software. The initial stage was carried out to ensure the collected data was complete and ready to be processed, then continued by assigning a numerical code to each respondent's answer according to the Likert scale. Next, the data was analyzed descriptively to describe the characteristics of respondents and the distribution of answers, and inferentially to test the relationship between variables. Hypothesis testing was carried out by examining the path coefficient value, t-statistic, and p-value through the bootstrapping technique. The SEM-PLS method was chosen because it is able to analyze complex relationships, including direct, indirect (mediation), and moderating influences in one model simultaneously, without requiring a normal data distribution. With this technique, the study is expected to produce accurate, reliable findings that can comprehensively

explain the relationship between organizational culture, collectivism, power distance, and employee performance.

## RESULTS AND DISCUSSION

### Hypothesis Testing

#### 1. Hypothesis Test Results 1: Organizational culture has a positive effect on employee performance.

The first hypothesis in this study states that organizational culture has a positive effect on employee performance. This means that the better the organizational culture perceived by employees, the higher the level of performance demonstrated in carrying out work tasks and responsibilities. Hypothesis testing was conducted using the PLS-SEM approach with a bootstrapping procedure to obtain path coefficients, t-statistics, and p-values as a basis for making hypothetical decisions.

The test results show that the path Organizational Culture  $\rightarrow$  Employee Performance (X  $\rightarrow$  Y) has a path coefficient value ( $\beta$ ) = 0.470 and p-value = < 0.001, A positive path coefficient indicates that organizational culture has a unidirectional influence on employee performance. Meanwhile, a t-statistic greater than 1.96 and a p-value less than 0.05 indicate that the influence is statistically significant.



**Picture 2. Organizational culture has a positive influence on employee performance.**

Source: Hypothesis Test Results (2026).

These findings indicate that organizational culture plays a significant role in driving improved employee performance. The path coefficient of 0.470 indicates that organizational culture makes a significant contribution to variations in employee performance. This indicates that organizational values, work norms, shared behavioral patterns, and managerial practices prevailing in the workplace can positively shape employee attitudes and work behaviors.

In the context of the Darul Fikri Foundation, an organizational culture that emphasizes the values of togetherness, responsibility, discipline, and exemplary leadership encourages employees to work more purposefully, consistently, and results-oriented. A strong culture not only serves as a guide for behavior but also serves as a source of intrinsic motivation for employees in carrying out their duties.

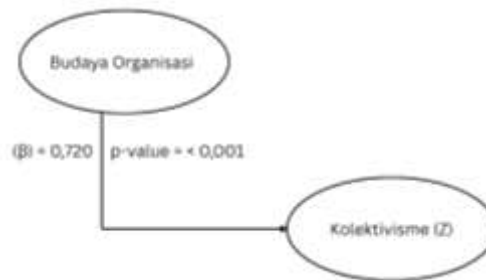
Based on the testing results and interpretations, it can be concluded that organizational culture has a positive and significant effect on employee performance. Therefore, Hypothesis 1 in this study is accepted.

#### 2. Hypothesis Test Results 2: Organizational culture has a positive influence on collectivism.

The second hypothesis in this study states that organizational culture has a positive influence on collectivism. This hypothesis is based on the assumption that the values, norms, and work practices embedded within an organization can foster an orientation toward

togetherness, solidarity, and cooperation among employees. Hypothesis testing was conducted using the Partial Least Square, Structural Equation Modeling (PLS-SEM) approach with a bootstrapping procedure to obtain path coefficient estimates and statistical significance.

The results of the analysis show that the path Organizational Culture → Collectivism (X → Z) has a path coefficient value ( $\beta$ ) = 0.720, p-value = <0.001, a positive path coefficient indicates that organizational culture has a unidirectional influence on collectivism. The t-statistic value that far exceeds the critical limit of 1.96 and the p-value is smaller than 0.05 indicates that the influence is very statistically significant.



**Picture 3. Organizational culture has a positive influence on collectivism.**

Source: Hypothesis Test Results (2026).

These findings suggest that organizational culture plays a central role in shaping employees' collectivist orientation. A path coefficient of 0.720 indicates a strong influence of organizational culture on collectivism. This means that the better the organizational culture perceived by employees, the greater their tendency to prioritize cooperation, togetherness, and group interests over individual interests.

In the context of the Darul Fikri Foundation, an organizational culture that emphasizes the values of togetherness, a sense of belonging to the institution, exemplary leadership, and fair and consistent implementation of rules fosters collective behavior among employees. This culture serves not only as a formal guideline but is also internalized in daily social interactions and work patterns.

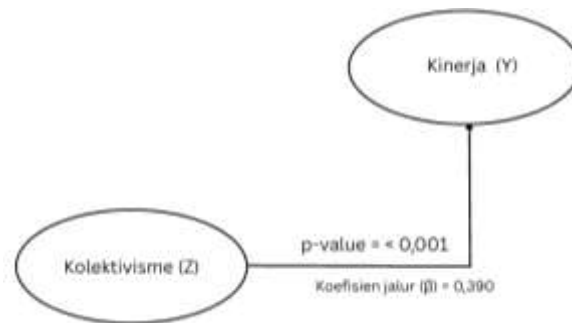
These results indicate that collectivism does not emerge spontaneously, but rather is built through ongoing social processes within organizations. Organizational culture serves as a value framework that unites individuals into a shared work orientation, thus creating strong group solidarity and commitment. Based on the empirical testing results and interpretations, it can be concluded that organizational culture has a positive and significant effect on collectivism. Therefore, Hypothesis 2 in this study is accepted.

### **3. Hypothesis Test Results 3: Collectivism has a positive effect on employee performance.**

The third hypothesis in this study states that collectivism has a positive effect on employee performance. This hypothesis is based on the view that a work orientation that emphasizes togetherness, cooperation, and a sense of collective responsibility will encourage individuals to perform optimally for the common good and the achievement of organizational goals.

Hypothesis testing was conducted using the Partial Least Square Structural Equation Modeling (PLS-SEM) method with a bootstrapping procedure to assess the significance of the influence between variables. The analysis results show that the Collectivism → Employee

Performance ( $Z \rightarrow Y$ ) path has a path coefficient ( $\beta$ ) value = 0.390 and a p-value =  $<0.001$ . A positive path coefficient value indicates a unidirectional relationship between collectivism and employee performance. Meanwhile, the t-statistic value is far above the critical limit of 1.96 and the p-value is smaller than 0.05 indicates that the effect is statistically significant.



**Picture 4. Collectivism has a positive effect on employee performance.**

Source: Hypothesis Test Results (2026).

These results indicate that collectivism plays a significant role in improving employee performance. The path coefficient of 0.390 indicates that the stronger an employee's collectivist orientation, the better their performance in carrying out their job duties and responsibilities.

In the context of the Darul Fikri Foundation, a collectivist orientation is reflected in an attitude of mutual assistance, a willingness to work together selflessly, and a sense of ownership in the organization's success. Employees work not solely for personal gain but also consider the impact of their work on their colleagues and the institution as a whole. This work pattern fosters a conducive work environment, more effective coordination, and more optimal task completion.

These findings suggest that employee performance is determined not only by individual abilities, but also by the quality of social relationships and the shared values fostered within the organization. When employees feel part of a unified whole, they tend to demonstrate higher levels of commitment, better work discipline, and a willingness to make extra contributions to achieve shared goals.

Based on the empirical testing results and the discussion outlined above, it can be concluded that collectivism has a positive and significant effect on employee performance. Therefore, Hypothesis 3 in this study is accepted.

#### **4. Results of Hypothesis Test 4: Collectivism mediates the influence of organizational culture on employee performance.**

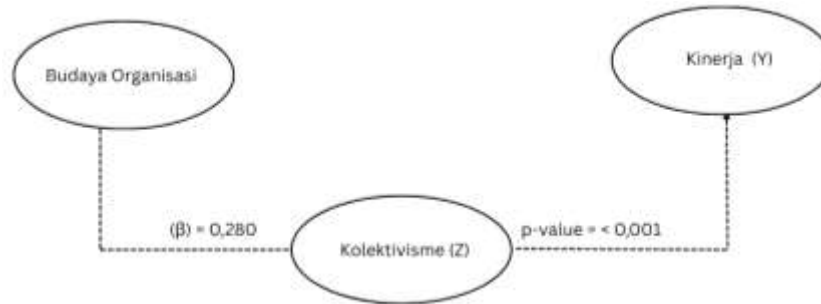
The fourth hypothesis in this study states that collectivism acts as a mediating variable in the relationship between organizational culture and employee performance. This means that organizational culture not only directly influences employee performance but also works through the formation of collectivist values, which then drive performance improvement.

This hypothesis is based on the assumption that organizational cultural values, norms, and practices will be more effective in improving performance if they are first internalized in the form of an orientation of togetherness, cooperation, and solidarity among employees. The mediation hypothesis was tested using the PLS-SEM approach with a bootstrapping procedure, as recommended by Hair et al. (2020), to assess the significance of the indirect effect. The analysis results show that the path Organizational Culture  $\rightarrow$  Collectivism  $\rightarrow$  Employee

Performance ( $X \rightarrow Z \rightarrow Y$ ) has an indirect effect coefficient ( $\beta$ ) value of 0.280, p-value = <0.001.

A positive coefficient value indicates that the indirect effect is unidirectional, while a t-statistic value greater than 1.96 and a p-value less than 0.05 indicate that the effect is statistically significant.

These results suggest that collectivism plays a crucial role as a mediating mechanism between the influence of organizational culture and employee performance. A strong organizational culture does not automatically improve performance, but rather, it first shapes collective mindsets and behaviors among employees.



**Picture 5. Collectivism mediates the influence of organizational culture on employee performance.**

Source: Hypothesis Test Results (2026).

In the context of the Darul Fikri Foundation, organizational cultural values such as togetherness, caring, and shared responsibility encourage employees to work beyond individualism. These values are then manifested in collective behaviors, such as helping each other complete tasks, sharing responsibilities, and maintaining work harmony. This ultimately has a positive impact on improving employee performance.

These findings also demonstrate that some of the influence of organizational culture on performance operates through social and relational channels, not solely through formal rules or organizational structure. In other words, organizational culture is effective when it is successfully translated into a collectivist orientation that is lived out in employees' daily lives.

Based on the test results, the direct effect of organizational culture on employee performance (H1) remains significant, while the indirect effect through collectivism (H4) is also significant. This condition indicates that collectivism acts as a partial mediator. This means that organizational culture influences employee performance both directly and through the formation of collectivism. Both pathways work simultaneously in explaining variations in employee performance. Based on the results of the empirical testing and analysis that have been conducted, it can be concluded that collectivism is proven to partially mediate the effect of organizational culture on employee performance. Thus, Hypothesis 4 in this study is accepted.

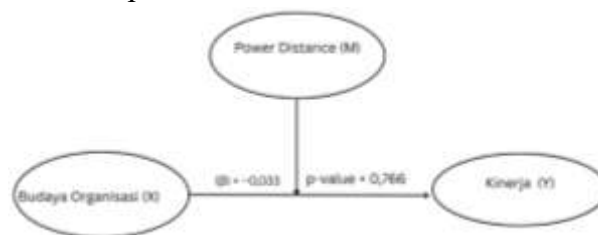
### **5. Hypothesis Test Results 5: Power distance moderates the influence of organizational culture on employee performance**

The fifth hypothesis in this study states that power distance acts as a moderating variable in the relationship between organizational culture and employee performance. This hypothesis assumes that the strength or weakness of organizational culture's influence on employee

performance can vary depending on the level of power distance perceived by employees within the organization.

In this context, power distance is understood as the extent to which employees accept and consider the differences in power, authority, and decision-making between leaders and subordinates to be normal. The higher the power distance, the greater the perceived hierarchical distance within the organization. The results of the bootstrapping analysis show the interaction path coefficient ( $\beta$ ) =  $-0.033$ , p-value =  $0.766$ . The t-statistic value is smaller than  $1.96$  and the p-value is far above the significance limit of  $0.05$  indicating that the effect of the interaction between organizational culture and power distance on employee performance is not statistically significant.

These results indicate that power distance has neither been shown to strengthen nor weaken the influence of organizational culture on employee performance. In other words, the influence of organizational culture on employee performance is relatively consistent, both under high and low power distance conditions. In the context of the Darul Fikri Foundation, these findings indicate that organizational cultural values remain capable of driving employee performance without being significantly influenced by perceptions of power distance. Employees tend to carry out their duties and demonstrate performance based on values of togetherness, responsibility, and commitment to the organization, rather than solely due to hierarchical structures or formal power relations.



**Picture 6.** Power distance moderates the influence of organizational culture on employee performance.

**Source:** Hypothesis Test Results (2026).

These findings can also be interpreted to mean that, although the organizational structure has clear hierarchies of authority, day-to-day working relationships within the foundation are not dominated by rigid power distance. Under these conditions, power distance is not a determining factor in altering the influence of organizational culture on performance. Theoretically, these results indicate that power distance does not always function as an effective moderating variable, particularly in organizations with a strong collectivist culture and shared values. These findings align with the view that, in the context of organizations based on social and religious values, power relations tend to be more symbolic and normative than instructive and coercive.

Thus, although power distance is conceptually relevant in the study of organizational culture, its role as a moderating variable is contextual and does not always emerge empirically. Based on the empirical test results, it can be concluded that power distance does not moderate the influence of organizational culture on employee performance. Therefore, Hypothesis 5 in this study is rejected.

## Findings on the Research Model

Based on the results of the hypothesis test that have been presented, the following is a summary of the results of the hypothesis test:

**Table 1. Summary of Hypothesis Test Results**

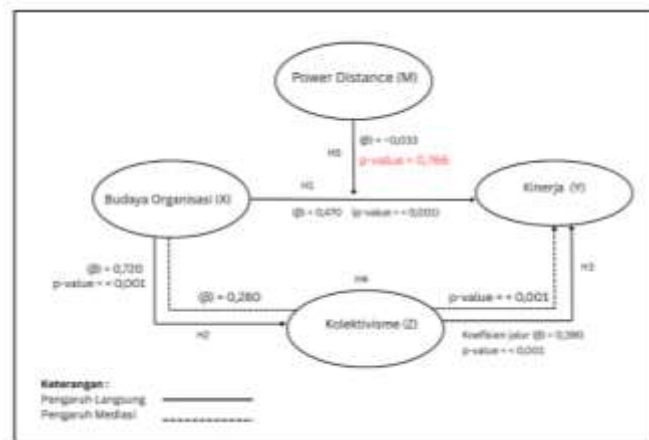
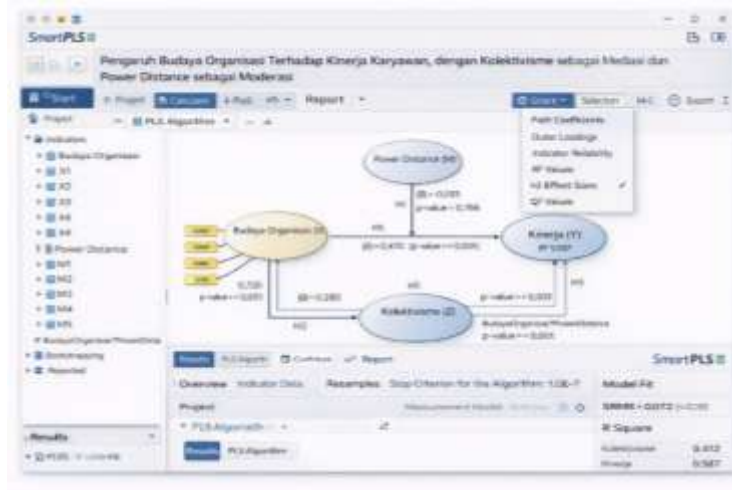
Hypothesis	Test Track	Path Coefficient ( $\beta$ )	Standard Deviation (STDEV)	t-Statistics	p-Values	Information
H1	Organizational Culture $\rightarrow$ Employee Performance (X $\rightarrow$ Y)	0.470	0.061	9.67	0,000	Significant
H2	Organizational Culture $\rightarrow$ Collectivism (X $\rightarrow$ Z)	0.72	0.043	16.74	0,000	Significant
H3	Collectivism $\rightarrow$ Employee Performance (Z $\rightarrow$ Y)	0.39	0.057	6.84	0,000	Significant
H4	Organizational Culture $\rightarrow$ Collectivism $\rightarrow$ Employee Performance (X $\rightarrow$ Z $\rightarrow$ Y)	0.28	0.041	6.83	0,000	Significant (Partial Mediation)
H5	Power Distance Moderation (X $\times$ M $\rightarrow$ Y)	-0.033	0.054	0.61	0.522	Not Significant

Source: Processed Primary Data (2026).

Based on Table 24, Summary of Hypothesis Testing Results, it can be concluded that this study provides strong empirical support for the proposed conceptual model. Of the five hypotheses tested, four were accepted, while one was rejected. These findings indicate that most of the relationships between variables formulated in the study significantly explain employee performance phenomena.

The test results indicate that organizational culture has a positive effect on employee performance, both directly and through collectivism. Furthermore, organizational culture has also been shown to have a positive effect on collectivism, and collectivism itself has a significant effect on employee performance. This finding is supported by the results of the indirect effect test, which confirms that collectivism acts as a mediating variable in the relationship between organizational culture and employee performance. Thus, the influence of organizational culture on performance occurs not only directly but also through strengthening shared values and a collective orientation in the work environment.

Meanwhile, the hypothesis testing the moderating role of power distance in the relationship between organizational culture and employee performance was declared insignificant. This indicates that differences in power distance levels neither strengthen nor weaken the influence of organizational culture on employee performance in the context of this study. Overall, the pattern of relationships between variables and the main findings of this study are summarized in Figure 8 Findings in the Research Model, which shows the direct influence pathway, the indirect influence through mediating variables, and the relationships that were not proven significant.



Picture 7. Findings in the Research Model.  
Source: Processed Primary Data (2026).

Based on Figure 8 of the research model presented, it can be explained that this study produced five main findings that were tested through the relationship between variables within the Structural Equation Modeling (SEM) framework. Of all the paths tested, four paths of influence were proven to be statistically significant with a p-value <0.05, while one other path was declared insignificant. These significant findings include: (1) the influence of organizational culture on employee performance; (2) the influence of organizational culture on collectivism; (3) the influence of collectivism on employee performance; and (4) the indirect influence of organizational culture on employee performance through collectivism as a mediating variable. One finding that was not statistically confirmed was the role of power distance in moderating the influence of organizational culture on employee performance, as indicated by a p-value above the specified significance limit.

In terms of direction of influence, all significant paths show a relationship consistent with the theoretical framework of this study. The influence of organizational culture on employee performance is positive, indicating that the stronger and more conducive the organizational culture perceived by employees, the higher the level of performance demonstrated. Similarly, the influence of organizational culture on collectivism also shows a positive direction, meaning that strong organizational values, norms, and practices play a role in shaping a collective work orientation among employees. Furthermore, collectivism has been shown to have a positive

influence on employee performance, thus it can be interpreted that the spirit of togetherness, cooperation, and a sense of belonging in the organization are important factors in driving the achievement of better performance.

Another important finding in this study is the confirmation of collectivism's role as a partial mediator in the relationship between organizational culture and employee performance. The test results indicate that organizational culture not only directly influences performance but also operates through social mechanisms in the form of collectivism. In other words, a strong organizational culture encourages the formation of a collective orientation in the workplace, which in turn strengthens employee performance. However, the direct effect of organizational culture on performance remains significant, so the mediation is partial, not complete. This suggests that in addition to shared values, organizational culture also influences performance through other, more direct channels, such as work systems, leadership, and clarity of organizational norms.

Meanwhile, the results of the moderation test indicate that power distance does not play a significant role in strengthening or weakening the relationship between organizational culture and employee performance. This finding indicates that the influence of organizational culture on performance is relatively stable, regardless of the level of power distance perceived by employees. Thus, employee performance is determined more by the quality of the values and practices of the organizational culture itself, rather than by differences in perceptions of hierarchy or power relations. Overall, these findings confirm that organizational culture is a key factor in improving employee performance, both directly and through the formation of collectivist values, while power distance did not prove to be a condition that changed the strength of this relationship in the context of this study.

## **Research Discussion**

The discussion highlights the research findings based on the influence between the research variables. This section also discusses whether the results of this study are consistent with those of previous research and provides confirmation, justification, development, and even rejection of the theories used.

### **1. The influence of organizational culture on employee performance at the Darul Fikri Foundation, Makassar**

The results of the hypothesis testing indicate that organizational culture has a positive and significant effect on employee performance at the Darul Fikri Foundation in Makassar ( $\beta = 0.470$ ;  $p < 0.001$ ). This finding confirms that organizational culture is not merely a normative or symbolic concept, but rather a reality that employees actually experience in their daily work activities. Values such as discipline, adherence to rules, sincerity in completing tasks, and communication patterns between individuals form a relatively stable behavioral framework. This framework serves as a reference for employees in understanding what is considered right and expected by the organization, thus directly influencing the way they work and produce performance.

In the context of the Darul Fikri Foundation in Makassar, as an educational institution, organizational culture plays a broader role than in organizations in general. Work culture is not only related to achieving administrative targets but also concerns moral and social responsibility in carrying out educational functions. When values such as exemplary behavior, time discipline, seriousness in serving students, and cooperation between educators and

administrative staff are well-ingrained, employee performance will be more focused and consistent. This demonstrates that organizational culture functions as a "direction guard" that ensures each individual works in harmony with the institution's vision and goals.

Furthermore, these findings indicate that employee performance does not emerge spontaneously, but rather results from a continuous process of habituation within the organization. A strong organizational culture creates clear standards of behavior, reduces uncertainty in the workplace, and encourages employees to adapt to prevailing values and norms. Therefore, improving performance at the Darul Fikri Foundation in Makassar is inextricably linked to efforts to build an organizational culture that is consistent, fair, and mutually understood by all members. This culture serves as the primary foundation before other factors can play a role in shaping performance.

The findings of this study align with previous studies that place organizational culture as a crucial factor in improving performance, particularly in the educational context. A strong organizational culture has been shown to create a conducive work environment, clarify work expectations, and foster a sense of shared responsibility among employees. Furthermore, organizational culture works through the process of internalizing values, where employees not only comply with formal rules but also understand and believe in the values underlying their work behavior. In the context of Indonesian culture, which is characterized by a familial spirit, values such as cooperation, mutual assistance, and social harmony are important factors that strengthen employee performance.

Theoretically, these findings reinforce the view that organizational culture is a value system that continuously shapes the mindset and behavior of organizational members. A strong culture can provide a collective identity, clarify behavioral standards, and encourage commitment to organizational goals. Thus, the positive relationship between organizational culture and employee performance is not only empirically proven but also has a strong theoretical basis. Consequently, improving employee performance at the Darul Fikri Foundation in Makassar needs to focus on consistently strengthening organizational culture, thereby creating a productive, harmonious work environment oriented toward achieving shared goals.

## **2. The influence of organizational culture on employee collectivism at the Darul Fikri Foundation, Makassar**

The results of the hypothesis testing indicate that organizational culture has a positive and significant effect on employee collectivism at the Darul Fikri Foundation in Makassar ( $\beta = 0.720$ ;  $p < 0.001$ ). This finding confirms that organizational culture plays a very strong role in shaping the orientation of togetherness, solidarity, and cooperation among employees. The values instilled by the organization, such as the habit of working as a team, helping each other, and prioritizing the interests of the institution above personal interests, have been proven to be able to encourage the formation of a collective attitude in the work environment. Thus, organizational culture not only functions as a normative guideline, but also as a foundation that shapes employees' perspectives in interpreting work as a shared responsibility.

In the context of the Darul Fikri Foundation in Makassar as an educational institution, collectivism is crucial because work activities require coordination and involvement from various parties. The educational process cannot run optimally if each individual works separately without a sense of togetherness. A strong organizational culture creates a space for

intense interaction, builds trust, and fosters awareness that organizational success is the result of shared contributions. Values such as kinship, deliberation, and mutual cooperation, implemented in the work environment, encourage employees to support each other in facing challenges and workloads.

The findings of this study also indicate that collectivism is not formed instantly, but rather through a continuous social process within organizational culture. Values of togetherness, caring, and collective responsibility need to be embodied in concrete behaviors and daily work habits so that they can be internalized by employees. When organizational culture is implemented consistently, employees will learn to understand expected interaction patterns, allowing a collective orientation to develop naturally as part of the way of thinking and acting within the organization.

In practice, strengthening organizational culture is reflected through internal policies, communication patterns, and the leadership style implemented. Policies that encourage teamwork, shared decision-making, and collective problem-solving send a strong signal that the organization values group contributions. Furthermore, open and inclusive communication can strengthen mutual trust among employees. The role of leadership is also crucial in this process, as exemplary behavior in upholding shared values and the interests of the organization will encourage employees to align their work behaviors with those values.

Theoretically, these findings align with the view that organizational culture is a value system that shapes the behavior of organizational members through a continuous process of internalization. Collectivism, in this context, can be understood as the result of the socialization of cultural values that emphasize togetherness, loyalty, and shared responsibility. In the context of Indonesian culture, which is characterized by a familial spirit, these values further strengthen social relationships within the organization. Thus, this study confirms that collectivism is not merely an innate individual characteristic, but rather a social product shaped by a strong organizational culture and consistently implemented in daily work life.

### **3. The influence of collectivism on employee performance at the Darul Fikri Foundation, Makassar.**

The results of the study indicate that collectivism has a positive and significant effect on employee performance at the Darul Fikri Foundation in Makassar. This finding indicates that the stronger the collective orientation of employees, the higher the performance they produce in carrying out daily tasks. Collectivism encourages individuals to focus not only on personal interests but also prioritize the common good and the success of the organization as a whole. In the context of educational institutions, this condition is very important because most work activities require coordination, collaboration, and interconnectedness between individuals in achieving common goals.

Empirically, collectivism is reflected in work behaviors that emphasize cooperation, mutual assistance, openness in sharing information, and efforts to maintain harmonious working relationships. This interaction pattern demonstrates that work is no longer viewed solely as an individual responsibility, but rather as part of a collective process that requires contributions from every member of the organization. In such situations, work successes and failures are perceived as shared responsibilities, thus encouraging employees to be more concerned about the quality of their own work and that of their colleagues.

As a sense of togetherness and social engagement strengthens, employees tend to take greater responsibility for the quality of their work and the organization's achievements. This is reflected in increased discipline, thoroughness, and a willingness to put in extra effort in completing tasks. Employees become more proactive in helping coworkers, more adaptive in facing challenges, and more consistent in maintaining the quality of their work. Thus, collectivism not only strengthens social relationships but also plays a direct role in shaping productive and results-oriented work behaviors.

From a broader perspective, collectivism can be understood as a social mechanism that continuously strengthens work effectiveness. The shared values embedded within an organization can create synergy between individuals, reduce the tendency to work separately, and minimize conflicts that can hinder performance. Furthermore, collectivism also helps maintain teamwork stability, as each member feels a sense of responsibility for the group's success. This is particularly relevant in work environments that demand role alignment and intensive coordination, such as in educational institutions.

Theoretically, this finding aligns with the Cultural Dimension Theory framework, which positions collectivism as a cultural value that encourages cooperation and group loyalty, and Social Exchange Theory, which emphasizes the importance of social relationships and reciprocity in shaping work behavior. When employees feel part of a supportive group, they are motivated to contribute their best in return for positive social relationships. Thus, the influence of collectivism on employee performance is not only empirically supported but also has a strong theoretical foundation, thus confirming that strengthening the value of togetherness is one of the keys to improving employee performance sustainably.

#### **4. The role of collectivism in mediating the influence of organizational culture on employee performance at the Darul Fikri Foundation, Makassar**

The test results show that collectivism acts as a mediating variable in the relationship between organizational culture and employee performance, with an indirect effect value of  $\beta = 0.280$  ( $p < 0.001$ ). This finding indicates that organizational culture not only has a direct influence on employee performance ( $\beta = 0.470$ ), but also works indirectly through the formation of a collective orientation in the work environment. In other words, some of the influence of organizational culture on performance is channeled through collectivism, which encourages employees to work not only based on individual interests, but also within a framework of shared responsibility. This indicates that the success of an organization in improving performance depends not only on the strength of cultural values, but also on the extent to which these values are able to shape patterns of social relationships among employees.

Empirically, this mediation pathway is evident in the strong influence of organizational culture on collectivism ( $\beta = 0.720$ ), which then positively impacts employee performance ( $\beta = 0.390$ ). This relationship pattern confirms that values such as togetherness, loyalty, caring, and orientation towards shared goals play an important role in improving work quality. A strong organizational culture creates a conducive social climate, where employees are encouraged to help each other, work as a team, and have a sense of belonging to the organization. In these conditions, work is no longer seen as solely an individual responsibility, but as part of a collective contribution, resulting in more optimal and sustainable performance.

These findings are also supported by various previous studies that emphasize the importance of social and psychological aspects in shaping performance, particularly in the

context of educational institutions. Employee or teacher performance is determined not only by structural factors or leadership, but also by social conditions such as commitment, satisfaction, and harmonious working relationships. In this study, collectivism expands this role by acting as a social mechanism that bridges the influence of organizational culture on performance. This means that collectivism not only reflects shared values but also serves as a means of cultural internalization that makes employees more emotionally and socially attached to their work and the organization.

Furthermore, the results of this study confirm that the relationship between organizational culture and performance is indirect and gradual, where cultural values must first be translated into attitudes and social interactions before producing concrete work behaviors. Collectivism in this case serves as the main channel that allows organizational cultural values to be implemented in daily work practices. Thus, this study not only strengthens existing theory but also provides conceptual development by positioning collectivism as a key mechanism in this relationship. In the context of the Darul Fikri Foundation Makassar, these findings indicate that strengthening organizational culture needs to be accompanied by efforts to create a work environment that encourages togetherness, cooperation, and a sense of belonging, so that employee performance improvements can be achieved more effectively and sustainably.

#### **5. The role of power distance in moderating the influence of organizational culture on employee performance at the Darul Fikri Foundation, Makassar.**

The results of the hypothesis testing indicate that power distance does not significantly moderate the influence of organizational culture on employee performance ( $\beta = -0.033$ ;  $p > 0.05$ ). This finding indicates that the high or low power distance perceived by employees is unable to strengthen or weaken the relationship between organizational culture and performance. Thus, the influence of organizational culture on employee performance at the Darul Fikri Foundation Makassar tends to be direct, consistent, and relatively stable. This means that regardless of how employees perceive the hierarchical structure and distribution of power within the organization, organizational culture remains a major factor influencing their work behavior and performance achievements.

Substantively, these results indicate that deeply ingrained organizational cultural values, such as discipline, responsibility, quality orientation, and commitment to work, play a more dominant role in shaping employee performance than structural factors such as power distance. In the context of the Darul Fikri Foundation in Makassar, as an educational institution, work culture appears to have become a shared guideline internalized by all employees. This condition means that differences in position, title, or level of authority do not significantly affect how these values are translated into daily work behavior. In other words, organizational culture functions as a "unifier" that creates uniform work orientation across all levels of the organization.

This finding also aligns with the characteristics of organizational culture in Indonesia, which tends to be familial and collective. In such a culture, the relationship between superiors and subordinates is not solely based on formal structures but is also influenced by social values such as respect, togetherness, and harmony. Although there is a clear hierarchy formally, in practice, working relationships are often more flexible and interpersonal. As a result, power distance becomes less dominant in influencing work effectiveness, as employees rely more on

agreed-upon social norms and collective values rather than solely on structural pressure or authority.

Furthermore, the results of this study can be understood by examining the differences in character between employee performance variables and work attitude variables such as job satisfaction. Employee performance is more reflective of tangible behavioral aspects and operational work results, such as punctuality, target achievement, compliance with regulations, and output quality. In this context, performance tends to be influenced by professional norms, institutional standards, and established cultural values. Conversely, power distance is more related to employees' subjective perceptions of fairness, participation, and power relations, thus having a greater influence on affective aspects such as job satisfaction or organizational commitment. This difference in character explains why power distance does not always play a significant role in determining performance variations.

Furthermore, these findings reinforce the view that in organizations with a strong culture, shared values can transcend the influence of formal structures in shaping work behavior. When organizational culture has been deeply internalized through leadership practices, communication patterns, and work systems, employees tend to operate based on collective awareness and shared responsibility. Under these conditions, differences in power levels are no longer a determining factor, as employees share a shared behavioral code derived from the organization's cultural values.

Thus, the insignificant moderating role of power distance has important theoretical and practical implications. Theoretically, this finding confirms that cultural dimensions do not always have the same influence in every organizational context and type of variable studied. Meanwhile, practically, these results suggest that efforts to improve employee performance at the Darul Fikri Foundation in Makassar should be more focused on strengthening organizational culture and developing collectivist values, rather than restructuring the hierarchical structure. As long as the values of the organizational culture are understood, accepted, and implemented consistently by all members of the organization, employee performance can remain optimal without being unduly influenced by differences in perceptions of power distance.

### **Research Contribution**

This study provides a significant theoretical contribution to the development of Human Resource Management, particularly in the study of organizational behavior and employee performance in the context of educational institutions. The findings confirm that organizational culture has a direct, positive and significant influence on employee performance, while strengthening the role of culture as a shared value system that shapes work behavior, discipline, and professional orientation. Furthermore, this study also enriches the understanding of collectivism as a mediating variable that bridges the relationship between organizational culture and performance. The results show that organizational culture does not immediately improve performance, but rather first forms an orientation of togetherness, cooperation, and collective responsibility that then encourages more optimal performance. Thus, collectivism is understood as an important social mechanism in the process of internalizing cultural values into employee work behavior. On the other hand, testing power distance as a moderating variable indicates that this variable plays a non-significant role, thus providing new understanding that in organizations with a strong culture, power relations are not always a

determining factor in influencing performance. Overall, this study successfully integrates the dimensions of culture and social mechanisms into one comprehensive model, and expands the application of the theory in the context of religious-based educational institutions in Indonesia.

From a practical perspective, this research provides a relevant contribution to organizational management at the Darul Fikri Foundation in Makassar, particularly in improving employee performance by strengthening work culture and values of togetherness. The research findings demonstrate the importance of ensuring that organizational values are not only formal but also implemented concretely in policies, work procedures, and daily practices. Furthermore, the foundation needs to encourage the creation of a collaborative work culture by strengthening teamwork, open communication, and harmonious working relationships so that collectivism can develop optimally. Although power distance has not been proven to moderate the relationship between variables, leaders still need to apply a leadership style that balances assertiveness and openness to create a conducive work environment. Thus, value-based human resource management, supported by a strong organizational culture and a high collective orientation, will be able to improve employee performance sustainably while maintaining alignment with the educational values promoted by the foundation.

## **CONCLUSION**

Based on the entire series of research processes that have been carried out, starting from problem formulation, data collection, to analysis and discussion, it can be concluded that organizational culture has a positive and significant influence on employee performance at the Darul Fikri Foundation Makassar, while also playing a strong role in shaping employee collectivism. Collectivism itself has been proven to have a positive influence on performance, thus indicating that work success is not only determined by individual abilities, but also by the strength of cooperation and social interaction within the team. In addition, collectivism has been shown to partially mediate the relationship between organizational culture and employee performance, which means that organizational culture influences performance both directly and indirectly through the formation of shared values. Meanwhile, power distance has not been shown to moderate the relationship, so it can be understood that the influence of organizational culture on performance remains consistent without being influenced by the level of hierarchy or power distance within the organization.

Based on these conclusions, it is recommended that the Darul Fikri Makassar Foundation consistently maintain and strengthen its organizational culture through internalizing core values in daily work practices, as well as developing programs that encourage teamwork such as cross-unit collaboration and regular discussion forums to increase employee collectivism. Although power distance does not act as a moderating variable, the foundation still needs to implement a balanced leadership pattern between structural assertiveness and open communication to create a conducive work environment. Academically, further research is recommended to add other variables such as job satisfaction, organizational commitment, leadership style, or workload, and use a longitudinal or mixed-method approach to be able to provide a more comprehensive understanding of the dynamics of organizational culture and employee performance in the long term.

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